

**Monday 23<sup>rd</sup> December 2013.**

The Speaker, Sir Allan Kemakeza took the Chair at 9:53 am

Prayers:

**ATTENDANCE**

**All are present except the Minister for Justice and Legal Affairs, the Member for East Are'Are, Maringe/Kokota, North New Georgia, North West Guadalcanal, North Vella La Vella, South Guadalcanal and South New Georgia/Rendova/Tetepari.**

**BILLS**

**Bills – Committee of Supply**

The “2014 Appropriation Bill 2013”

*Pages 247, 248, 249*

**Hon Derek Sikua:** Thank you Mr Chairman, on page 248, there is a very big reduction on item 2008 publicity and promotions, a reduction of more than \$47,000.00 Mr Chairman leaving only more than \$52,000, in this allocation.

If the Minister can explain to the committee why this very big reduction and whether they don't really need it in 2014 Sir. Thank you.

**Hon Dickson Mua:** Thank you Chair, the decrease is a result of this framework of the 2014 budget and how it is formulated, although the accounts department in my ministry has submitted upon our table to get it. Thank you Chair.

**Hon Derek Sikua:** Thank you Mr Chairman, so is the minister saying that his ministry is requesting the same level of funding that he is received this year 2013 of more than \$300,000.00 but ministry of Finance cuts down this amount Mr Chairman. And if so, how can he recover this amount to carry out publicity and promotions in 2014. How will the Ministry get the amount back for its activities in terms of publicity and promotions?

**Hon Dickson Mua:** Thank you Chair. In fact this follows the new Chart of Accounts. What the Ministry will do is that, we will look at the other Heads, to see if we can also tap there.

**Hon Derek Sikua:** Thank you Mr Chairman, still on page 248 on Salaries. There is also a huge reduction to the salaries of the staff of the Ministry, almost 50percent reduction. Why is this huge reduction of more than \$953,000? Are you laying-off half of your staff in 2014, and therefore, this huge reduction to the salaries?

**Hon Dickson Mua:** Thank you Chair. This reduction is due to the framework of the budget, 2014 Budget. In fact it is based on the actuals for the 2014 Budget.

**Hon Derek Sikua:** Thank you Mr Chairman. I am hearing a lot about this framework of the budget. What sort of framework are you talking about? Can the Minister of Finance explain this framework that they use for the budget? Because I am seeing very huge reductions for the same Ministry on the same page under the Heads further down. For non-residential buildings, huge reductions are also there, maintenance of residential buildings; huge reductions are also there, as well as maintaining computer equipments. I think the Minister for Finance can explain the framework on how we devise this 2014 Budget.

**Hon Rick Houenipwela:** Thank you Mr Chairman. I do not have anything to add to what I have said previously on this issue. But on this particular Head, it is quite important for us to compare the figures that are actuals in the previous years. I do not see any reductions to the actuals, although a small reduction is there. I was looking at the establishments; there is no reduction there, which means their budget is the same as the previous years in terms of salaries.

*Page 250, 251, 252*

**Mr Manasseh Sogavare:** Thank you Mr Chairman. Page 251 Sub Items 2710 and 2715, it is to do with Public Servants Local Other Costs and Local Fares, these items are zeroed, some of the things that were asked earlier on were related to work related tours of the officers and the question is whether Plantation development forestry Unit will do any work related tours or not? If yes then where will you meet those work related tours for your officers since there is zero under their subhead for 2014?

**Hon Dickson Mua:** Can the colleague repeat his question and also stated which page he is referring to?

**Mr Manasseh Sogavare:** Thank you Chairman, the page is page 251 and it is about the sub item 2710 - Public Servants Local Other costs and 2715 - Others Local Fares. When referred back to the questions asked by some ministries, they said that costs are related to work related tours of the Public Officers.

The question is whether the Plantation Development & Forestry division will any local work related tours to the provinces or not? If yes then where will we meet those costs since those is no allocation for those two items for 2014?

**Hon Dickson Mua:** We will take under the budget of headquarters and also on monitoring and evaluation, thank you.

*Pages 253, 254 and 255*

**Mr Peter Shanel Agoavaka** (*Central Guadalcanal*): I just want to ask the Minister; what kind of monitoring and evaluation are you planning to do next year and hence, attract the amount that is there for 2014 budget. Is it the monitoring on the re-forestation or the downstream processing or the Biomass survey or carbon inventors or the courier plant inventory? What sort of monitoring and evaluation is this?

**Hon Dickson Mua:** This monitoring and Evaluation will basically involve the officers to check the out growers and also some projects that have been funded by the Ministry, especially those that the Ministry actually give some assistance.

**Hon John Maneniaru** (*West Are Are*): Thank you, on page 253 subhead 2504 - Maintain - Structures, Airfields and Wharves, can the Minister explain which wharves and airfields are under the ministry and that the budget is allocated to?

**Hon Dickson Mua:** This is for the landscaping of our national herbarium, but the way they set this chart of account that is why they lump everyone together, basically it is to do landscaping at our national herbarium at the botanical garden.

**Mr Manasseh Sogavare:** Thank you Mr Chairman. May be the ministry of finance will take note of that, to strengthen the narrations because certainly airfields and wharves are no way close to the functions of the ministry of forestry. Under this item, which the Leader of Independent group raised on sub item 250100- the national herbarium, that botanical garden; the narration that needs to be corrected for historical purposes.

**Hon Derek Sikua:** Page 253, uniforms – item 2901, it's a new allocation I noted that this national herbarium botanical garden has nine staff. I want to ask the minister; how often do you purchase new uniforms for the staff working at the national herbarium and botanical garden?

**Hon Dickson Mua:** These costs are for uniforms as the leader of opposition rightly mentioned and for all staff and especially the technical staff of the ministry. Not only in Honiara but it also caters for those in the provinces to give them identity for the public to recognize a forestry officer and not someone from a village, so that they can carry out their duties efficiently and effectively and also for the safety of these materials to those that work with chemicals. They need those uniforms, thank you chair.

**Hon John Maneniaru:** page 253, head 03022, botanic garden and herbarium, minister in answer to my question today, was implying that work is still there but here it is zeroed. Can the minister explain whether some works are still there as it implies because there is no budget for the botanical garden?

**Hon Dickson Mua:** Thank you chair, I am still looking around it here.

**Hon John Maneniaru:** Thank you chairman, can I hear the answer to my question from the minister.

**Hon Dickson Mua:** If the leader of independent can repeat his question, thank you. Is it on 3022?

**Hon John Maneniaru:** I am happy to repeat the question, on page 253, Head 3022 on Botanic and Herbarium. With the answer that you have given to my question earlier

you have implied that there were some works are there, but in here the budget is zero. That is what I am asking you, to explain why the budget is zero since you still imply that some work is still under the Botanical garden.

**Hon Dickson Mua:** Thank you Chair, the first part that you have asked on the question is under the development budget, but under the National Herbarium and Botanical garden there was no allocation.

**Hon Derek Sikua:** Thank you Mr Chairman. you are going to have the same answer for this item 2501, 'maintenance of non residential building' because in 2012 you have more than \$334,000 for that work and this year there was none and maybe next year there will be no allocation for it? Is it under the development budget, or where does the maintenance for non residential buildings on the Herbarium and Botanical Garden provides for under your budget?

**Hon. Dickson Mua:** Chair, you would see a decrease there and it is due to the fact that most major repairs have been done this year and a lot of maintenance work has already been done this year.

**Hon Johnley Hatimoana:** Thank you Chairman, I would like to ask a question to the Minister on Head 1010 where there is a decrease on next year's budget but if you look at Head 2714 there is an increase in terms of Public Servants annual leave fares. Can the Minister explain this inconsistency in terms of reduction in salary and then an increase in fares?

**Hon Dickson Mua:** Well a few answers to those, like I have mentioned is because of this 2014 framework on the budget, and for the other one we have actually base it on the actual of 2014 on the salaries of our employees to work on the national herbarium

and botanical garden. On 2714, 'Public Servants Annual Leave,' this mainly cater for our staff including both established and non established workers which includes their annual and compassionate leaves and their travel expenses and probably due to the rise on the general cost of travel in sea fares. That is why you have seen a slight increase on that Head.

**Hon Derek Sikua:** Thank you Mr Chairman, I would like to ask a general question on the Botanical garden, can you allow me?

**Mr Chairman:** On what point?

**Hon Dr Derek Sikua:** For residential buildings at the Botanical Garden because I have not seen any allocation for that in here, on page 253.

**Mr Chairman:** Okay.

**Hon Derek Sikua:** Thank you Mr Chairman. After more than 10 years I went to the Botanical Gardens sometimes this year Mr Chairman, I went in search for a plant that I have an interest in.

I think there is a residential building that was built by the Japanese government or something like that inside the botanical garden with some other facilities. But when I went there Mr Chairman this building is fall into disrepair and people are drinking in there, and there are a lot of people using that place for drinking and other activities as well.

And so I would like to ask the Minister if you have any allocation to repair that building for somebody or the botanist or somebody to live in that place, because this security guard hut is no longer manned and so vehicles just go in and out. And I think it is not

looked after properly. The botanical I knew from way back is no longer the case as to what it is currently. It is like a place for people to go and drink alcohol and do other business Mr Chairman.

If minister can assure the committee that he is looking into this, and he is going to allocate money to make sure that this botanical garden is looked after properly Mr Chairman.

Not to mention some people who are encroaching up the hill into the land of the botanical as well, those who build houses and everything on top the hill.

Is the minister doing anything about this Mr Chairman and it is good that you are sitting next to the Minister of Lands then you two should discuss, to find out those who are doing such activities on to the hills, such as Tasahe and such areas like that Mr Chairman. Thank you.

**Hon Dickson Mua:** Thank you Chair, I think as we might aware that botanical gardens playing a very important role in any country and that is a very place for us to put all our plants, whatever plant species that we have in our country and a lot of work have been going on in that place. And that is why we also, if you looked in our previous budget we try to fence that area.

And so coming back to your question on repair and maintenance of the building, of course it will come under the budget of Headquarters and we are looking at that. Thank you Chair.

*Pages 256, 257*

**Mr Peter Shanel Agovaka:** Page 255 Sir? Just at the bottom of the page, just one short question Sir.

**Hon. Chairman:** You will be the last person to refer the chairman to the previous page.



**Mr Peter Shanel Agovaka:** Thank you Sir, one of the budgets strategy and outlook of ministry of Forestry is to, not only issue licenses but to monitor the licenses and also monitor shipments of round logs, international log prices and help the Customs and Excise division in the ministry of Finance and Treasury to determine value of round logs Sir.

When I look at the budget

**Hon. Chairman:** (*interjection*) what item are you referring to?

**Mr Peter Shanel Agovaka:** We are not page 255 Sir, at the bottom there is tours and travel enforcement act; third to the last. There's a zero budget for that particular activity and I am just wondering Mr Chairman Sir, whether the ministry in its budget strategy and outlook which he talks about monitoring of not only shipments of round logs or international log prices or determine the value of round logs.

How will they carry out that work when there is zero in the budget for 2014? Can the Minister inform the House whether it is catered somewhere else? Thank you.

**Hon Dickson Mua:** Thank you Chair, in fact how they are making this budget here, we will find it is under Headquarters- the way they frame this Budget and the new Chart of Accounts; this appeared under Headquarters.

**Mr Douglas Ete:** Thank you Mr Chairman. I think this question is very important in terms of this 10 percent check. In the past, we did 100 percent check of all the logs that are taken on board the boats. But because we say that the country does not have the money, they just put an interim measure of 10 percent check. And 10 percent is insufficient in terms of collecting the real revenue for this country, in terms of

compliance. I am saying this because if there is no tour here, then it is a worrying situation to this country because no one is standing to see that, what sort of logs is being taken. So which they will sign a form called 'Application to Export Round Log' in Honiara, instead of signing it in Munda or Noro, they are just being signed in Honiara. This makes me worried. If there is no clause as such, how will government deal with this problem? It is a real issue in terms of improvement to the forestry sector. I just want the Minister to assure Parliament as what they will do since it is zero here for 2014.

**Mr Chairman:** Member for East Honiara, you are asking the same Sub Head? The same Sub Head that the Member for Central Guadalcanal was also asking about?

**Mr Douglas Ete:** Yes, what the Minister has said does not satisfy some of us, in terms of this Sub Head which is zero. We have a problem before us and that problem in the successive governments, almost 10 years has not been fixed. An assurance must be done to Parliament and the people of this country that, that 10 percent check will go back to 100 percent.

**Hon Dickson Mua:** Thank you Chair. Probably it relates to the first questioner. I just want to assure the House that the activities of the logging companies, we actually have forestry officer that are spread all throughout our provinces, and they carry the work and give feedbacks to the Headquarters. Just recently, the Cabinet has passed a Taskforce to look at the operations of the logging, and this comprised of the Ministry of Environment, Ministry of Finance, Ministry of forestry, Customs and also the Central Bank of Solomon Islands. It will not look right if the government is doing nothing. But I want to assure the House that my Ministry is trying and we actually have officers all throughout provinces, who are doing the monitoring of logging activities, and report back to the Headquarters.

**Hon Derek Sikua:** Thank you very much Mr Chairman. In relation to income under Forestry Services, the first one is on the item on 0036-timber operations & application fees. It is good to see an increase of just over \$120,000. Can the Minister explain to the committee the nature of these fees? Are those fees collected when new logging companies applied to do operations in the country and if so then, how many logging companies do apply and how many new logging companies are we going to have in 2014?

**Hon Dickson Mua:** The leader is referring to the timber operations application fees. In fact at the moment we have about 106 logging companies in the Solomon Islands that are operational and regarding these fees apart from the \$10,000.00 that they put in, there are also companies that renewed their licences as reflected in the increase here.

**Hon John Manenairu:** thank you chairman, I want to ask a supplementary question to the question of the Leader of Opposition. Thank you, Minister for informing the committee about those 106 logging companies that we have here in the country. Well, what is the number of logging companies that Solomon Islands actually need to harvest our forest?

**Hon Dickson Mua:** Thank you chairman, it depends very much on the applications that come through in the office and their assessments that have done. As you might aware, we try to put a stop for any new licence for this year. We fill that the number of logging licences are enough. Besides, a lot of licences are not active, which means that some of those who have licences just sleeps with, probably there is no land, for them to operate on or they were not successful to take any concessions throughout the country.

**Mr Manasseh Sogavare:** Just a general comment on the policy where the Minister is talking about. We think, I think the right way for us to determine the level of logging

companies operating in the Country is not determined by the number of application that came.

I think it will be one day that we can choose logging companies that are sustainable, and that when they harvest our logs, we consider it that it has a sustainable level of operations. So if we depend on the number of applications then it is not right, just for the Minister to take note of that. It is, without sustainable harvesting is the issue here and not the number of applications that came in.

**Mr Matthew Wale:** Thank you chairman, on page 257 the support towards Value Added timber Association is nil; maybe they move it somewhere or they move it for next year or following year but the absence generally of a serious move into a large scale processing. I suppose is the most substantive questioned whether the ministry has any idea and talk with industry about a move to large scale processing, for the minister to update the house of the committee.

**Hon Dickson Mua:** The Value Added Timber Association (VATA) they do not make any submission or request or proposal to the ministry. In the past you will see the ministry actually assist the association and we will continue to assist that association, if you go up to Henderson you will see there is an improvement. Now they have acquired a piece of land and a warehouse is already build which I officially open three months ago. They are now trying to expand by getting more affiliate members to VATA which they can mill timber and directly sell to VATA and then VATA will export after it buys it at a very good price. Ministry will continue to look after them and assist them if they asked.

**Hon Derek Sikua:** Thank you Mr Chairman, page 256 the new allocation for the in service training of \$200,000 item 2602. I want to ask the minister is it for the in service training of its staff, the forestry services but for what trainings.

**Hon Dickson Mua:** Thank you chair, this is to cater for tuition fees, of the forestry officers who did their long term training from our own university (SINU) beginning of next 2014.

**Hon. John Maneniaru:** Thank you chairman, page 257 – head 6061, timber negotiations – zero. From what I understand logging companies can help with timber negotiations. Is this the case, the cost is transferred to the logging companies that is why it did not budget for under the ministry, if the minister can clarify?

**Hon Dickson Mua:** There is no application received and it's something to do with policy matters, thank you.

**Hon Derek Sikua:** Thank you Mr Chairman, if the minister can tell the committee to reasons why a number of important heads there did not have any allocations for 2014. Item 6061, timber negotiations, item 6073 timber management unit and item 6144, government project support the last three on page 257. Why it did not have any allocation for 2014?

**Hon Dickson Mua:** Thank you Chairman, this has followed the new chart of accounts.

**Mr Matthew Wale:** Thank you, I would like to follow through on the answer of the Minister. If it follows the chart of accounts, what does that mean? Does it mean that you have made bids for it, omit it or do you follow the chart of accounts and then put them in another bag? So, are those activities going to happen or not and where do the chart of accounts place those allocations?

**Hon Dickson Mua:** Thank you Chair, we actually make bids and the result is like this.

**Mr Matthew Wale:** Thank you I would like to ask the Member of Parliament for Small Malaita and the Minister of Finance to clarify on whether those activities have been cut by the Ministry of Finance or does it lamp up with some other areas to clear on whether those activities are going to happen or not.

