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MEDIA RELEASE

TITLE: Assembly Wednesday this week passed the budget 2018/19

Assembly was held on Wednesday this week and the budget 2018/19 was passed without too much fuss.

Terry mumbled about the “plus and minus” then took off in a huff when he was reminded he was a member of the Public Accounts Committee (PAC). I think he thought he’d do the drama queen dance. But leaving the house and not participating in the debate is childish and he let his voters down.

The PAC presented their comprehensive report as requested by the Assembly and I’m pleased with Maureen Melekitama and her committee for a very thorough job. They met with all departments who were requested to explain, elaborate any matters raised by any members in the committee.

Further debates were held clarifying points members wished to raise. But in essence the report was voted to be adopted and then the budget went through due process and was passed 13 for to 2 against.

But certain members were distracting and trying hard to mix the budget and the SOE budgets. They follow different Acts with the NPNC Act passed by the assembly in 1976. Long before I entered the Assembly. The budget is under the Constitution.

There seems to be some confusion about those provisions and the use of the Act for the legal basis or framework for the SOEs. But the SOEs are legal entities established under the laws of Niue. The tabling of the SOE budgets is a legal requirement and enables the Assembly to learn about the work of the SOEs and how well they are doing or not.

Focusing on the law passed in 1976 doesn’t help anyone learn about what the SOEs are doing and what their performance is like. It’s a distraction and not helpful in trying to gauge SOE performance.

But that’s their politics and it must be frustrating to those people who want to know.

But I think they were trying hard to score points which I missed. I suspect those who follow them blindly are clueless as well. But what’s new.

There are certain capital commitments made by government for the airlines and Kiwibank. Both are doing well so no underwrite was called upon.

For those who wonder why the debates were so short it was simply because the PAC had done a good job. In many respects they raised a number of issues which we discussed.

The budget was passed but it took longer than some passed some years before.

The only other matter of note was the actual spends for the last year. These show that the \$2m deficit has been reduced to \$200,000. This is a dramatic and massive turnaround and I thanked caucus and Cabinet for agreeing and sticking to a plan which we executed but kept most things going. No pay was affected, but the plans to pay more for the pensioners was placed on hold.

In October last year when cash flow issues started to bite, we stuck to simple but telling responses which made my life easier.

Offers of assistance from New Zealand were turned down but we were able to be very focused on collecting debts and avoid adding to these. The collection of all charges before cargo were released was one of the results debt collecting and overdue Power debts was also successful. Travel was restricted.

So that outcome of \$200,000 actual was a major result for the government.

The government is very focused on investments both in the economy and community including the environment and have managed to attract capital from many sources to assist. The amounts have been large but investment of the scale were looking at is large. But then again we are what some may call us an SME or small medium enterprise. It's why I question the number of people doing our government audits. The numbers are way over the top.

The negotiations stance taken by this government relies heavily on our strategic plan vision and objectives.

It is the Governments view that these investments will generate their own revenues and incomes to help maintain and pay for the operational costs of these investments. I think people can understand the economy but may find community and environment investments generating revenues is not normal.

This is why we started the public service transformation in 2012 I thought that we had nothing to lose but to look to changing the way we viewed investments in the community and the economy. We have also started to review our environment investments noting how important they are to us in particular and tourism.

The community and environment investments are considered by some as new. But in fact they are not.

But that's the new future we are planning.

[ENDS]

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