**Mr Chairman:** Honourable Minister of Finance, do you have any additional information for the Committee?

**Hon Rick Houenipwela:** Thank Mr Chairman, I think it is the same issue that was raised throughout the committee deliberations last week. There are printing errors when we go to the print, but there was also the effect from the new chart of accounts. There is no cut for the essential services on this unit but as I have said on the Committee last week we are going to sort this out when the final printing comes out.

**Mr Matthew Wale:** Mr Chairman, I am registering a protest on this because in the past 'Aurion' was the excuse for all sorts of posting that creates all sorts of confusion and then now this chart of accounts. Then next year I do not know what will be the excuse. Giving excuses to the Committee is not good enough, the system and all those must work so that we know what we are talking about; when we have to go on a Minister's word and expect that it will be straighten during printing does not reach the standard that we want. It is important that officials make sure that what comes to Parliament is accurate.

*All Agreed to.*

**Head 281: Office of the Prime Minister & Cabinet- \$78,439,997.00**

*Pages 261, 262, 263*

**Mr Douglas Ete:** Thank you Chairman, on page 262, there is a huge consultancy fee is in here and it also appeared in last year's budget and here its zero in 2013 but I remembered when it came before the Public Accounts Committee there was a figure there of an inclusive of around \$4million, but in here they said its zero I think this is because of the new chart of accounts that's why it's like that.

But I like to ask what kind of consultancy firms do you engaged this year and what would be the likely number of consultancy firms that you want to engage and in what areas do you think that your ministry will engage them in with this \$3million; in here it is \$3.035million. Thank you Chairman.

**Hon Gordon Darcy Lilo:** Thank you Sir, this will cater for the work on stability and integrity project.

**Mr Matthew Wale:** Thank you Mr Chairman, on page 262, just on top of 'income', when I saw the Prime Minister starts to earn income I am very happy, but as I look in it, its zero but this one on 12 is what I would like to ask, whether what that represents and is this one another chart of account excuse again or you were actually doing some expense refund on 12 and if so what are the expense refund you were receiving as an income. Thank you.

**Hon Gordon Darcy Lilo:** Thank you Sir, I think this is the best title that can be given to the expenses that may have not been spent or maybe have been excessively spent on a particular expenditure which they have refunded back to the Office of the Prime Minister to be given to back to Treasury. I think that's what this; I don't think it is a real income in terms of services that is offered by the office but it is just an expense that is refunded back to the office. Very interesting item

**Mr Manasseh Sogavare:** Thank you Mr Chairman, on page 262, sub item 0106 rations. Whose rations is this Mr Chairman.

**Hon Gordon Darcy Lilo:** Sir, I think there are times when like for instances we are doing domestic touring and when sometimes ministry of Police and Royal Solomon Islands Police Force don't have provision to provide supplies for those people that are working in those the Patrol boats and so forth. I think that's why it is allocated here because some of the procurement that is why I think they are included in here as part of rations. Thank you.

**Mr Douglas Ete:** Thank you Mr Chairman. This Sub Head 2003 the \$43,000.00 Bank Charges what is it for? I am saying this because during the PAC, they told me to collect a cheque of \$280 for allowance. When I went to the bank, they told me it was overdrawn. I think it is the bank charges that consume it? What is this for? Or are you holding a bank account in the Prime Minister's Office? I am just asking that.

**Hon Gordon Darcy Lilo:** Thank you Sir. I think that is quite true. If I could recall, I think one or two imprest accounts were held by officers, this practise is started from you in the past Government. With whatever that is being held in those accounts, of course, the bank will levy some charges on the balance in the account, probably because they were not captured at the Ministry of Finance. That is how it is reflected here as payments that is being taken out from those particular imprest accounts that is held at the Office of the Prime Minister. That is the best that I could say about this. I am not too sure how this bank charges appear.

**Mr Matthew Wale:** Thank you. In view of that explanation by the Prime Minister, if the Minister of Finance can clarify every other accounts that the government holds where the Ministries hold on to. Is this how we treat them inside the budget? Those bank



charges are listed under their heads or are they centralised under the Ministry of Finance? Can the Minister clarify this?

**Hon Rick Houenipwela:** Thank you Mr Chairman. My understanding is that, unless different Ministries hold their own bank account, which is not the case, I know we try to close those accounts that you had opened in the past. But with regards to bank charges, it should come to the Ministry of Finance, because as far as I know, it is only the Treasury that keeps the cheque accounts. All the other accounts that are kept, those project accounts that are outside of this recurrent budget.

**Hon Johnley Hatimoana:** Thank you Mr Chairman. On Legal Fees, we have \$1.5million for this year. It looks like we do not have anything for that in next years' budget. Are we not going to go to Court next year?

**Hon Gordon Darcy Lilo:** Thank you Sir. Well, it is a very interesting one, but as you know, we are anticipating settling an outstanding matter which has been outstanding for quite some time. As you know, this is in relation to the case of our former Attorney General, who somehow has been unlawfully deported from Solomon Islands in 2007 or 2008.

That matter has been held, in fact by the High Court of Australia in that his removal from the country was unlawful and therefore the State has to bear the responsibility for the settlement of that particular case. I just want to inform the Committee that I am obliged to settle that case. And I want to put Parliament on notice that when this settlement is going to be made, obviously there are implications that will come with it. We are government officers and police officers that have been affected as a result of the unlawful deportation of this particular individual. Therefore the State has to sort out this case but the legal fees that are here we have been able to settle some matter this year, in relation to some of the exercise that have been carried on the certain projects of the Government. And that is why we have it for this year but definitely for next year, there will be and when the time comes we will have to find resources for us to settle

some of those legal commitments. But zero there does not mean that it is totally out and so it is still within the budget and the only thing for us to give the figures that will suit what we will have to do, thank you.

**Mr Matthew Wale:** Thank you chairman, just want to follow up in view of the first comment's that the Prime Minister stated with the particular case, given by the ruling of the Australian courts.

By way of comment the ruling was made by an Australian court and not by the Solomon Island Court and so I am not sure that a settlement should be done outside of our own courts to see whether that illegality also exist under our own laws, obviously under their laws it is clear But under our own laws whether our courts have made directions already as illegal and so the government is bound to settle this matter in that way. If that is the lawful order of the courts then it is a straight forward matter but it is important that the government must follow the directions of our courts of law.

**Hon Gordon Darcy Lillo :** I will take note of that but I think the point that you may have to understand is that the existence of valid order in the Solomon Islands have been recognised by another commonwealth court jurisdictions. The existence of that order has been ruled by another foreign jurisdiction as a valid order and that fact that it has been an unlawful breach which led to this particular person to have that as a defence that he was able to obtain in his favour in this particular commonwealth jurisdictions.

We are the members of the commonwealth, Solomon Islands and Australia and the application of our jurisdiction is based on the same principle. But obviously these are matters that the office of the Attorney General is trying to sort out so that we can be able to ensure that in whatever settlement that we go is lawful and applicable to the courts of both Countries.

**Hon Derek Sikua:** We will ask a lot of question in 262 and 263, so please slow down, we want to ask a lot of question in 262, 263.

**Mr Speaker:** Nobody and moving on this budget, I do not see anyone standing that is why I move, I make sure that.

**Hon Derek Sikua:** Thank you Mr Chairman, we are just giving each other time, when the other one wants to stand then we sit down.

**Mr Chairman:** I do not see anyone standing that is why I move, but you can ask your question.

**Hon Derek Sikua:** Thank you Mr Chairman, I still want to stay on 262. With the payroll charges, there is an increase to salaries of public servants by more than a million dollars, but there is a decrease of more than half a million dollars on the NPF 7.5% employers contribution. I want the Prime minister to explain why it is like that. There is an increase in recruitment or may be an increase in salaries because of promotions but a very drastic increase on the employees 7.5 employees' contribution.

**Hon Gordon Darcy Lilo:** Thank you sir, let me deal with the NPF employers contributions; remember last year we have raised issue about NPF. There were some discrepancies to the way that the figures appear so we have gone back to regularize every other employer's contribution because the employees were deducted but the ones for the employees has not been reflected in the budget for last year. So that has been fully catered for in 2013 that is why we have reduce now to 2014 to the right level where employers, that will have to come from the employers to the contributions of all the employees. Now you will find that there is an increase to public servant salary, this is to really reflect some of the public service, you will find it throughout the salary that we have tried to reflect the total increase which eventually that have been agreed upon. And then last year we did not cater for it this year somehow some did not catered for. But the post remains the same if you look at some of our posts remains the same I think

only five are new ones for next year. I do not think those five will attract something to that amount which is a small amount. It is something to do with the sorting out and the re-levelling of the salary of public servants that have been missed out this year.

**Mr Matthew Wale:** Yes, thank you Mr Chairman, I want to follow through the Prime Ministers answer on page 262, because if the Prime Minister's answer is hold on then that means it also plays catch up to the salaries. Salaries increase by a million so that million is just to catch up. But if the whole \$7.6million on the salaries is straight forward in its establishment for 2014 then \$305,000 on the employer's contribution is not 7.5percent because 7.5percent is \$500plus. So if the \$7.6million is for 2014 then obviously the explanation of the Prime Minister to employer's contribution is not right unless the \$7.6million is similar; trying to take up problems in the past. But I find that a little anomalies for salaries to catch up under the provisions for prior years with regard to anomalies.

**Hon Gordon Darcy Lilo:** Thank you Chairman, I think it is a very valid point, I mean if you look at the figures and try to calculate it directly based on the rates that are applicable. But you must understand also that on salaries entitlement of public officers there are housing allowances; I think recently the Public Service has decided to give some increments, there are also other allowances for public officers which I do not know what exactly there were maybe touring allowance, special duties or things like that due to this new chart of accounts. All of them are paid under one line because they are all under salaries, and then it would take time to clear them out to the right accounts that they should be placed on.

Some of them are not really reflective on the basics; some might be housing allowance, increases of things like that; so that is why it gives rise to the increases of the salaries. You cannot take salary and then compute it straight with this rate for the National Provide Fund (NPF) contribution because it will be quite wrong because there are other components included.

**Mr Chairman:** Thank you, I want to warn all Members of Parliament that do not make too much statement, just do short cuts when asking questions and then move on.

**Mr Matthew Wale:** Thank you, just to follow through on this particular issue Mr Chairman. If what the Prime Minister has stated is true; this \$7.6million has exclude these allowances so if we add on the other allowances that 7.5percent should be greater it did not to reflect accurately. I meant they have listed it separately; housing allowance has increased; special duty allowance, overtime allowance and various allowances. So which of those that are included in the calculation for the NPF employer contribution would be additional to the \$7.6million meaning that \$305thousand on the NPF should be higher just for the salaries alone but if you add anyone or two other allowances on top of it, it should be even higher than that so again that explanation of not really clear.

**Hon Gordon Darcy Lilo:** Thank you Sir, these two are very interesting; the housing allowance for public servants and salaries of public servants also includes housing allowances; that is the briefing that I got from officials. So obviously housing allowance seems to be all over everywhere. It will take time before we could sort out this part but I think maybe this explanation will also work out very well; payroll charges has increased by \$6.3million and this is because of the inclusion of housing allowances of Permanent Secretaries and contracted officers, their housing allowances received similar allocation like ours in the PER which is \$15,000 per month and that there are additional recruitment that have been made by the ministry to fill up the positions in the office especially this Parliamentary Entitlements Commissions office.

As you know, we are now establishing the Secretariat for PEC so that we can get the staffs that normally work here in Parliament over, so that the PEC becomes an institution which the constitution is creating. They have their own officers there accounting officers, accountants, administrative officers to deal with the affairs of members of Parliament, so that is what this item is for.

Now they have an office in the Tongs building, so they have an office. The whole Sir, is that all the time we always find a way to interpret what is the intention of PEC in the way they are making this regulation, and those of us here who were not part of PEC

always interpret, let's give it back to the PEC, those who have make more regulation so that they make the interpretation of what they really mean and then they must looked after the affairs of Members of Parliament, that's why we have made that creation.

And also like issues like travelling fares and travel of members of parliament where sometimes we normally put pressure on either Parliament or in the office of the Prime Minister for parliamentarians to travel. Where they can apply directly to the Commission and say, look you know, we have an invitation here which we believe that its parliamentary related can we get an approval rather than you know, having the travel of members of parliament to be a matter that every time its creating a burden on the executive and therefore become a public issue.

So we are putting it back to the Commission so that the commission considers it. And we are establishing this office of the PEC and they are now located in the Tongs building and I am sure that next year they will take over their role to look after the affairs of members of parliament. Thank you Mr Chairman.

**Hon John Maneniaru:** Thank you Mr Chairman, on page 263, head 2403 hire of ships 2012 and 2013 it is zero there and in 2014 budget there is \$263,805.00 its budgeted for. Chairman, if the Prime Minister can explain what the plans of hire of ships are in next year that is reflected in this budget. Thank you.

**Hon Gordon Darcy Lilo:** Sir, you know that there are times when we are doing domestic travel, touring throughout the country and there are when the Patrol boat is not available we can use the ships of private sector to move around and visiting the parts in our provinces and that is mainly for this head Sir.

**Mr Douglas Ete:** Thank you Chairman, I think this question is not really a question but I think a question that should be asked to the Minister of Finance but since the Prime Minister is talking about the NPF issue, I am just wondering, in 2009 to 2010 the arrears of Public Officers is over this ethnic period has not been paid through NPF and it is set

on the log of claim of SIPEU for a number of years without any government addressing starting from 2000 until today.

I am just wondering what will happen to that NPF arrears. It falls in some millions of dollars. Are we going to take into account in 2014 or not?

**Hon Gordon Darcy Lilo:** Thank you Sir. If the NPF goes in arrears, then it is an unofficial debt. These are dues that are legal entitlements of government employees, and therefore, it is an obligation on the government to settle those arrears. There is no other better way to label them, than just basically an unofficial one, which we must avoid as much as possible.

But I know that previously or our previous governments in the past, we have been addressing the settlement of the arrears with the National Provident Fund. And there are various instruments that have been made to regularise those arrears. If it remains unofficial then obviously there are higher penalties that are accrued to such unofficial arrangements. So as much as possible, the government must avoid this.

**Hon Derek Sikua:** Thank you Mr Chairman. Can you tell the Prime Minister to cut his answer shorter?

**Chairman:** I warn all members of parliament, take note of that.

*laughter.*

**Hon. Derek Sikua:** Thank you, you do not have any allocation for the medals. Where will you get the money to pay for the medals for those we will decorate in 2014?

**Hon Gordon Darcy Lilo:** I will take note of that because you do not want me to explain it. I think we have pre-ordered for next year. That is why there is no allocation here. We have already ordered those medals.

**Mr Matthew Wale:** Thank you Mr Chairman. Housing Allowance has increase by \$3.7million, and then House Rent has also increased quite significantly, although additional staff in the establishment is not that many. Can the Prime Minister explain and give the basis for this substantial increase for these two items.

**Hon Gordon Darcy Lilo:** Sir, I am led to believe that the housing allowance there relate to those Permanent Secretaries and contracted officers throughout the service. House rent here, that is for the whole public service. It is centralised.

*Page 264, 265, 266*

**Mr Matthew Wale:** Thank you Chairman. With due indulgence, I want to follow through with the last question. In view of the Prime Minister's answer, this housing allowance for contracted officers for the whole service, Actuals in 2012 is only \$442,896, and in 2013, it is only \$477, 828 was provided for, and then it becomes \$4.2million in 2014. If that is the case, then the prior years, including last year and this year, is it only for Office of the Prime Minister & Cabinet (OPMC) or for the whole service and this 2014 projection will be for the whole service? Or there has been some discrepancies or arrears built into it, can the Prime Minister clarify that? Also in that the house rent for the Prime Minister's office in 2012, the Actuals was \$4.5million and for 2013 is \$5.3million and the estimate for 2014 is \$4.9million, so I want the Prime Minister to explain that.

**Hon Gordon Darcy Lilo:** I will check this bracket because it cannot be bracketed; I think that is the same error that has been noticed as well to the line items. I do not know why there is a bracket there and so we will find out why it is bracketed. The other one about



housing allowance here is for the Public servants that are for all the public servants and why there is an increase there is because it is made up of all the Permanent Secretaries and Ministers as well

**Mr Matthew Wale:** I just want to follow through; since the Prime Minister said that Ministers are included as well then for the prior years where do those ministers were provided for? Because for 2012 and 2013 it was only half a million and so where do they placed the allowances for do Minister prior to that? As for this year it all of a sudden jumps to \$4.2 if it includes all the Permanent Secretaries and Ministers and so where were they provided for in the prior years as half a million is not enough to cover all of them.

**Hon Gordon Darcy Lilo:** I think these are very valid observation and so I will try to give some explanation on the pigeonhole, thank you.

**Mr Manasseh Sogavare:** Page 560 to 564 sub item 6005 - Constitutional Reform - SG Task Force. Can the Prime Minister Briefly inform the Parliament about whereabouts we are on the work of Federal State Government system?

**Hon Gordon Darcy Lilo:** I was just asking STC to go and tell responsible people to come and explain this part first.

**Mr Manasseh Sogavare:** I was asking about the item 6005 on page 264 which about Constitutional Reform - SG Task Force. Can the Prime Minister brief the Parliament where we are up to on the work of the Federal State government?

**Hon Gordon Darcy Lilo:** We are now up to the stage of fourth draft and it has put to a special committee or joined committee of Eminent Persons advisory council and the special committee of the constitutional congress. So the editing and the auditing of that draft have been carried out by the joint congress. They have done that in Gizo three weeks ago, and that has been completed. Now we are ready to have that draft to be put to the external constitutional auditors and we were privilege to have two experts, one is a constitutional expert in terms of constitutional drafting professor Yashi Gai and the other is Professor Watts who has done quite an extensive work on political reform and also other constitutional development. So we are targeting February for the full congress to sit down to consider this draft that has now been edited and audited by the congress.

**Mr Manasseh Sogavare:** Thank you Mr Chairman, just to follow up on that question so obviously some work will happen next year. The observation here is that this item is zero in 2014, so where did it funded under.

**Hon Gordon Darcy Lilo:** Thank you sir, you will see in the development budget, it will be that budget. This constitutional reform here is two parts, the other one is constitutional reform and also the stability and governance task force so they both shared this provision here in the past.

**Hon Derek Sikua:** Thank you Mr Chairman, I want to congratulate the prime minister to the very big cuts he made to his administration to page 263 but on 264, I am concern to the big cuts he made to the subversion and grants, I assume this for SIBC. And the capital expenditure to motor vehicles, the two first ones at the top, how many vehicles will you purchase with the amount that is left for the budget for next year. Can the prime minister explain the two big decreases to the subventions and grants and the capital expenditure to motor vehicles, thank you?

**Hon Gordon Darcy Lilo:** Yes, there has been some reduction to subvention and grants, this reflects the much improved situation to SIBC, I want us to commend the work that the current board has carried out, and they have done so well to improve it. this is not a total commercialization success of SIBC but there are some construable effort, reduction to expenditures, they are earning more income in terms of their marketing strategy has worked out very well under the capability of the new general manager. He did very well in providing the support to the board, the other aspect to motor vehicles, obviously next year we do not expect government to buy any more vehicle. Let the new government comes and decide to the priorities.

*Page 269*

**Hon Derek Sikua:** under prime ministers private office, his consultancy fees, it is quite a substantial amount for 2014 budget. What is this intended for?

**Hon Gordon Darcy Lilo:** A task that I have decided that we must carry out is this land enquiry in Guadalcanal. So we are going to use our own local experts personals to carry out this enquiry to determine; for instance in Honiara, people of Guadalcanal especially tribes around here on how; I think the bay at Rove to Mataniko river. What has happened which causes the boundaries to extend both sides. So they want to know on when that was made, how it was done; not for any other but to enable them to pass on that information fairly to their future generation in order to understand the situation regarding the earlier development of the land in Honiara. And also other land that are quite contagious here in Guadalcanal. So that is what we put in here.

**Mr Peter Shanel Agovaka:** Thank you Mr Chairman, I am not going to talk about land; on page 269, on entertainment which is zero. Sir, I went out just now and people were filled up at my House. I think there was an announcement that the Prime Minister has made and he will make a clarification on it, that he made on Friday that there will be

some Christmas funds for Members of Parliament. I am really worried because people are filling up my house and even the secretariat to the Opposition office have heard that the Prime Minister has mentioned that there will be a Christmas fund for constituencies. When looking at the entertainment I do not see any allocation there so I wonder whether; if the Prime Minister can clarify so that we can tell our people at our homes to go back to their villages.

**Hon Gordon Darcy Lilo:** Chair, may I use this opportunity to make this clarification. I do not remember saying that there is a Christmas fund on the statement that I have made but I remember did saying that there are outstanding entitlements under the Parliamentary entitlements which is due to each Members of Parliament. And I am just saying that let us use that to help support our constituents in our roles as Members of Parliament but people take this wrongly.

So I want to tell the people of Solomon Islands that there was never any intention to imply that there might be a Christmas funds for Members of Parliament, no. These are normal entitlement that is due to Members of Parliament under the Parliamentary entitlement regulation and that it is only proper that Members use it in their normal work in constituencies. I hope that this would clarify that misunderstanding may have been caused as a result of that particular statement that was made last week.

**Mr Manasseh Sogavare:** Thank you, on page 269 this new item **sub item 2150** 'Court of Appeal allowances,' maybe the Prime Minister could explain it to us on that particular allocation

**Hon Gordon Darcy Lilo:** Thank you Sir, this is in relation to those two courts. Sir, again the chart of accounts has misrepresented this. Again this one is just a sitting allowance, it's a normal sitting or I think it must be some error. So again my apology that the titling is like that. This should be should be transferred to the sitting allowance below, so you will see that there are two items, one is court of appeal and the other one is sitting allowance.

Sorry about that I think it is just some errors in the printing. Thank you.

**Mr Johnley Hatimoana:** Thank you Mr Chairman, it is just right for me to make some comments to this one, because looking through the other ministries that answer questions, it just right that the Prime Minister is there.

Now this comment I looked through every heads that we have discussed, unfortunately any entitlement regarding to death of members of parliament are not included in the budget. It is an unforeseen situation sometimes we always did not expect it, but it usually happens to us members of parliament however there is no provision.

Can the Prime Minister assure the House that; let's hope next year we will not die however some provisions should be there? Thank you Mr Chairman.

**Hon Gordon Darcy Lilo:** Thank you Sir and I like to thank the Member of Parliament for Ngella for that very, valid observation. These are expenses that sometimes you know, they are lump it together as local other costs, because it is not budgeted for. But these are expenses that's normally goes under local other costs and also the PER provides for that.

And the note Sir, I have just been informed to and I forget to mention that I would like to on behalf of the government of people of Solomon Islands pay tribute to the passing of the Late Member of Parliament for Lau Mbaelelea the Honourable Ben Foukona who has passed away. As you know Mr Foukona has been a minister and has been a long serving Member of Parliament and have continue to be a very active person in our community. He has served in the constitutional reform committee and he has left us. Thank you Sir.

*Pages 270, 271, 272*

**Mr Manasseh Sogavare:** Thank you Mr Chairman, page 271, item 3001 electricity, it look likes that the unit just exist to pay for electricity, because \$4.4million is allocated for that. Can the Prime Minister clarify how big the office is and why is the electricity bill is allocated \$4.4million next year?

**Hon Gordon Darcy Lilo:** Thank you Sir, you know as starting of every new office we always make a lot of mistake. I think it is not the intention that everything here will go for electricity. It should be spread out to the others. Again Mr Chairman, my apology, this is for the new office, Parliamentary Entitlements Commission. And it should be spread out to the others. I really want to apologise for that; in that they are not doing a good job to spread it out.

**Hon Derek Sikua:** Thank you Mr Chairman. On page 270, Item 2710, there is a huge increase for Public Servants Local Other costs of \$571,579. Can the Prime Minister explain the reason for this increase?

**Hon Gordon Darcy Lilo:** Sir, I think this is for travelling expenses domestic for the officers, which is somehow had been lumped into other cost centres in the past. Now they put it together to reflect it for the public officers. It is basically a re-arrangement for it to be there. You will see that there are a lot of brackets around there. So maybe they put those together to become what appears there. That is the explanation here Sir.

**Hon Derek Sikua:** Thank you, right at the bottom, there has been zero allocations for quite a number of important activities. The Prime Minister can explain where the funds for those things are moved to, resulting in the zero there in the 2014 Budget. But I am very concern with the Commission of Inquiry into land dealings on Guadalcanal. I thank the Prime Minister for explaining this on page 269, but that is a different issue. It is a new issue, which I thank the Prime Minister for picking that up on the boundaries

of the Honiara City. Where is it moved beyond Rove and Mataniko? It is important that we find the answers for those questions. But the land dealings on Guadalcanal seem to go worse now, people are moving back. If you go to Tenaru, Lunga Areas, it has gone worse. We have to address this issue. I just want the Prime Minister to put an allocation to deal with the land issues especially on the east side from Lunga to Tenavatu Areas.

**Hon Gordon Darcy Lilo:** Thank you Sir. The scoping that we have done to develop the terms of reference for this particular inquiry, I just to inform the House, and I am sure that the Leader of Opposition can appreciate, also has provisions to extend it. We would really want to capture the land dealings that have remained questionable. Like what the Leader has said, the future generation of the affected tribes, they would want to know the truth behind what had happened. So we are currently doing the scoping and it should to go out to select the people that will work on it, thank you.

**Mr Johnley Hatimoana:** On Head 6304 – Commission of Inquiry on the RIPEL case it looks like for the last two or three and including next year, we will not do anything about this vital industry. I just want to ask the Prime Minister to explain what happen to this area?

**Hon Gordon Darcy Lilo:** Right now we have not considered anything along the lines of the commission of the inquiry yet. But as you know that two years ago we have signed an agreement to show course on a particular matter that has now been questioned by the Central Banks of the Solomon Islands. So we are stack with that particular undertaking and that is to see whether or not the approval of this charge was one that the Central Bank has actually agreed to prior to the transactions been projected outside of the Solomon Islands.

Now that according to the Central Bank still remain questionable because they have not made any approval on any particular charge in the asset of the Solomon Islands required by the Central Bank to do under the Exchange Control Act. There is a charge there but that charge has never been approved so these are matters I think we need to

handle properly. A lot of people think that we should go and then compromise by way of compensation but the principal of Law is applied here. I do not think that it would be right for the Prime Minister or the Minister of Finance to just force the Central Bank to agree to something that the Central Bank had their view on.

May be there will be some other skilful way of coming around or going around it or to sort it out. But we need to be guided by the way that the Central Bank will feel we do not just compromise their position otherwise we ourselves will create a very bad image to the very good image of Central Bank of Solomon Islands.

**Hon Derek Sikua:** Right below that item is the item 6305 - Commissioner of Police, for 2012 there was a big allocation of more than \$1.7million for that particular item. For this year and next year there is no allocation for that one but I just want to ask the Prime Minister in terms of the government's plan to appoint a substantive Commissioner of Police?

**Hon Gordon Darcy Lilo:** I directed that the post be re-advertised and the Police and Prison Commission have already finalised the advertisement so it is done and they are appointing a panel to work on it.

**Mr Matthew Wale:** If that is the case, then the applicants that applied during the last process for the post of Commissioner of Police will not need to apply again and not be considered in this new process or new advertisement.

**Hon Gordon Darcy Lilo:** The last process is over we are now starting afresh again. So it's a new process we are all entitle to re-apply and right now the advertisement notice that went out is absolutely clear to what the requirements that the commission invites the applicant to apply to satisfy.



**Mr Peter Shanel Agovaka:** Mr Chairman as you know, I tried to look at the Prime Ministers budget here. And next year's election there will be cost incurred in the country, specifically from the period after election to the formation of government. We also incurs cost, I tried to find out if the prime minister or the minister of finance can assist the member that is speaking now to find out where the cost will be featured in this parliament budget or prime ministers budget. The period between after election and the formation of the government, we can incur a lot of cost during that time, if the prime minister can clarify to us where we can feature that.

**Hon Gordon Darcy Lilo:** Thank you sir, upon the dissolution of parliament there is a provision in the constitution which provides for what you can invoke. There is a provision in the constitution but with regards to parliament I am sure that has been budgeted for with accommodations.

**Mr Matthew Wale:** I come back to my question regarding the commissioner of police process and I want to ask the Prime Minister to clarify why we go back to this new process. What is the fault to the first process?

**Hon Gordon Darcy Lilo:** Thank you sir, because out of the candidates that have been recommended by the panel and the commission for the Prime Minister to pick. One that has been picked has not met the requirements under the constitution in terms of the age limit. Because there has been a lot of debate about what had happened, even the process is supposed to be strictly confidential but not anymore. Before it comes to me the media already got it and publish in the paper but I did not receive any letter. With that and with a lot of debate that has been made about this issue I thought that the only thing that is proper is for us to start the process fresh again. There has been some observation that it could be the advertisement notice which has misled the people to apply because it says, there will be special consideration if your age is beyond 55.

But then obviously his Excellency held it up which is totally contrary to that. As the appointing authority that the party has been disqualified so we have to start again. But

then when the candidates come through; as you know I do not want to draw in any other questionable thing here but the committee and members of the commission are all equipped by very highly qualified lawyers before it reaches the Prime Minister.

With that confusion and of course the advice of the Attorney General it has somehow do not fall in line with the requirements that have been held and so we are here to start fresh and put a clear instruction so that all that should apply and be considered based the requirement that we need to follow under the Constitution are applied.

**Mr Matthew Wale:** Thank you Mr Chairman, I just want to follow through on the prior question by the Member of Parliament for Ngella on RIPEL and Prime Minister's response that we respect the position that Central Bank has stated. However, our understanding on this side of the House is that the settlement would not be caught up in that if it was done in Solomon dollars and that understanding was already reached that it could be done domestically.

If it was done in foreign currency then there will be complications at the Central Bank under the foreign exchange rules, and if that is the case; because obviously this is a big area for economic growth for us and we want that place to be up and functioning but it seems to be held up and no movement on it. Just for the Prime Minister to clarify that, yes, they have agreed to get Solomon dollars and if it is Solomon dollars it can happen in order for the government to move forward on this area.

**Hon Gordon Darcy Lilo:** Thank you Sir, as you know recognising the importance of RIPEL, it is a very significant economic asset of the country and one that we would not have gone through all the trouble at all in having it sorted. I think that is where we were recognised, but the settlement is based on the fact that all the existing requirements of law are complied with by virtue of the applicable laws; the exchange control Act and so forth.

Now, if you reverse that then you put that money generated domestically; that is why we wanted to settle it, it would trigger another different implication. How is that person coming into the country, will that be an issue for money laundering? So I do not want

us to draw into that situation. I just want the whole people of this country to hear this part because if I spill out the other side; so where does the money come from? We load them in a boat and then wash them here or what? I do not want us to be drawn into that part.

And the Central Bank's position is tied to the fact that we pass it here as part of the money laundering the crimes proceedings Act that you have to make that declaration. I can go into this but I respect the views of all of us and I do not want us to go into that situation. What people tell me to do and just to go and buy it out; then you will be the ones who are going to hang me; you are going to slaughter me. Why should I do it and then the people will put it in front of this Financial Intelligence Unit and they will say that it is the Prime Minister telling them to do it that way. I am not in a position to tell them, honestly.

I hope that I make myself clear on this one and we move on. I am sure that the Central Bank will find a way and I have asked them to find the way so that we do not breach the law and then you get yourself clear too under this financial institution intelligence act so that there is no other implications coming out from it.

But I know that there a lots of people out there getting angry with me, but I like to protect all of us here. Thank you that is all I can say here. Thank you.

**Mr Matthew Wale:** Thank you Chairman, I appreciate the response of the Prime Minister, I supposed this side of the House always heard that- all the legalities of it, we must be lawful in the way this things are handled, we appreciate that and the duty of care is upon the Prime Minister and the government to do that one. But at the same time you know, say if it was on the previous settlement price of \$24million in a year, more than \$25million is foregone by the economy by the lack of constructive productivity coming out of those economic assets. I supposed the concern from this side of House is the longer it remains stale, of course the longer we forego the economic activity and employment and of course taxes to the government and foreign receipts into the economy, so that is a concern.

By all means follow the law, we are not asking you to break the law but also by all means get it quickly and see some way of resolving it, but to hang it in the balance all

these years until now, seems to us to be an unreasonable length of time to have this matter resolved. Thank you Mr Chairman.

**Hon Gordon Darcy Lilo:** Chairman, can I just make a point here?

**Mr. Chairman:** Make it short.

**Hon Gordon Darcy Lilo:** Yes, the nature of that economic asset is one that it cannot depreciate, and you can build up the value of it whether it be a perceived value or even just based on a realised economic value on many fronts, tourism, agriculture or the environment and others. So I still hold the view that and of course I really respect the observation that you have made that we need to act quickly and take this into consideration and I am sure that we will act on it.

But I like to thank the support that the other side of the House have given to me. Thank you Chairman.

**Hon Derek Sikua:** Thank you Mr Chairman, the last item in that page 270 Sir, special envoy to RAMSI also there is no allocation. Are we terminating this one now that RAMSI is going into transition Mr Chairman? Thank you.

**Hon Gordon Darcy Lilo:** Sir, the other cost are redistributed to other costs because of the chart of accounts, so we move it, for instance travel and conferencing and so forth.

**Mr Chairman:** No, I think the question is about the Special Envoy to RAMSI, is it over now? Or is it still functioning and if so who? That is perhaps what the question is grinding at.

**Hon Gordon Darcy Lilo:** Sir, now it is called Permanent Secretary to RAMSI not Special Envoy to RAMSI.

**Mr Chairman:** Yes but where is it now, its zero in here.

**Hon Gordon Darcy Lilo:** It is in the Permanent Secretary salary, I think it is on 262

**Mr Chairman:** That is the answer the committee wants.

**Mr Matthew Wale:** I did not see any provision for the TRC Report. I just want to know when the Prime Minister will lay the Report before Parliament, and where is the provision for those follow up issues coming out from the recommendations.

**Hon Gordon Darcy Lilo:** Thank you Sir. With regards to the two taskforces that I have established to look at the processes; to guide Parliament on the applications; when we invoke the provisions of the TRC Act, they are working on that report. I do not doubt these officers, this particular individual that we have contracted to do it. He is a very able and credible person, he is working on it. But as you know that, under the Act, once the Prime Minister has tabled it, and then the other aspect will hook in automatically. We believe that there are ways to do it. Once the report is completed and we table it, then we can always resource it through other means in the recurrent for those positions.

Because right now, we do not know whether it be a one person Committee or it will be more than one. So the choice still has not come in as yet. So that we would know a full scale of what the budgetary requirement will have.

But Chair, I can assure this House, it will be laid before Parliament, but we will make sure that it must happen. Once it comes in, the demand for resources will be huge, we need to do it. But please have that assurance.

**Mr Matthew Wale:** Thank you Chairman. I have heard this same kind of explanation from the Prime Minister about this TRC Report for some time now. It has been two years since this report was handed to him, and I am just wondering how many more months or years before he put it before Parliament. But the Act is clear, that he has to lay it before upon receiving it. He is complying with the other aspects of the Act, but that aspect of the Act is what he is ignoring. And the fact that, there are no provisions here is what makes me worry. Looks like next year, there will be nothing because the provisions are not spelt out here, but it is understandable because the taskforce, perhaps, still has not completed it as yet. So its costs are not calculated properly, but the aspect of complying with the Act, laying it before the House. We all have that understanding, lay it before the House so we are formally engage with it, would be very useful. But I just want to register this with the Prime Minister that we would appreciate the Act being complied with on the matter of laying the report before the House.

**Hon Gordon Darcy Lilo:** Thank you, I take note of that very valid point that the Honourable Member has raised. But please be assured, it will come.

**Hon Derek Sikua:** Thank you Mr Chairman. I just want to take the assurance of the Prime Minister on the timing of tabling. I am sure that he will do it, but the timing, beginning of next year or middle of next year? When is he going to table this report? I think that is what we are trying to get at here. Will it be the first half of next year, or first quarter of next year when we come back to meet? That is what we would like to know.

**Hon Gordon Darcy Lilo:** Thank you Sir. All times are available, and it will be laid before this government is dissolved. We will table it. When I table this report this

committee must come and this two must go together that is laying of the report and the committee and they must go simultaneously. You could find that the demand could be bigger than the recurrent budget and you all know that. A lot of things that come out from the TRC the moment it comes inside, the demand could be bigger than this recurrent budget but I am sure we can find ways to be responsible.

**Hon Derek Sikua:** It is not necessary, my personal reading on the TRC Act section 17, it tells us that when you receive it you must lay it before Parliament. Later on then you can set up this office to deal with the Recommendation of the report. So I do not think this idea to set up the committee is necessary. You need to first of all lay it before the Parliament and let us talk about it then later on the committee or whatever can be formed.

So I do not think those two can go hand in hand and that is just my reading of the TRC Act. But the Prime Minister decides to interpret it that way then it is okay as well.

**Hon Gordon Darcy Lilo:** I will take note and I will check my reading on that Act, thank you.

*All agreed to*

#### **Head 283 – Ministry of Police, National Security and Correctional Services-**

*Page 279, 280 and 281*

**Hon Derek Sikua:** Page 280, there is a new allocation for hire of ships item 2402, I think high of ships, a new allocation of more than \$394,000 this one is for hiring of ships to go where?

**Hon Chris Laore:** Mr Chairman, the new item is to assist the ministry for our development projects around the areas which we build the police posts and also it will assist during election as well.

**Mr Matthew Wale:** Mr Chairman, police capability plan is nil and I want the minister to clarify where the capability plans are provided for.

**Hon Chris Laore:** Mr Chairman, this budget for police capability has been distributed in the development budget of the ministry. Before I answer further questions, I want to explain, we were given a budget ceiling and they ask us to reprioritize our budget to see where we see its best so that programs are not affected during the 2014, and the election. The money that was given to us we reprioritize within that ceiling that is why you see some increase but most of them are put in the other heads that are similar in nature of the activity. I will be willing to answer the question as we go on.

**Mr Manasseh Sogavare:** Thank you Mr Chairman just for the minister to confirm to us this new item of bank charges, just for the minister to confirm that the ministry keeps one account with the ministry on item 2003, page 280 bank charges. And what is this account for?

**Hon Chris Laore:** Thank you chairman, this new bank charge or the new item usually the ministry has this imprest account. I do not know who created it but one imprest account belongs to the ministry, usually that money is used for office work but bank always remove charges so the ministry decided, every where is the same so that it does not affect the imprest to the ministry to use. The bank remove charges so sometimes you think money still remains in the account but it's already gone due to bank charges. That is why so it doesn't affect the imprest account.



**Hon Derek Sikua:** page 281, item 5050 capital expenditure to land for \$950,000 can the minister explain, if you spend this money then on which land?

**Hon Chris Laore:** The answer that I will give is for the lands from the landowners and we have been paying the land in which Police stations were built on. So the Police stations that were built were not really free. That is for Police station that we have building in areas where provinces wanted; we purchase those lands.

**Hon Derek Sikua:** Thank you Mr Chairman, just a further question on this land expenditure. For further Police housing in Honiara, is it enough and therefore you will not pay anymore land to house Police officers who are stationed in Honiara or will it comes out from this allocation as well if you need further land for Honiara based Police officers?

**Hon. Chris Laore:** Thank you Chairman, I think under the development budget of our Ministry it has cater for those in Honiara on the \$10million which you have asked me on what ongoing projects is that for. So I think it will cater for that including the new bid that we have put in the development budget.

**Mr Matthew Wale:** Thank you Chairman, the reconciliation program grant is \$1million and I wonder what other reconciliation activities or programs are planned for 2014.

**Hon Chris Laore:** Thank you Chairman, I think two weeks ago we went to South Guadalcanal for this Solovisu on the first part for the recalling of people. The second \$1million is for the continuation of that same program but it will be given to the Ministry of Peace and Reconciliation to carry out the main reconciliation that is yet to be done. It is between the Royal Solomon Islands Police Force (RSIPF) and the people of South Guadalcanal.

**Mr Matthew Wale:** Thank you Mr Chairman, for 'cap hex motor vehicles' is \$800,000 which has reduced. I want to know how many vehicles you are going to buy and for where. It just seems to me and I am concerned perhaps it is part of the capability plan but too many vehicles used by executive parking in front of Rove headquarter and not enough to respond to issues. So I just want to know how many vehicles and where they are going to deploy them.

**Hon Chris Laore:** Thank you Chairman, a good comment from you Member of Parliament for Aoke/Langalanga. I think this \$800,000 is allocated for transportation for headquarter. RSIPF have their own allocation and so as the Correctional Services Solomon Islands (CSSI) which also has its allocation for their own vehicles.

**Mr Matthew Wale:** Thank you Mr Chairman, in that case the Minister should clarify, pardon my ignorance on this matter, but the entitlements of executives on the Police Vehicles; it just seems to be far too many vehicles parking in front of the headquarter and now you are going to buy some for the headquarter, just for you to clarify the entitlement scheme to vehicles.

**Hon Chris Laore:** Thank you Chairman, I think this question have been asked in the previous budget also on why officers use; I think most vehicles parking there are for Head of Departments, I do not know if they are entitled, but they are entitled to use it and also they looked after it for operations of the RSIPF. So RSIPF is a very big Ministry and vehicles will be plenty and each department has different vehicles for their work and not all vehicles are used for operations to chase those people in traffic. So every department like any other ministries they have one or two vehicles so when you see all vehicles were park at Rove, some of them belongs to RAMSI and maybe for Commissioner, Deputy Commissioner and also other executives in the headquarters.

So as I have said each department in the ministry or units they have one or two vehicles so if they add up you will see 10 vehicles garaged there. So the operations of police to arrest the people you will see those that have roof like house behind it which run along the road. Thank you.

**Mr John Moffat Fugui:** Thank you Mr Chairman, I would like add on another question to the Minister.

Of \$800,000 do you know that in Atori, Malu'u and Auki they are using only one vehicle so you will use that money to purchase a vehicle for the police work that covers Atori, Malu'u and Auki on this one or you are just putting it in there Mr Minister, because since the arrival of RAMSI it centralises everything in Honiara, other provinces that have police officers there is nothing for them in there. So can you explain that to the committee?

**Hon Chris Laore:** Thank you Chairman, we will be going back to the same answer which I have given.

If you look at RSIPF there is about \$900,000.00 that was allocated for police vehicles for operations, so regarding the operations in those police stations it will come under RSIPF. This one here is mainly for some departments that their vehicle is still in need of maintenance however not maintained and that comes under ministry headquarters.

**Hon Derek Sikua:** Thank you Mr Chairman, just on capital expenditure in terms of canoes and boats and half a million here is for headquarters and admin. The minister can inform the House how many do you expect to purchase under this allocation for next year Mr Chairman? Thank you.

**Hon Chris Laore:** Thank you Chairman, with regards to those canoes and boats and if you looked in the newspaper I think we have so far opened three new police stations in

areas in Aola, in Marau and I forgot the name of the other station I think in Lord Howe. So those new stations will need transports such as OBM, canoe and also their fuel. So I think those will also go towards those new stations. Thank you.

*Pages 282, 283, 284*

**Mr Matthew Wale:** Thank you Chairman, I am still on page 280 is it alright?

**Mr Chairman:** You can ask your question.

**Mr Matthew Wale:** Thank you Sir, hire of ships is a new item so I think the ministry must have plans to hire some ships. Is it a specific program regarding election or; and my subsidiary question, do you budget for your election costs in this item or does it come under Home Affairs or Electoral Commission or will they be paying for the election related costs that the Police will be incurring. Thank you Sir.

**Hon Chris Laore:** Thank you Chairman. Question raised by the Member for Aoke/Langalanga regarding the boat hires. Like I said, those projects, we have to ship the furniture and materials that will be used to build the Police Stations and Police Posts in the provinces and in the areas where the programmes will cover.

With regard to elections, I think a new Item here is to assist RSIPF rather than waiting for the Electoral Office which will delay operations. So we decided to put in some money. Because the funds is to assist RSIPF with our operations. So it will be easier and movement of officer will be much easier, rather than waiting for funds to come out from the Electoral Office.

**Mr Manasseh Sogavare:** Thank you Mr Chairman. Page 283, just this huge increase for the allocation for Item 3006 Water. What could be the reason for that huge increase?

**Hon Chris Laore:** Thank you Chairman. The huge increase for water is for the Correctional Services at Rove. We have a lot of people there. I think in some areas, may be Gizo, they are covered under the bill. If you look at Rove, we have an increase of inmates, who use water daily. That is for Correctional Services. That is why there is an increase. I just want to explain regarding water. I used to pay water in the past. And if it is more than 30 days, they will add certain percentage, if it is 60days; they will add another percentage on top of your overdue bills. If it is more than 90days, I think it is 100percent. You should try and check your bills. It accumulates as it goes, and if you do not pay out the 90days, it adds as interest, which we will pay. So unless we settle all these bills to zero, we will come up with the amount and the usage. But now SIWA is taking us with over dues. Check your bills. So when it is \$3million, the next bill that will come will be \$3.5million. That is why if we look at the Ministry, we cannot pay our bills. It is a huge cost, for more than 90 days, SIWA will add 100percent. That is why if you look at all the Ministries, we cannot pay out all the bills because we are paying only over dues, not the actual usage water. I think that is what I want to say.

**Mr Manasseh Sogavare:** Thank you Mr Chairman. It is a very important concern that the Minister has raised. The Minister for Finance is not here. It is very important the concern by the Minister is taken note of and the Ministry of Finance should release those payments. We have allocated \$420,000 for 2013. If these are arrears, something is really wrong with the way we manage government finances. So thank you for raising that and the Minister for Finance should take note of that.

**Mr Chairman:** Can the Minister take note of that?

**Mr Matthew Wale:** Since a lot of these issues used chart of accounts as their excuses which require the Minister of Finance to answer them. I think it will be good if you send an order to summon the Minister of Finance to come and sit down so that when we raise such issues he can hear it and he will not have any more excuses for next year.

My question is about the average number under trending of inmates, is it the same or going down or up because by then we will make sense of a lot of these allocations. So can the Minister say something about the trend? This because for rations it goes down, the entertainment goes up, the prisoner welfare go up and electricity go down and so I just want to make sense as to why some things go up while other go down. This is because all these will have impacts on the inmates.

**Hon Chris Laore:** I will not answer that question because I do not know how much the ration they eat per day but I will get the information and put it in his pigeon hole, thank you.

**Mr John Maneniaru:** I want to ask question on page 282 which is on rations, today the Minister stated that there is an increase in the number of inmates and the ration goes down and so can you clarify why the budget for ration for next year goes down? Besides, the inflation of the goods also up and so there must be something going on here?

**Hon Chris Laore:** I believe why the ration goes down is because the Ministry did look at the actual of 2013 and it from those actuals that we make our budget allocations. Sorry I might make a comment about the increase of inmates but maybe it was right but in general we have inmates going and inmates coming out. This is because it depends on the nature of cases that each inmate committed and so with regards to ration, it is reduced because it was based on the 2013 actuals and so it is from there that we work from. Moreover, when the Ministry of Finance give us the ceiling we cannot hold on to something else.

**Mr John Moffat Fugui:** I come back again on water that is on 3006, does the boreholes help because you have jump a thousand percent from \$42,000 to \$4million. My questions is on the bore holes that JICA puts in place because I also understand that there are so many water tanks which they get from your pipes, otherwise you pay for the credit for people that receive water and if they do not pay up. If they do not pay you on the spot, can you explain to us?

**Hon Chris Laore:** Thank you chairman, I believe this increase in water it's not only for Honiara alone, Lata, Kira kira, Gizo, even if it's a bore hole. SIWA charges you on every litre usage, every drop counts, so we have four correctional services, one is in Lata, Kirakira, Gizo is opening up very soon, it will also need water. So I believe this prepares the ministry for the 2014 when every place opens up and SIWA bills us for the usage of water.

**Mr Matthew Wale:** Thank you Mr Chairman, I am happy to see the minister of finance coming back. Mr Chairman, last year or the year before someone comes out from prison one week after he comes and breaks in at my house. He is muscle because they said they eat well and exercise all the time.

**Mr Chairman:** What head are you talking on?

**Mr Matthew Wale:** The one with the ration Mr Chairman, before you were a police officer as well, before they eat biscuit but now they eat corn beef just for the policy in corrections, it's good to feed them well but we feed them well more than our students at the boarding schools. They only eat dry rice and tea with rice that is the comparison which I want to give to you. Our students at boarding schools have bakua, scabies and itchiness from taiyo and rice every time but they get very nice food and they come back and break in at our homes. I did not ask so that you do not feed them but for the policy

to rethink about it. My question is to do with the electricity; it went down substantially almost \$2million and I would like the minister to clarify to us why electricity decreases.

**Hon Chris Laore:** Thank you for the question, with regards to electricity I will continue to repeat myself. We are looking at 2013 where the usage paid is close to the actual and virement which takes time. Our accounts are looking at the demands which finance says; reprioritize so we look at these areas to reprioritize. Some places will be increase because as transition continues RAMSI starts to give back the bills for government to take on, may be next year it will increase again.

**Hon John Maneniaru:** Thank you chairman, page 283, I want to take us back to the issue on water. Thank you minister for your answers and I have seen that the actual for 2012 is \$419,989, the revised for 2013 is \$420,000 and then as the Member for Central Honiara has asked earlier on; the budget for 2014 is \$4,129,267 for water bills. You have explained that the amount covers all the Correctional Services throughout the country and if so in 2012 and 2013 who looks after those costs because the budget has a huge increase. Do you increase prison facilities in provinces?

**Hon Chris Laore:** Thank you Chairman for that question. I think I have already mentioned that Gizo is opening up very soon and we are trying to cater for the bills that will be coming up so that we do not find difficulties with water in those areas. In Lata and Kirakira there are Correctional Services there and in Gizo I do not know if the facility there is already open but water will be running in the facility and the Solomon Islands Water Authority will bill us. So, I think in every budget we have to do estimates, so if there is an increase it will cater for all the Correctional Services. If I do not answer the question then I do not know how to answer it anymore but that is the estimates for the areas that will come up in 2014.



**Mr Peter Shanel Agovaka:** For the prisoner program, can the Minister just inform the House on what were happening with those programs because they are quite important programs that rehabilitates inmates as well as trying to get them back; when they are released they would go back to civil societies. What happens to this program since it has a zero budget there?

**Hon Chris Laore:** I think this new chart of accounts that we were talking about; the Ministry has looked at it and instead of putting them as in the item they put it under trainings; so it is filled within the other line items that is best suitable. So it comes under the training budget.

**Mr Matthew Wale:** Thank you Chairman, in that case, is the prison industry is any different? The other things in terms of presentation is that we change it from Prison to Correctional Services so maybe for the words Prison you would present it in another word the next time.

The other is for the entertainment there, who are we entertaining? Is it entertainment for the inmates or entertainment for the staff at the Correctional Services?

**Hon Chris Laore:** Can you tell me what page you were referring to?

**Mr Matthew Wale:** Page 282 for 'entertainment' and prisoner industry is on 283. ..

**Hon Chris Laore:** Thank you Chairman, I think the answer is for both inmates and officers. The one which it says the industry is for the farms, I don't know I think it's for Tetere farm. Thank you

**Mr Matthew Wale:** Thank you Mr Chairman, maintain ships on page 286 it goes up by almost half a million and I would like to ask what kind of ships does this mean, those Patrol boat it seems to be a little bit under provided for if it a routine maintenance of patrol boat, if its patrol boat, which patrol boat and what is the actual costs on that maintenance schedule maintenance there because it just seems under provided. Thank you.

**Hon Chris Laore:** Thank you Chairman, I think to answer the question, this one is only for a general maintenance I think for those patrol boats, Lata and Auki that is for general maintenance and maybe painting, a little bit of fitting and so forth but for big overhaul the patrol boats will go over to Australia for refitting and so forth.

So I think as of in two years' time they are trying to replace those two new patrol boats before the drawdown of RAMSI is reaching up they will provide two new patrol boats as far as I am aware of. Thank you.

**Mr Selwyn Riutana:** Thank you Mr Chairman, page 285, public servants salary head 1010 and also NPF contribution 116, I have noted in public servants salary that is an increase of about \$4million but in the NPF contribution its reduced.

I would assume that the increase in salaries it is the increase of human beings now yeah and why it is reduced in NPF contribution. Thank you Chairman.

**Hon Chris Laore:** Thank you Chairman, the question where there is an increase in salary. I think the minister of Finance have read through this and maybe you are not here when the Minister of Finance read his speech, that 3 per cent of salaries will increase in next year as COLA that's why we cater for in our budget, 3 per cent for all public servants including yourself. There will be an increase of 3 per cent and if you

look at NPF that not everyone is highest level in their work, we have more on frontline officers were level four and five which is very small in the NPF contribution.

So looking at that calculation as I have said, he based it on projection for the new recruits that have pass out and the last group is in last week.

As of next year, those projections will be catered for. Because I think as the level goes higher, when you are a Member of Parliament, our NPF have been very high. But as with lower levels 3, 4, 5 Officers, only \$27 is deducted for NPF. So that calculation is based on what we pay, it should fit in with that. I think that is what I will say. When I was working at the Hospital, I have direct employment, so there is a booklet that says, this level, direct tax and NPF. I do not know whether this actual payment is very small. But based on what the accounts have seen, it should be fit enough for those 2014 recruitments.

**Mr Matthew Wale:** Thank you Chairman. On page 286, on Special Police Operations, Forensic Services Expenses, and on page 287, everything is all zero. I just want the Minister tell us what has happened to those.

**Hon Chris Laore:** Thank you Chairman. I think I will go to the same answer since this Chart of Accounts; everything will go under normal activity operations of the RSIPF. So rather than separated, we just put them there, when it comes equipments, we put it under equipment, and those for training will all go under training. So they fit in under every Heads where go under training, rather than separating them which will make things difficult. We have seen since 2013, I think there is nothing; everything is fitted under other Heads. I think that is my answer.

**Hon Derek Sikua:** Thank you Chairman. Head 2901 on page 286 for uniforms. Mr Chairman I am happy to see the continuing increase in the allocation for uniforms. What else do we need to take with regards to the uniforms for our Police Officer in 2014?

**Hon Chris Laore:** Thank you Chairman. I want to thank the Leader of Opposition for asking this very important question. I think four containers of uniforms have arrived to replace the uniforms of all the officers which are now old. So the Ministry is purchasing uniforms. I think in 2014, we are looking at uniforms for the Correctional Services. At the moment, it is just the RSIPF and also their protective gears necessary to look after the officers. I think that is all I can say. The four containers should already arrive with all the uniforms, and each officer should have at least three or four uniforms.

**Mr Manasseh Sogavare:** Thank you Mr Chairman. Just a follow up on the question by the Member for Kia/Hograno regarding the NPF contributions; I think the Minister of Finance should prepare the answer to explain it. If you look at the 7.5percent employers contribution of \$3million is just for the \$39million; that is if you calculate it. In fact it comes up to \$2.9million and that is only for the \$39million public Service Salaries. That means that the public Servants housing allowance, the special duty allowance, and the various allowances are not catered for by the employer. That is the employer does not pay the 7.5percent NPF contribution on behalf of the people receiving those allowances. With regards to the policy, what does the law say in terms of employers contributions with regards to the remunerations to its employees, is it only on basic salaries or is it also on those allowances?

**Hon Rick Houenipwela:** As far the NPF regulation is concern, every employee deducts on everything on everything they earned in terms of salaries and allowances.

**Mr Manasseh Sogavare:** Thank you, maybe for the Minister to take note that there is a policy, and that we are under budgeting in some Ministries regarding their NPF contributions- the Employers 7.5percent. The employees are deducted 5percent from their salaries; the employer has the duty to pay 7.5percent on behalf of the employees. So it looks like there is an under provision there. In fact this also goes for a number of Ministries too, in terms of NPF contributions.

So can the Minister takes note of that, since it will affect the budget because as soon as you pay the employers, the government has to pay the 7.5percent. So it is something that comes out as these allowances are paid. If you do not provide for that, then you will be eating up the revenue of that; you use for other budget provision here because we do not provide for it. So please take note of that one.

**Mr John Maneniaru:** I am on page 286, my question relates to Head to 3043, special Police operations. I understand there is an assurance to our police officers, that there will be some form of thank you accorded to them, for doing Special Operations during the Bougainville spill over, what I understand is that it will be budgeted for. Can the Minister confirm that?

**Hon Chris Laore:** Thank you, is it regarding the allowances of the officers deployed during the Bougainville Crisis, is that the question?

**Hon John Maneniaru:** I don't know about its details but what I know is when they are deployed they were assured that there will be some token of appreciation will be given to them as they are deployed at the Border.

What I know too is they were assured that this token of appreciation will be budgeted for. What is what I want to know?

**Hon Chris Laore:** In response to your question, it was not budgeted for. We checked the civil list and it needs legal clarification, before it can be brought to cabinet and then we can have a look at it after 2014.

*All Agreed to.*

*Committee is suspended until 2:30pm*

*Committee of supply resume*

**Hon Derek Sikua:** I am concerned about the recurrent to the payroll charges, with the salaries to public service to the first item and then you come to NPF 7.5 employee contribution. The same thing happens to all the ministries and departments within the ministries. This will be the silent killer in our budget because these are our obligate expenses; the Minister of Finance already told us that the 7.5 percent is calculated from salaries plus other allowances which public officers receive. Some kind of exercise should be done between now and may be tomorrow for the committee to has a clear picture because it looks like this 7.5 is not taken to account with the allowances, so I am just interested to know how much money are we not budgeting, how much money are we not budgeting for NPF 7.5 employee contribution. I am not surprise if we are sort by something like \$10million from the budget. It's just a comment I would like to make and I realize that minister of finance is not here and I will leave it here but I will be very interested to know how much money we did not budget for but we will have to pay in 2014.

**Hon Gordon Darcy Lilo:** I have notice that there are certain backs we need to really establish so that we fully understand the application of the two things. One is the application of tax, the other is the NPF. And I myself I did not refresh my memory which both applies to, tax sweeps out everything that approve as income you must tax. I am not too sure with the NPF contribution, it could be based on basics, and I do not think it takes into consideration the other variables which are variable to a basic like allowances and things like that. I do not think that it takes that into consideration but we need to find that out.

I doubt it because as you know they have operated quite differently, in this case there is a threshold limit up to a certain minimum then start taxing income. NPF is very low, so it even captures all that were below the minimum bracket for tax like the plantation workers you have to pay all their NPFs. So those two things are applied differently.

It is good that the Leader of Opposition and others have raised this matter. They are just financing it here but I do not mind going out and try to do a research on it and then

bring it back because my understanding on it is that they are quite different. For tax anything that comes to you, you have to tax it but some of us sometimes hide from tax so that is bad. If I can find that answer first then come back because my understanding is that NPF is only on the basic but today I heard the explanation that in covers everything so I am not sure on which one is the right one.

**Mr Chairman:** My view is that we continue then at the end of deliberations there can be some amendments when that comes to light. So we will continue.

**Mr Manasseh Sogavare:** We are appropriating amounts to the Heads so with this idea of leaving it until the end of the deliberation and then we look back at the amounts it might not be proper because Parliament must know what we are appropriating. So what we are arguing is that with regards to NPF if we go back and do calculations we are going to find really big short falls. And with regards to NPF anything above \$20; because it is a contribution to retirement benefits of employees.

So it starts very small, a person needs to contribute with retirement benefit; it is a contributory fund where the employer pays 7.5percent and employee 5percent. The dedication applies when an employee has an income of more than \$20, and anything that is an income to any employee NPF begins to apply on it. So for this idea that we will wait until we appropriate everything then we come back and we say we need to appropriate \$10million dollars but we already vote the Heads. That is the concern that I have.

**Mr Chairman:** As I have said the Minister of Finance will clarify this, we continue then if there is any short fall we will vote for it at the end of deliberations. I know for sure that will happen.

**Hon Derek Sikua:** I do not want to question your decision Mr Chairman but if it so happen that this NPF 7.5 percent employees contribution is included but not taken into

account in the budget; so when we come for vote we vote more how much now shortfall in each head or we vote again the total amount that is the shortfall, only one amount or we go through every head again for us to vote the shortfall in every head Mr Chairman, that is what I would like to get the clarification from you.

**Mr Chairman:** No, Honourable Members, the shortfall of the full total that it will come out then we vote for that amount. We will allow the responsible Ministry to take care of those shortfalls.

**Hon Derek Sikua:** I think I am clear with your decision so Sir. Just a very quick one on page 298, on office rent item 2409 – I would like to know this decrease of \$80,000. Maybe it should not be a bracket there, we should remove that bracket and just leave \$80,000 there then it will proper, I understand it in that way so I would just to get my understanding correct.

**Hon Silas Tausinga:** With regards to the bracket there, I myself am also confused of it. I think we will remove the bracket there.

**Mr Matthew Wale:** I want to ask item on disaster relieve and this disaster relieve is for ministry to mobilize in disaster areas or it is for any particular program?

**Hon Silas Tausinga:** The one on disaster is basically when there is a disaster in the country we work closely with the Ministry of Environment. So it is for mobilising our staff to go and carryout the assessments and assists them during disasters; it is recurrent one.



**Mr Matthew Wale:** On page 300 Malaita Province, \$12.796million, health services grants hospital. Is this a right narration? Because there was a similar narration like that in ministry of Health in which we have covered already but I can see that then its zero for fix service grant and provincial grants.

So can the minister clarify this to the committee?

**Hon Silas Tausinga:** That is a typing error and it should be removed because it is actually fixed service grant and provincial grant. And just to further clarify, the grant to Honiara City Council should be to provinces under the next Head, 4038.

**Hon Derek Sikua:** This is just a general question; does the terminal grant for the members come under your Ministry, the Ministry of Provincial or under PEC? I just want to know if the Minister can answer this.

**Hon Silas Tausinga:** Yes, it comes through my Ministry and it should appear on page 298, Head 1117 which is now called various allowances. But that is basically the terminal grant.

**Hon Derek Sikua:** Just for interest sake, how much is the terminal grants for the Members of the Provincial Assemblies?

**Mr Chairman:** Thank you Leader of the Opposition. This is just a bit out of this budget. The question is general, but the Minister is not at liberty to answer, unless he has otherwise.

**Hon Silas Tausinga:** I will answer it; it is \$9,000 per term.

**Mr Matthew Wale:** I am aware that because of some accountability issues in Malaita Province, Malaita has foregone some funds which I am not too sure about; perhaps it is PGSP or grant funds? If the Minister can clarify this situation and whether it has been rectified.

**Hon Silas Tausinga:** Thank you Member for Aoke/Langalanga for that question. This year, Malaita Province has actually passed the PCDF requirements and has received the funds for this year. The Committee is currently working on the assessment for 2014 but the results are yet to come. This would be out by mid-January 2014. However in the past they did fail, and were disqualified but they were helped through that process and managed to qualify after they meet the minimum conditions.

**Mr Manasseh Sogavare:** Unfortunately the Minister of Finance is not here. I want to go back to the question or point raised by the Member for Aoke/Langalanga on this grant to HTC which appeared throughout. If they can take note of it, and sort it out, because it is telling a lot of stories here, the way it is presented. In 2013, the provision under Malaita is \$10million grant to HTC by Malaita Province, and then \$4million was allocated to Makira/Ulawa Province by 2013 and so it tell us big story here or might be it is because of mistake but we really need to work out how these mistake come about and what are these things.

If you look at page 302 for Western Province there is \$7million granted to HTC. Such anomalies need to be sorted out and I guess the Minister of Finance needs to take note of those so that when this budget goes to print we have correct figures. In fact they reappear because in last year's budget the same narrations also appear.

**Mr Chairman:** Prime Minister you must take note of the point raised by the Member for East Choiseul. Do you have anything to say Minister of Provincial Government?

**Hon Silas Tausinga:** Most of them are fixed service grants and they are only based on 20percent fixed distribution, and 80 % of it is based on population. But that is how far I can get the House to understand that issue.

**Mr Chairman:** Now the Minister of Finance is here so the Member for East Choiseul can repeat his question?

**Mr Manasseh Sogavare:** Thank you Mr Chairman, from pages 300, 301, 302, 303 – all the provinces for 2013 have provided grants to Honiara Town Council and we need to sort those things before this budget goes to print. I think from what the Minister said, these are supposed to be fixed service grants and so if that is the case then they where should they appear? For instance, for Malaita province should it appear under 4024? Is it printing that put those grants under HTC But we need to remove those grants from HTC, because it has no meaning and it does not make sense. Remove it so that we can post it under the correct budget line.

**Mr Chairman:** Minister of Finance and Treasury take note of the point raised and deal with it.

**Hon Rick Houenipwela:** No sir, except to reiterate what you said and I think it is a very important point being raised. Again, what the Prime Minister was saying this morning when the final print comes those things will be changed because it is true HTC should not come under this. I take note of the comment.

*Page 305, 306, 307, 308 and 309*

**Mr Manasseh Sogavare:** When I walked in today the Legal Draftsman was sitting in the corridor and he was saying that the government asked him to amend certain figures. We need to know these things and my advice to him is Parliament is now appropriating amounts to the heads and if any figures need to be changed they you need to do that first before we discuss these heads. If we vote on the heads then it is over, unless you amend this Act and bring another amendment Bill to this Act.

What is the draftsman sitting outside for? Did he come to amend figures? Because if that was the case then this house needs to be suspended: this committee so that we know what he comes to amend. It is just the same because the minister of finance is here; if he comes to amend something to do with the NPF figures then we need to know as well.

**Hon Rick Houenipwela:** Mr Chairman, it is true the legal draftsman is outside, he is here to see his boss the Attorney General. The figures that we vote on, I am not aware if there are any changes to it, the schedules I am not aware of any changes to the figures that we already vote on.

**Mr Manasseh Sogavare:** Thank you Mr Chairman, we just want to put on the floor for the minister to know that the number of heads, NPF contribution is under provided for. What is the minister's view on that one, if we go through one night and look at it, how much do we actually budget for. May be he can probably determine the extent of the under budget, now in terms of paying it. Government should not have any problem to it because it is statutory you pay salary it goes with it. Or you pay allowance it goes with it or if government does not pay that is not the issue here it will continue to eat away your provisions to other heads. Just for the minister to inform us what will he do to strengthen that later on, through contingency warrants or through recurrent.

**Hon Rick Houenipwela:** No sir, at this point of time I do not have any comments to make, I think I have mentioned earlier on to the discussion in the morning that it is an important point that I take note of, thank you.

*All agreed to*

**Head 285 – Ministry of Lands, Housing and Survey - \$23,362,927**

**Mr Matthew Wale:** I would like to ask about insurance. What is it for?

**Hon. Joseph Onika:** This insurance is for the new vehicles that we bought last year.

**Mr Matthew Wale:** It is a first Ministry that I have heard that paid insurance for their vehicles, however, it is good. I just want to ask the Minister of Finance on what policy this is with regards to insurance of Government assets. Is it held centrally at the Ministry of Finance or does each Ministry picks it up.

**Hon Rick Houenipwela:** That is a very important question I would need advice on this because I do understand that it has been a long standing practice even buildings were not insured. I have made an inquiry last week on insurance of Government properties and I do not have any advice on what specifically has happened in terms of vehicles including buildings.

**Hon Derek Sikua:** Page 315: There is a new allocation right at the bottom on capital expenditure for other equipment's on item 5580, a new allocation of \$500,000. I want the Minister to explain on what equipment he is going to buy with this money under headquarters and administration.

**Hon Joseph Onika:** Thank you Chair and thank you Leader of Opposition for your question. This new allocation will go towards a new generator which we will get from New Zealand.

**Mr Manasseh Sogavare:** On page 315 there is a very small allocation there on sub item 2901, uniforms which is \$3000. What people are wearing uniforms there?

**Hon Joseph Onika:** The uniforms are allocated for our surveyors.

**Hon Derek Sikua:** This allocation for Members of Parliament overseas fares which is item 2704 seems too small, and I know the Prime Minister usually give additional amounts. I want to ask my *wantok* which country he is going to next year and for what meeting?

**Hon Joseph Onika:** Thank Chair and thank you Leader of Opposition, if you look carefully on our budget we do not usually have such funding in it but this is based on the 2012 actual.

*Pages 316, 317, 318 & 319*

**Mr Johnley Hatimoana:** Thank you Chairman, on pre service it look obvious that last year we spend some money in pre service training and next there is nil there. What does the minister have to inform the House on that? Thank you Mr Chairman.

**Hon Joseph Onika:** Excuse me Chairman, can I ask the colleague Member of Parliament for Ngella to repeat his question and what item head is he asking. Thank you Chairman.

**Mr Johnley Hatimoana:** Mr Chairman, its on page 315 and its on head 2606 – training pre service.

I think year you have allocated and I am questioning the next year's budget. Is there any provision for any pre service training for the officers in your ministry to forego the in service training.

**Hon Joseph Onika:** Thank you Chair, in the past the ministry is usually recruiting the secondary school leavers for in service training but now we no longer send officers for in service training. So now we think to put it back in next year and I think that's all. Thank you.

**Mr Johnley Hatimoana:** Mr Chairman, I think it looks like there is not money allocated for in your next year's budget, yes, I just comment on it.

**Mr Chairman:** Minister, it seems that you omitted this year, put the provision.

**Hon Joseph Onika:** Thank you Chair, what I have mentioned is a bit mistake but next year there will nothing or there's zero in there. Thank you.

**Mr Manasseh Sogavare:** Thank you Mr Chairman, page 316 sub item 2411 land rent \$800,000 in 2013, we're stop and how its appeared in there we have stop paying land rent, is that the story in 2014 and where about is it and for which land.

**Hon Joseph Onika:** Thank you Chairman, this head here we have transferred it to the head of Commissioner. Thank you.

**Mr Matthew Wale:** Thank you on page 317, geographic operation group, as from on top the income is land survey fees it's nil. But Minister is informing us in somewhere on page 315, those uniform were been purchased for the surveyor. So you are paying the uniforms for surveyor but yet they were not doing any work or if they are doing the work, you were not charge for it because it is the work of government or for minister to clarifying this to the House.

**Hon Joseph Onika:** Thank you Chair, I will repeating this again, that we have transferred that allocation to the head of Commissioner of Lands. Thank you.

*Head 285 agreed to.*

**Head 282: Pensions and Gratuities**

*Pages 275, 276*

**Mr Matthew Wale:** On page 276, Sub Item Workers Compensation. Can the Minister clarify this, who is this for? Is for those persons on pension who had already retired?



**Hon Rick Houenipwela:** I want to thank the Honourable Member for the question. I will just answer the question based on its logic. I do not think it is for the people who had already retired. It is workers compensation for people who are still at work.

**Mr Matthew Wale:** I did not accept the answer from the Minister. I want to know what it is for or not what it is not for. It appears here. So if it is an error, then it obviously should appear somewhere else, and in light of the Minister's explanation where we are going through his budget for the Ministry of Finance, he told us at the first place that the workers compensation was also centralised. So it does not make sense that it appears here. That he admitted, we have all seen that it does not make for it to appear here. It would be good if his Permanent Secretary is here to help him to make a more accurate explanation so that we are clear about it.

**Hon Rick Houenipwela:** If the Honourable Member wants us to wait for any other explanation, then he can wait. But in terms of the answer that I can give at this time, the workers compensation is taken up under this Head 282.

**Hon Derek Sikua:** On the first item, Item 1014- various allowances of public servants, we spend big amount of money on 2012 and for this year there is nothing and also there is no allocation for 2014. Hence, can the Minister explain why it is like that? As this item will not have any allocation for 2014.

**Hon Rick Houenipwela:** The allowances for public servants should stay at their various departments and so I think this is again another typographical error because the allowances for public servants are not pensions.

*All agreed to.*

**Head 286 – Ministry of Development Planning and Aid Coordination-**

**Mr Manasseh Sogavare:** Can the Minister confirm how this budget is structured because it starts off with all units are salaries and no money to work on them. Hence, where does that money is placed?

**Hon Connelly Sandakabatu:** Our budget in order and also all other charges are on page 332 at the back.

*Pages 330, 331 and 332*

**Hon Derek Sikua:** Thank you chairman, just to follow up the question of Member for East Choiseul. So does it mean that what appear at 332 are the other charges of Headquarter and administration, program and aid management division, economic division and social services division including national planning division? Is that all for everyone?

**Hon Connelly Sandakabatu:** Thank you Chairman and the Leader of Opposition; well that is true.

**Mr Matthew Wale:** Chairman, this monitoring and evaluation which is zero on 332, I want to ask about, are they not going to do any monitoring and evaluation or they might hold in another bucket.

**Hon. Connelly Sandakabatu:** Thank you chair and thank you deputy leader of the opposition, this monitoring and evaluation work is very important for our ministry, we have bid for it but like others it did not fall through but we will continue with the job. Currently what we have in other codes and if need be we will do a virement, so thank you sir.

**Hon Derek Sikua:** It seems that this is the Ministry I want to work in, because its budget looks interesting, particularly I am interested in going overseas, item 2704, and MPs overseas fares. Just for the minister to tell us where he will go next year for his overseas meetings. This minister is the same as the foreign affairs minister, overseas every time. Just for the minister to let the committee know where he will be going next year?

**Hon Alex Lionel:** Thank you chair, certainly this ministry deals with our good donor partners and it entails bilateral negotiations and also multilateral negotiations and just to name a few, the MPs item for next year is at least two times to this ACP/EU in Brussels about twice. And that is Pacific Islands Forum (PIF) dialogue that will be held may be somewhere in the Northern pacific next year. Also the Pacific Islands Development forum those are some of the trips that are planned for next year.

**Mr Matthew Wale:** Thank you Mr Chairman, I come back to monitoring and evaluation, I am worried because all the divisions merely allocated salaries but other charges are only catered for in the national planning and nothing in the monitoring and evaluation, but monitoring and evaluation is the important tail end of the planning. And so it seems to be the core business, one important core business of the ministry is monitoring and evaluation.

In the previous years' its only allocated small amounts of money, so it wasn't taken as seriously as it ought to be but then this year, there is nothing allocated. By way of

activity the minister says that this work is ongoing so by way of activity is for the minister to tell us what monitoring and evaluation activity is been taken so that committee can form a view as to the kind of money, the kind of cost that you will need to be vying it gives us an idea of the cost element to it.

**Hon. Connelly Sandakabatu:** certainly this work is a very important work it has to be done and will continue to done next year. We have a provision for it in the development budget, also to certainly we will have a virement in the coming year to help out on this job. The type of work that our staff will be going out to is also to have a monitoring and evaluation on donor projects plus our own. Just for example, the Rural Development Project (RDP) also we need to be assessed as well. Yes, in monetary terms it is quite difficult for me to say but certainly there is a volume of work out there for them to do.

**Mr Manasseh Sogavare:** Thank you Mr Chairman, page 332, sub item 2601 – ‘conference, seminars and workshop’ before the Ministry have taken up that activity in 2012. There was nothing in 2013 and we are going to make provisions for it in 2014 again, what is the nature of the ‘conference, seminars and workshop’?

**Hon Connelly Sandakabatu:** Thank you Chairman and thank you Member of Parliament for East Choiseul. These conferences, seminars and workshops are mostly locals to gather other line Ministries to come on line in terms of how to implement the National Development Strategies (NDS).

**Hon Derek Sikua:** With regards to office rental next year it is almost increased by 100percent from \$880,000 to \$1.7million. Can the Minister explain this big increase or are you going to rent another building or does the owner of the building wanting to make this huge increase? And secondly, are there any plans for you to move out of that

building and move to a place that is closer to area of the Minister of Finance so that it could be easy for you two to talk and straighten up the budget?

**Hon Connelly Sandakabatu:** Yes, there is a sustainable rise on the figure there. There is an increase of about 95percent in office rentals as a result of an increasing in office rentals in 2014 for our Ministry; NAO and RDP offices. So we are footing in for at least three office spaces for the Ministry. And NAO will be finishing in June next year so we are anticipating that as well including the office of the RDP plus the increase of rentals as we anticipated.

The Ministry is responsible to meet the cost of NAO and RDP officers as part of the Solomon Islands Government (SIG) commitment.

**Mr Matthew Wale:** Thank you Chairman, housing rental has reduced although the Ministry is going to recruit some new staff, so I just want to know where they are going to sleep?

**Hon Connelly Sandakabatu:** Thank you Chair and thank you Deputy Leader of the Opposition for your question. Before answering that I would like to go back to the question raised by the Leader of the Opposition. Yes, we are planning to move when we have the opportunity to move, we will move into the old Finance building once their new building is completed.

Coming to your question Deputy Leader of the Opposition, for house rental this is to meet the cost of new and current staff housing rentals under this Public Service Housing Schemes. I think also if need to be, we will fill in the gaps once if you have spaces on the office rentals.

*All agreed to*

**Head 287 – Ministry of Culture and Tourism - \$80,540,408.00**

*Pages 335, 336, 337 & 338*

**Mr Matthew Wale:** Similar question as was asked to Minister of Planning today that house rent is reduced although it looks like the salaries is going up so it looks like there might be need for housing is grow so for the Minister to explain to the House of that reduction and he will cope with it.

**Hon Samuel Manetoali:** In fact yes, there's a reduction there, we expect the rental costs to increase to \$1.6million to include our new staff as well so there's a need for an increase there.

**Mr Matthew Wale:** So the second of my question, how will the ministry cope within this need here.

**Hon Samuel Manetoali:** Yes, maybe through supplementary.

**Mr Matthew Wale:** I would like to move down to office rent which its look good, it looks like the ministry of Tourism its office rent is going down. So whether this reflects that you have given up some space or you have moved in government office or some other office, now move in government office for justifying this saving.

**Hon Samuel Manetoali:** In fact my ministry has moved to the third floor at Anthony Saru building where rent is reasonable.

**Mr Matthew Wale:** Thank you very much Mr Chairman, I would like to move to the next item of security, the allocation for security is really going up; so for minister to explain the substantial increase of security costs.

**Hon Samuel Manetoali:** Thank you Chairman and thank you once again Honourable Member for Aoke/Langalanga for that question. Security in fact, we have a few places that we need security, that is the main office, the National Museum and Culture, Archives and the Art Gallery. That is why you can see the increase there.

**Mr Manasseh Sogavare:** I am still on page 336 Mr Chairman. I want to a question there. On Maintenance – Non Residential Buildings, which I get that it for the office. Is it for the main office that you are using or other buildings? If that is for the main office that you are using, then what is the arrangement between your Ministry and NPF? Who is carrying out maintenance of the building and security? I thought that NPF is providing the security there. What is the arrangement with that?

**Hon Samuel Manetoali:** Thank you Chairman and thank you Honourable Member for East Choiseul for that question. In fact, that non-residential building is to cater for minor repair and maintenance of the Museum.

**Mr Matthew Wale:** On page 337 on National Archives. There is a substantial increase on Record Management, and I know that in the Minister has talked about the upgrading and modernization of the record system there, digitization or something like that. Just for the Minister to update us on this and perhaps that would explain the substantial increase in the provision.

**Hon Samuel Manetoali:** Thank you Chairman and thank you Honourable Member for Aoke/Langalanga and the Deputy Leader of Opposition. This record management, in the past we used to do it manually and all these. But now we are doing a digital kind of recording, it is a modern recording. It is like in the past, where we write it manually. They are doing it the other; for example, digital, computerization.

**Hon John Maneniaru:** On page 338, Item 6876 Purchase of World War. There is a zero allocation for that in the budget for next year. If the Minister can explain what has happened here, or is it going to do away with this activity.

**Hon Samuel Manetoali:** Thank you Mr Chairman and thank you Honourable Member for West Are'Are and Leader of Independent for that question. It is zero, which means there is nothing on that for next year.

**Mr Matthew Wale:** I want to ask about the Item 6976- Artefacts and Display. There is a substantial increase and how does Museum commission it or look for the specific artefacts, perhaps cultural artefacts where they ask people to produce for the museum. Is that process goes through the tender system or they just go out and look for them and buy them and take them into the Museum?

**Hon Samuel Manetoali:** Thank you chairman and thank you Honourable member for Aoke/Langalanga. Well, for the item that comes to the museum is through the way of purchase and no tender or nothing and so we just pay direct from the people.

**Mr Matthew Wale:** I also like to ask the Minister about the report with regards to artefacts that stays around the world that the other museums want to return them back to us. But I think our constraint has been with the climate control and because when we get them we have to store them properly and perhaps provide air condition to keep



them from deteriorating. Hence, are these matters been addressed already or not? Because in order for those artefacts to return to us we have to provide such things otherwise they will be deteriorating.

**Hon Samuel Manetoali:** Yes some of the artefacts have been returned to our country and some of them are still under plans to bring them here in the near future. The Ministry has been working very closely with the overseas museums and so we have partnered with them and so there are plans to bring some of them back in the near future.

**Mr Douglas Ete:** On page 339, item 4027 - Subventions and Grant, under your establishment you have few associations and probably Solomon Islands Visitors Bureau. Hence, where does that \$1million go to? Does it go to support those groups or does it support other organizations and associations.

**Hon Samuel Manetoali:** The \$1million that is there will provide support to SIVB for its marketing & promotion activities and also to Solomon Islands National University for parcel scholarships to students and other administrative support to the school of tourism and hospitality. Furthermore, to support revive and strengthen the Solomon Islands Tourism Industry Association as an industry coordinating body (SITIA). Hence, that is where that \$1million goes to, thank you.

**Mr Johnley Hatimoana:** On subscription to overseas body on 2011 it seems new and I just wonder whether we will continue to become members of these organizations or not. But it looks like we will no longer be a member because there is no budget there for 2014 and so can the Ministry say something about it?

**Hon Samuel Manetoali:** In fact this one at the top should be about the overseas body which is allocated for \$150,000 and that is our membership to South Pacific Tourism Organisation. But it should be vice versa, this one up there should be down there and up top should be space there.

**Mr John Fugui:** Thank you chairman, page 339 – 2604 - training other \$600,000 can the minister explain to us what that \$600,000 for next year's budget.

**Hon Samuel Manetoali:** Thank you chairman and thank you honourable member for central Honiara for that question, that \$600,000 is for the industrial industry training. The division of the tourism plans to increase and improve for those already in the industry as there is a greater need to improve the standard of services offered by service providers in the congregation sectors throughout the country. It will also cover training on tour guiding, how to run successful tourism business apart from front office, food production etc. This training will be conducted by the department together with other training providers such as MASE, SBEC, Solomon Host and commerce business division. So that is the other training that is mentioned for that \$600,000. Thank you chairman.

**Mr Johnley Hatimoana:** The last one on page 339, eco-tourism development. There is a big reduction to that and considering the trainings and others that we talked about here, that reduction and in terms of development to other eco tourism centers or areas; it looks like a big reduction there. What are we going to do if all or that amount of money is not sufficient enough for do the developments.

**Hon Samuel Manetoali:** Thank you Mr Chairman and thank you honourable member for Gela for that question, that amount is to support smaller eco-tourism related projects, for example; making promotional pamphlets or small needs for small eco-tourism related projects. Thank you chairman.

**Mr Matthew Wale:** Thank you Mr Chairman, the tourism council expenses, did the council still exist and if so what is their work. The allocation there is nil if the minister can clarify to us.

**Hon Samuel Manetoali:** if fact that council still sleeps it's not active, is not functioning.

**Mr Douglas Ete:** Page 340, publicity and promotion increase substantively by 232,000 - \$420,000, what is it for and why is that increase so substantial.

**Hon Samuel Manetoali:** This publicity and promotion is on culture because there is big work going on in the culture division at the moment especially to publicize and promote our culture. So that is why you see that amount there.

**Mr Johnley Hatimoana:** In culture and promotion there is also another bracket there which means reduction but we have been talking about the question which the Member for East Honiara have posed; and then we have culture and promotion there which is second last, why is the bracket there while we are talking about all these.

**Hon Samuel Manetoali:** Yes, there is a big reduction there. In fact on this publicity and promotion they are to deal with cultural policy and guideline, so yes that is right.

**Mr Johnley Hatimoana:** On the second last, 'provincial cultural' there is also a mass reduction and also a bracket there. Are we not going to promote our culture next year?

**Hon Samuel Manetoali:** In fact, yes, there is reduction there but I think they have taken into account the 2012 budget so that is why that amount has reduced.

**Mr Matthew Wale:** I think that every time the Minister of Foreign Affairs goes overseas he is wearing a grass skirt or any of our cultural outfit to promote it around the world so that countries know, so maybe we could organize a competition to identify a truly cultural thing. And along that line I think that; because if you see officials of Africa going to conferences you would see them wearing their special hats and like that. But on sub head 2720 line item 2720; others, overseas, other costs, that is why I think of the Foreign Affairs Minister. It is \$4million, just for the Minister to Clarify.

**Hon Samuel Manetoali:** That \$4million there is for Melanesian Spear Head Group (MSG) Festival of Arts in Papua New Guinea next year, where our participants will go and attending it and also we will go in big number because the next host will be Solomon Islands, so we must go and promote ourselves next year that we are hosting the next MSG Culture of Festival or Cultural of Festival here in Solomon Islands. So that's why you see it in there.

The other comment of Member of Parliament of Aoke/Langalanga, yes, there are other Pacific countries or other countries in the world they were proud on their cultures when they go out but for our Foreign Affairs Minister to wear a grass skirt and go, is not Mr Chairman.

**Mr Douglas Ete:** The last one on page 340, with your approval I will happy indeed.

**Mr Douglas Ete:** When they appeared before the Public Accounts Committee, the Public Accounts Committee was concern over the policy idea of our traditional knowledge in national arts culture, and they have said, they will bring an act to Parliament and they will funding it under this budget but I haven't sighted in here maybe the minister can inform the parliament on this.

**Hon Samuel Manetoali:** That is if you look at 2008 that it will catered in there, the traditional knowledge bill will come in there and at the moment that bill is still within the Attorney Generals Chamber so maybe next year we can pushing it into Parliament.

**Hon John Maneniaru:** Thank you Chairman, with your indulgence, may be my question relates to page 340. May be under cultural promotion and others overseas other cost here, which the minister have said that there will a big delegation and that is we will prepare for MSG Arts of Festival.

The groups that representing our country that will go and do the promotion, how are they apply or how we going to apply so that your ministry may select them under that promotion. So that there are a lot of groups we have yet some of our groups hardly get any chances at all. How do they apply and how do you select the groups that will represent the country.

**Hon Samuel Manetoali:** Thank you Chairman for that very important question on how to select the group to go. We have a committee to do the selection Mr Chairman and that the committee have to selecting them maybe they have to look that they are the very special group in the country or they have been doing a lot in cultural activities, performances. Maybe go along those criteria's that the committee would look into.

*Head 287 agreed to*

**Head 288 – Ministry of Commerce, Industries, Labour and Immigration - \$35,707,882**

*Pages 347, 348 & 349*

**Mr Manasseh Sogavare:** On page 348, Sub Item 2011 Subscriptions/Membership to Overseas Bodies, this new allocation of \$320,000 to what organization?

**Hon Elijah Doro Muala:** Thank you Mr Chair and thank you East Choiseul for the question on this membership fee to the Asian Pacific Coconut Community (APCC), and Pacific Immigration Directors' Conference Secretariat (PIDC).

**Hon Derek Sikua:** I want to go to page 347 on income. I am happy to see an increase of more than \$4million that the Ministry will bring for our government in 2014 to make it \$14million. I understand that part of your income is from work permits, but I am worried, I think this increase also includes the work permit for people who come and just drive trucks to take cargoes to wharves. The person who carry the carry the cargoes in the trucks is also a *waku* (Asian). As result our people are unemployed all the Asians are taking the jobs from them. I want the Minister to really explain who they give work permits to come and take over the jobs from our people, which results in this huge increase or what forms part of this huge increase?

**Hon Elijah Doro Muala:** Work permit covers a wide range of work. For example, some who are bulldozer truck drivers, but it is a special bulldozer and it needs a specialized operator, their own people to come and drive the bulldozer. That is why there is an increase in the fees. Other trucks are also special, that is why they need their own drivers to come into the country.

**Mr Matthew Wale:** I do not know what type of special bulldozer the Minister is talking about but our people in Solomon Islands can also operate all kinds of bulldozer or specialized ones. Today when the Leader of Opposition and I drove back, the trucks and the people who only load the cargo are also on work permit. So it begs the question that this is a very serious issue. Our people are unemployed, so they sell betel nut at the

road side. The government policy with regards to work permits, it is very obvious that maybe they put their CV and application, and said that they have already advertised, but no one has applied or those that applied were not capable; everything is all cooked to make sure they bring their man and after you should find out that, that person do the work that the Solomon Islanders should do and therefore issue of work permit should be conditional in this monitoring afterwards. Because we deprive our people for a few thousand dollars and so that is a serious matter especially this work permit issue and so I want to know the policy of the government on how to deal with this issue so we do have Solomon Islanders employed in these jobs that the foreigners come and do them.

**Hon Elijah Doro Muala:** We are talking about two things here about investors. When the investors came in they also have like a two years for training and those investors when they come in they prefer who will work for them. This is because most investigation finds out when they recruit local people they turn to spoil their properties and so that is the problem of our local people. Hence, we have a policy where they come and provide training for two years and from there we can take it forward.

*Committee of Supply is interrupted at 4.30pm*

*Parliament resumes.*

*Committee of the Whole House resume*

**Mr Manasseh Sogavare:** Page 351, sub-item 6903 – trade facilitation to the internal trade division. If the minister can explain to us what is the nature of that work?

**Hon Elijah Doro Muala:** Can you take me page to my question please chairman?

**Mr Speaker:** page 351, there is one item above; that is the question which east Choiseul asks; can you explain what is it for?

**Hon Elijah Doro Muala:** Trade facilities, SIGs-assistance to promotions and marketing local products and facilitating trade regional and international.

**Mr Matthew Wale:** Yes, thank you I suppose that explains why trade missions is 0350 and this internal component or aspect to it is what I want to know from the minister whether there is close collaboration with the trade division from foreign affairs.

**Hon Elijah Doro Muala:** That is exactly right.

**Mr Moffat Fugui:** Item 2201 – entertainment, I know the minister has quiet a soft spot or even a strength for entertainment. I notice it is very consistent there any possibility of increasing it for the last year of the government term, \$29,000 can I ask the minister for that.

**Hon Elijah Doro Muala:** Thank you chair, which page are we quoting with.

**Mr Speaker:** page 352 – Head 2201, is it member for Central Honiara?

**Mr Moffat Fugui:** Yes, that's right chairman.

**Hon Elijah Doro Muala:** yes, thank you chair, at least we have something there for this budget, but we still provide something there, if its zero it's not good but at least to be fair we put something in there.



**Mr Manasseh Sogavare:** Mr Chairman, with your indulgence the last question on page 350, two items there, public servants overseas first 2711 and we had another one, 2718 one allocation, \$198,000 almost \$200,000. The one further down others overseas fares, who is it for chairman?

**Hon Elijah Doro Muala:** Those are for private sectors that we sponsor.

**Mr John Maneniaru:** Thank you chairman, can I take you back to 353 with your indulgence, the last one on foreign investment and promotion on page 353 head 6021, I believe foreign investment promotion is important for the investment division within the ministry, even internal promotion as well. Since there is a zero there, what are the plans of the division or the Ministry to continue with our foreign investment promotion for 2014?

**Hon Elijah Doro Muala:** For the actual for 2012 we have spent almost half a million which is \$427million and we now concentrate on publicity and doing foreign investment promotions.

**Mr Matthew Wale:** In light of the answer from the Minister I would like to ask the government policy with regards to reservations for indigenous Solomon Islanders, not just reservation for Solomon Islanders but reservation for indigenous Solomon Islanders.

**Hon Elijah Doro Muala:** I do not really get that question, is it in terms of policy, this budget or just a policy question?

**Mr Matthew Wale:** In view of what the Minister has stated on this foreign investment promotion and indication of what foreign investment policy in government we have this reserve list. But for my question I am interested to know the reservations for indigenous Solomon Islanders, what is the policy in it?

**Hon Elijah Doro Muala:** At the moment we are currently reviewing this business rehab for Solomon Islands and at the same time it will fall in line with Small Medium Enterprises (SMEs) policies.

**Mr Matthew Wale:** Thank you Chairman, in the meantime when you were reviewing it foreigners are now owning taxi, busses and do things which our people are doing, and our people are being disempowered and the market is being saturated. So that is the concern that we are raising, it even reaches stores at the suburbs. So obviously there needs to be a clear cut policy implemented from the front end in terms of investment application approvals. So that is why this issue needs to much better handled clearly.

**Hon Elijah Doro Muala:** I totally agree with you but the only thing is that for such registration; going through the registration foreigners do not have any registration on the local business like taxi and others but we are reviewing all these things.

**Mr Douglas Ete:** Thank you Chairman and thank you Minister for explaining, which I am not really happy with your explanation Minister. The Investment Regulation 2006 is something that we're in here making it, we pass an Act of Parliament that when the ministry is making the regulation it is good that you should word it so when you're reviewing it, you should reviewing it properly. We have knowledge about that but we did nothing about it and it makes our people also suffer like last yesterday they have burned one bus in Kombito just on this issue.

So I would like to encourage us because sometimes soon you will have something different here, I am not saying this because I want to say it but sometimes when you

don't want to say it, just say it now and I will tell it here in Parliament that we should fixing this problem here. Of this investment regulation of 2006 we should do it now.

**Pages 356, 356**

**Mr Johnley Hatimoana:** On the RTC and VTC trade or certification. It was good that last year I think you have given some funds for it, this year and next year it is looks like we did not help out on them again. Can the Minister explain why and what are the reasons, that's on page 358 under head 4250.

**Hon Elijah Doro Muala:** That comes under training; that is on recordings and realigning, which have always said and that transports spread out to where supposed to be.

**Mr Peter Shanel Agovaka:** Okay, thank you, the last three items on that page Sir, occupational health and safety, the national trade training and testing and the industrial relations which everyone shows zero. Can the Minister just explain to the House what is happens to those three sub items and have they move it elsewhere.

**Hon Elijah Doro Muala:** Thank you, the allocation on training, that's why I have said earlier on that where is zero there the three allocated officers in training.

**Hon Derek Sikua:** In relation to minister last response here, is that it goes to page 257, item 2606 second to the last item on that page Mr Chairman, quite a big allocation there of more than \$2.2million, is that what the Minister mean or the national trade training and testing has moved to the Ministry of Education budget or what has really

happened? I want to ask about this 257. This allocation of more than \$2million for training pre-service, is that it or what is it for?

**Hon Elijah Doro Muala:** Yes, that comes under 357 on training as I have mentioned earlier.

**Mr Johnley Hatimoana:** Thank you Mr Chairman, if I get your permission I want to go back to page 358. On Industrial Relations, I just want to comment on before I ask the Minister. Industrial relations in our country, I think is an area that we should embark in reviewing our labour legislations and ratify the ILO Conventions. They are huge areas that will make the economy of our country in terms of labour force or the labour market to progress us. But it looks like our Ministry of Commerce, Industries, Labour and Immigration have not really looked at it as a priority. I would like to make this comment because in three consecutive years, this particular head, there is no budget allocated considering our participation in the ILO Conventions, Conferences and all that. These are issues I think the Ministry should take into consideration, so that our labour force in the country will not cause all sorts of strikes.

#### **Pages 360, 361 and 362**

**Mr Manasseh Sogavare:** Thank you Mr Chairman. On page 361, this work on SME Monitoring Expenses, it has stopped since 2012. Is the work still continuing? Are we thinking of continuing with this or not because it has zero for 2014? While I am standing, Item 4027 Subvention and Grants is allocated to whom?

**Hon Elijah Doro Muala:** Thank you Chair, and thank you for the question. When we come to the Development Budget, this is where it is included.

**Mr Douglas Ete:** The Item 4027 Subvention and Grant of \$200,000. What is it for? Can the Minister tell us that?

**Hon Elijah Doro Muala:** Thank you. Is that under Code 4027? \$200,000 support to processing of local products such as ngali nut, nambo, coconut oil, soap, etc...

**Mr Derek Sikua:** Mr Chairman, I do not think the question is been answered. The question on 4027 - Subventions and Grant for \$200,000 because if it subvention then it should be subvention to an organisation where it is a statutory body of a ministry of Commerce. So is there any statutory body that you give grants to as subventions?

**Hon Elijah Doro Muala:** Thank you Chairman, Community Export Marketing Authority (CEMA).

**Mr Matthew Wale:** On Page 361, this training provincial, it is zero but it is an important aspect in terms of industrial development. So can the Minister tell us whether there was any bid submitted for this activity and obviously backed by a work plan which can be cut by the Ministry of Finance? I just want to know if it was the intention of the Ministry not to fund any training provincial or it is from Finance.

**Hon Elijah Doro Muala:** It was relocated and was part of the chart of accounts, thank you.

*Page 362, 363 and 364*

**Mr Douglas Ete:** I want to make one comment regarding SME's when Central Bank came before us, they were suggesting that SME's must be establish properly to boost this circulation of finances through the small businesses to boost the production in this country. This is because you cannot go to banks for loans and so I want the Minister to assure the Parliament and the people of this country that this SME monitoring expense you will bring it back and support it. Seemingly because of real plus 20 principles one of which is the eradication of poverty in the country and so I want the Minister to assure the Parliament that this flagship thing of NCRA will support because when I see Zero I am not happy with that.

**Hon Elijah Doro Muala:** Thank you Chairman, it comes under the Business department, thank you.

**Mr Matthew Wale:** The price control on page 363, it seems that price control does not work properly and so the Ministry must do something about it because it is one of the main drivers towards inflation. And so conference price negotiation is zero for this year and the same for next year I do not know what that means and so he must explain that for us. But overall, the work of this division which is very weak and I want to know why that is the case Mr Chairman, thank you.

**Hon Elijah Doro Muala:** The price control really has a lot of routes and we are working on that, and why it is zero according to 4034 it transfers to headquarter.

**Mr Manasseh Sogavare:** 363 sub-item 1120 consultants, how many consultants does the ministry engage and what are they going to do?

**Hon Elijah Doro Muala:** thank you chair, yes we engage the consultants to look into this price control and consumer ideas act. Thank you.

**Hon Derek Sikua:** The unit only has eight people and effectively inspectors are only four of them. You see the director, deputy director will be sitting in the office, chief inspector and four others will do the inspection at the shops to get prices or what? I want to ask the minister do you actually have a list of recommended prices for every item which are sold in our shops. And those are what the inspectors check against, when they check against the prices on the shelves at the shops in Honiara or how do these four of five will actually do their work on a daily basis. The officers at your price control unit, how do they actually do their work every day. Do they have a price list for taiyo and all the things that are sold at the shops? To see if their prices are too high and tell them to reduce their price, how do they do their work?

**Hon Elijah Doro Muala:** Thank you for the question, what we have is we have a fix price of goods and those goods that comes under the act, they are not plenty but just few which comes under the price control. So when we talk about inspectors we also hire outside inspectors to help the Ministry of Commerce.

**Hon Moffat Fugui:** Thank you Chair, on the price control and consumers affairs, I would like to ask a question that is not directly related to there but I will peg to item 4094 on the conference of price negotiations; the price of imported chicken in the country that floods the market outlets with locally produced chickens which is \$40 and \$45 against the \$80 and \$90. In terms of we looking after our consumer affairs, how do we deal with that kind inflate on imported chicken against the protection of our local industries in this case our local chicken in the country?

**Hon Elizah Doro Muala:** I think I will not answer your question properly but the industry applies is another industrial art which is another EU.

**Hon Moffat Fugui:** Thank you Chairman for your indulgence, I would like to ask the Minister because I do not really get what he was saying so I do not follow him.

**Mr Chairman:** Can you repeat your answer again?

**Hon Elizah Doro Muala:** That is a different Act which comes under protection Act.

**Hon Peter Shanel Agovaka:** Sir, it looks like the price control and consumers; the hiccup is on the Act. The statement by the Leader of Independent is very true that we should look at all the commodities. My question is when is the Minister bringing this legislation to Parliament? How soon can you bring this price consumer and price control Act so that we can amend it and then put in regulations to cover goods that the Leader is talking about?

**Hon Elizah Doro Muala:** The regulations to expand the Act is already with the Attorney General, so we are waiting on what the outcome is from there, probably not for a long time but soon.

**Hon Matthew Wale:** Thank you Chairman, on page 354. I would like to ask about the \$2million on consultancy fees, what is that for?

**Hon Elijah Doro Muala:** That is for doing research on the SME issues.

**Hon Matthew Wale:** Any similar work being done for the cooperatives?

**Hon Elijah Doro Muala:** Yes, SME and part and puzzle of all those things including cooperatives too.



*Agreed to*

**Head 289: Ministry of Communication and Aviation- \$43,322,225**

*Pages 367, 368, 369*

**Hon. Derek Sikua:** Page 367 on income. It is good to see a steady a drastic on income generation within the Ministry of Communication and Aviation. Can the Minister explain the cause of the continuous increase on revenue within his ministry for 2014, where we will expect to collect more than \$4million?

**Hon. Walter Folotalu:** The big income is from additional flights into the country and at the same time you might be aware that sometimes last year I signed the increased capacity of passengers from 900 to 1200. So those things contribute to this additional income. Thank you.

**Hon. Derek Sikua:** Just to ask in terms of income, that the airport tax is paid along with the Airline tickets I think. Does the Airline remit to the government what it collected as airport tax or it holds on to it? Does it form part of your income? How regularly does Airline release the airport tax to the ministry of the government? Thank you.

**Hon. Walter Folotalu:** This reminds me of what the Bible says- 'give to Caesar what belongs to Caesar and give to God what belongs to God. So what belongs to the government comes to the government in terms of fees and charges, air navigation fees, lighting tars, landing fees, voting fees, identification and air services. All those will come to the government and whatever belongs to the Airline is for the Airline.

**Mr Matthew Wale:** Thank you Mr Chairman. On page 368, Item 2706 MP's and MPA's Overseas Other Costs. This word 'MPA', what does it stand for, Member of Provincial

Assembly or some other technical acronym with the Ministry responsible for it? Can the Minister clarify this?

**Hon Walter Folotalu:** Chairman, thank you for reminding me for that. I do not know what MPAs mean, but MPs should be there. I think that is a typing error.

**Mr Matthew Wale:** Thank you Chairman. With your indulgence, page 368, Item 2010 Subscription/Membership to Organisations, is what I want the Minister to tell us which organisations we are a member of and with this allocation of \$300,000. Looks like it is a new item, and whether these are new memberships or new subscriptions. What happened in the prior years with this item?

**Hon Walter Folotalu:** Thank you Chairman. The organisations that my Ministry is a member of are as follows: International Civil Aviation Organisation (ICAO), International Telecommunication Union (ITU), and the Commonwealth Telecommunication Union (CTU). Those are the organisations that the government through my Ministry is a member of.

*Pages 370, 371 & 372*

**Hon Derek Sikua:** Thank you Mr Chairman. On page 370 for the Minister to explain the zero allocations for Spectrum Management Services in 2014. Are we not going to deal with the Other Charges, or are they going to be met by other bodies or are they moved somewhere else?

**Hon Walter Folotalu:** Thank you Chairman and thank you Leader of Opposition. Spectrum is now comes under TCSI, and we have this Communication Division. This will come under Head 5500 Capex – Communications Equipment and all those, that is

the support for the establishment of this Communication Unit. We have given away Spectrum; it is now with Telecommunication Service of Solomon Islands (TCSI).

**Mr Manasseh Sogavare:** Thank you Mr Chairman. On page 371, revenue Item 0107 Air Service License Fees. Can the Minister explain? Is that a token figure throughout those years or what sort of income is that? We will record a small increase of \$289 for 2014, an estimate of \$5995.

**Hon Walter Folotalu:** This one is for license, pilot license, thank you.

**Mr Matthew Wale:** Capex – motor vehicles is \$771,000 I just want to ask if the Ministry budget fire truck for Munda, thank you.

**Hon Walter Folotalu:** This is for vehicles for Munda and this is because we now have two international airports and so if we buy a truck for Henderson then we have to buy another as well for Munda. Besides, we take equipment for Henderson then definitely we will also get equipment for Munda as well and so that is why currently we are looking to provide vehicles for Munda and Henderson so that they will meet the international standards.

*Pages 370,371 and 372*

**Mr Johnly Hatimoana:** Thank you Chairman to allow me to ask this simply question. On page 370 on the overtime of the Public servants, there is nothing there but aviation group is normally worked at night. So can you explain why there is no overtime there?

**Hon Walter Folotalu:** There is an increase there if you read down the line.

**Mr Manasseh Sogavare:** Page 372, item 2504 - Maintain - Structures, Airfields and Wharves. I am clear with airfields and structure but what is a wharf to do with civil aviation?

**Hon Walter Folotalu:** thank you chairman, this wharf is an accounting code but we do not deal with wharves. We only deal with airfield and navigation but not marine aviates but we only deal air aviates. So the wharf there is just for coding and I think we will erase the wharves.

**Mr Peter Shanel Agoavaka:** I just want to ask the special fund that belongs to the civil aviation division deriving from the income or revenues. Does the civil aviation still hold on to it or have they gone through somewhere else at finance or treasury.

**Hon Walter Folotalu:** you are right to say so, this already transfer to the ministry of finance and treasury.

**Hon Derek Sikua:** I want to ask this on page 372, motor vehicles, item 2506, next year there is no allocation in the budget, but I think one fatal accident yesterday belongs to civil aviation. I want if the minister to confirm that one first?

**Hon Walter Folotalu:** Thank you chairman, thank you leader, the information you receive is wrong, that vehicle belongs to quarantine; quarantine comes under the ministry of agriculture. Though they work at the airport but it belongs to agriculture.

**Mr Douglas Ete:** Thank you chairman, I follow up on the question belongs to central Guadalcanal, we are collecting commission on our air space when they sectorise the air space. And it use to be held by Auckland at the United States of America but now it's Australia. I want to ask the minister how soon we will not receive commission and fees

there, we actually look after our airspace in our country as a sovereign country. What would we require from civil aviation before we do that, is it still a long way?

**Hon Walter Folotalu:** Yes, that is quite a broad question it is not related very much to the budget because the upper airspace it comes under special fund. Though it is controlled by Australia at a certain percentage of the funds collected and it will come to us on the service that they will provide. I just signed the air service agreement of the control upper space two weeks ago. This one will carry on for the next two years, in the meantime we do not have man power capacity and certain equipments that will be required, so that we can control the full upper airspace or 100 percent of our upper air space. But the time will come and I look forward for 2018 we will be able to be equipped.

**Mr Moffat Fugui:** This question relates directly to the minister, there is a fatal accident that happens in the sea few days ago, so my question is on 2504, to the maintenance of structures airfields and wharfs. My question is does that \$15million covers the outstanding work at Manoba airport so that we fly over instead of by sea on the wreck boats that happen a few days. So that the \$15million not cover it will be good so that airport starts so that we take flights straight home.

**Hon Walter Folotalu:** It is very true we are from North and our curiosity to see the Manoba airfield completed soon. For that \$15million, we have bid for more but they can only give us \$15million, and this will cover provincial airfields and then the maintenance of the Henderson internal airport including Munda. So that is the allocation of the Ministry of Aviation for this year to maintain provincial airfields.

There are certain things that are yet to be done; one is, we are looking at the final inspection of the runway compact capacity and then a few trees to be chopped down on the two approaches and then insurance. When the airline is satisfied with those requirements then they can assure aircrafts. Now, no aircraft wants to go there because there is no certificate and no insurance cover.

**Hon Matthew Wale:** Thank you Chairman, I would like to follow through on that \$15million. Since this \$20million for Munda has been reallocated; Munda to complete the terminal and terminal services is obviously still outstanding and hopefully some from the \$15million could go towards the work. If the Minister can tell us on whether by 2015 work on Munda could be complete and at what stage Munda airport would be ready to receive international flights?

**Hon Walter Folotalu:** It depends very much; we have seen the amount but we are looking at huge infrastructures like fencing around the airport, runway lighting, terminal, control tower so this amount will not cater for all these things. But let us do one thing at a time, maybe we could look at the security fencing then maybe we will approach some donor partners if they can assist us and that is what the Ministry is intending to do next year. But we cannot say that this will be happening in a year or in month's time. Without the financial Viking and capacity we might not accomplish everything by next year.

**Hon Matthew Wale:** Just for clarification, in that case one obligation of the Solomon Islands Government in part of the agreement with the New Zealand government for Mundu is us to take care of the aspects and if so, is this bridge that is material to any other aspects on this agreement or is it something we can take as long as we want with it? Just for the Minister to clarify.

**Mr Chairman:** Honourable Minister? Is it part of the agreement with New Zealand or not?

**Hon Walter Folotalu:** It was a contract and the Solomon Islands obligations are the lighting and fencing. That should be our priority. But again, as I have said, it depends on funds. On our part whether we fall short in committing our obligations; but that is

the way it is. With that \$29million last year, we should have used it on this but used it for the liabilities because there was a breached of contract when Downer failed to work on some of the days. So about \$23million was used and we also have to meet the liabilities for Milsearch that looks for explosives. That is what the money was used for. It was a sad event that some obligations that we should have met was used on other things as a result of the breached of contract. Thank you.

**Hon. Derek Sikua:** I think may be final two questions. Just on the same page 372- on maintenance of structure and airfields. Is it the same Head that is used for payment of airport contracts for the Honiara International Airport? If so, for 2014, when are you going to advertise the contract for interested people to apply?

**Hon Walter Folotalu:** For us to advertise and give it to another contract, the amount does not change, but the groupings of those that will come will change but the amount will remain the same. But for sure advertisements will come in by January. I have said earlier that people have to register their companies because we only deal with legal entities. By doing that the Ministry Tender Board will deal with it and then we will send it to the Central Tender Board. Thank you very much.

**Hon. Derek Sikua:** The big reduction of \$7million on the last Item-Civil Aviation Special. Why does it reduced from \$10million to \$2.8million? That is a big reduction of \$7.1million. Can the Minister explain the big reduction on the last Item 7500?

**Hon Walter Folotalu:** I hope and I am sure that this is the final question from the Leader of Opposition. This is to cater for the Fire Truck but it is no longer there because we have purchased the Fire Truck.

*Head 289 agreed to.*

## **Head 290: Ministry of Fisheries and Marine Resources - \$19,009,023**

*Pages 375, 376 & 377*

**Mr Manasseh Sogavare:** Thank you Mr Chairman. On page 376, Sub Item 2011 Subscriptions/Membership to Overseas Bodies. Can the Minister inform Parliament about which bodies?

**Hon Alfred Ghiro:** Thank you Chairman. I would like to thank the Member for East Choiseul for the question. This allocation is to pay subscriptions for our membership to overseas bodies. In the past it was with the Ministry of Foreign Affairs and External Trade, but it was moved to us. Currently, we are members of five international bodies: Forum Fisheries Agency (FFA), Parties to Nauru Agreement (PNA), Western and Central Pacific Fisheries Commission (WCPFC), INFOFISH and the International Whaling Commission (IWC).

**Mr Moffat Fugui:** Thank you Mr Chairman. I am one of the supporters of fisheries and for us to move stronger into fisheries. In 2014 estimates, on page 375, it looks very encouraging, we moved from \$128million to \$146million. Can the Minister explain the possible projections to the increase to our revenue in terms of that income total of \$80million?

**Hon Alfred Ghiro:** Thank you Mr Chairman. I think the obvious increase is what we have is with the sale of Vessel Day Scheme (VDS) Days. This year we sell the days for US\$5500 a day. For next year, we sell according to the recent PNA Meeting in Palau, where we approved a US\$6000 per day. So next year, the VDS Days will increase and also the license for local fishing companies. I have already signed the regulation for fish to increase next year. Those are some of the anticipated increase with regards to revenue collections from the Ministry of Fisheries and Marine Resources.



**Hon Derek Sikua:** Thank you Mr Chairman. I think the very encouraging story of how the Minister will take this more than \$18million is on page 377, under income at the top. That is how he will get the \$18,197,890. The bulk of it will come from Fisheries License Fees from the overseas vessels, of more than \$16million. Do you charge them with \$6,000 (USD) or what do you say will charge them? Because the bulk comes from this licence fee and in that case how much do you charge them per day?

**Hon Alfred Ghiro:** Yes, this is the bilateral fishing access agreement where we apply Vessel Day Scheme for \$6,000 (USD) per day, thank you.

**Mr Matthew Wale:** By way of presentation, it is good for this vessel day fees to be shown separately from fisheries licences fees so that it paint a more accurate picture. Hence, that is a matter for the Ministry of Fisheries and Marine Resource to liaise with the Ministry of Finance & treasury. I want to ask a question on the page 376 with regards to house rent, there is a growth on the establishment of the Ministry but the rent on the other hand goes much bigger. So I want to ask how the Ministry is going to deal with this one.

**Hon Alfred Ghiro:** We will try to manage the rental within our budget in case of unforeseen circumstances such as shortfall we will have to look on the supplementary budget. But I think it is not a very big difference from what we used to manage for the first 10 or 12 months for next year.

**Mr Matthew Wale:** Conferences, seminars and workshops their actual for 2012 is \$141,000 and for 2013 is relatively high and then substantial reduction from 2013 for 2014 \$141.164 which is still substantially more than the actual of 2012. Hence, I want the Minister to clarify the activities such as conferences, seminars and workshops that they anticipate for 2014?

**Hon Alfred Ghiro:** The increase in 2013 was because we host three regional conferences this year, FFA officials meeting, FFA ministerial meeting and also the Pacific Tuna forum which we just held last month. The allocation for next year to prepare to host PNA ministerial meeting and so that amount is there to cater for that meeting, thank you.

*Page 378, 379 and 380*

**Mr Derek Sikua:** Can I just ask a quick question on page 376? Is that okay?

**Chairman:** We have passed that.

**Hon. Derek Sikua:** I just saw that and it is a big amount.

**Chairman:** It was there for a year. You may do so.

**Hon. Derek Sikua:** That big allocation of more than a million dollar for subscription and membership for overseas board seems to be a new one. That is Item 2011. I did not hear the answer for that.

**Hon. Alfred Ghiro:** As I have already said, it is payment of our subscription to overseas bodies. Currently we are member of five overseas bodies in fisheries. As I already said, they are FFA, PNA, Western and Central Pacific, INFOFISH and IWC. It was used to be with the Foreign Affairs previously but now we look after it. Thank you.

**Mr. Matthew Wale:** With regards to our Tuna Fishery; I would like the Minister to inform the Committee on the current catch for 2013, projected catch for 2014 on which these figures are based and what is the sustainable catch for 2013 and 2014? Thank you.

**Hon. Alfred Ghiro:** I think the details of catches and how much, I do not have them at hand now but I will provide them later. But our allocation is 3000days for PNA and this is calculated using a special metric used by the technical people in the office. It is calculated based on our previous efforts on fishing and they came up with 3000days and we gave some days to US Treaty, some days are given to our bilateral partners and we reserve some days for our domestic companies. Like Sol Tuna.

On the Long Line, on the question on sustainability; in 2012 we reduced allocation from 300 allocations for ships to 180 until now. That is on Long Line fishing for Yellow, Albacore and Big Eye. That is all I can say at the moment. Thank you.

**Mr. Peter Shanel Agovaka:** Page 380, the third last Item- Community Based Management Program. One of the budget strategy and outlook for Ministry of Fisheries and Marine Resources is the protection of marine biodiversity as well as coastal and aquatic environment. Looking at the budget for the Community Based Management Program, it is nil there for last year and this year. Is there any chance for the ministry to try and manage our resources by helping the community understand through scientific data as well as our traditional knowledge on the sea to manage our resources?

**Hon Alfred Ghiro:** This is an ongoing effort under the Ministry's program. And also some money is in the development budget to continue with community base management programs for our people.

**Mr Manasseh Sogavare:** Thank you Mr Chairman, page 379. It is good to see that we encourage the development of aquaculture in the country. My question relates to sub item 2601 'conference, seminars and workshops,' and I get the idea of bringing people

together to talk about the development of that sector. What does the Minister expect to achieve out of an allocation \$1,575 on the importance of aquaculture in the country?

**Hon Alfred Ghiro:** The conferences, seminars and workshops on aquaculture is one area .....FTR.....have involved very much in with trainings, workshops and seminars. I think that \$1,575 is just for tea. It is largely a program of .....FTR.....in trying to promote our aquaculture development in Solomon Islands. So last year a lot of programs have gone to *Wagina* and *Manaoba* which is funded .....FTR.....so we should say thank you to New Zealand for doing this to us.

**Hon Dr Derek Sikua:** I know that we are going to look the budget support of the Ministry later on but I am also interested a lot in aquaculture. Where do I find the allocation for the Ministry to build tanks for *Tilapia* and ill fish?

**Hon Alfred Ghiro:** Thank you, as I have said most of these programs are in the development budget because there is money for them there.

**Hon Peter Shanel Agovaka:** Thank you Mr Chairman, page 382 on the last item, 'Port sampling observe.' There is quite a big increase there from \$5,000 this year to \$331,000 next year. Can the Minister explain on what their function are which attracts that huge cost there as of this year?

**Hon Alfred Ghiro:** This allocation is there to cater for data collection expenses during the fish sample collection in our various ports. This is a very important of our data collections so that it enable us in terms of fisheries managements especially our fisheries resource in our Country. Hence, that is what this Head stands for.

**Mr Derek Sikua:** Just a general question on the allocation to make rafts. Is it in the development budget or in this recurrent budget and if so then where do you put that item?

**Hon Alfred Ghiro:** Yes, it is in the development budget of the Ministry.

**The sum of '\$19,009,023 for Head 290 stand part of the Schedule**

**Head 291 – Ministry of Public Service**

*Page 393, 394 and 395*

**Mr Manasseh Sogavare:** Page 395, sub item 2005 –insurance. Can the Minister explain what is for?

**Hon Stanley Sofu:** This \$600,000 is for the insurance of the new Public Service building, thank you.

**Mr Derek Sikua:** This income for the Ministry of Public Service is on rental fees. What kind of property do we rent because it's quite a new item for this year and next year. If the minister can explain which building do we rent?

**Hon Stanley Sofu:** It is the surcharge of public officers which government provides rental for them, there is an increase there and we expect new recruitments and increase to rentals in 2014.

**Mr Manasseh Sogavare:** page 395, this new item of sitting allowances who will collect that one, sub-item 2151, \$80,000.

**Hon Stanley Sofu:** that is for board meetings and interviews which the ministry conducts in 2014.

**Mr Matthew Wale:** page 396, public service review is nil, but 395 other charges, consultancy fees is 249, I am not sure whether that two are related but I want to ask in view of this nil provision for public service review whether the review, the restructure program of the ministry itself and the review for the whole public service still ongoing or is it complete.

**Hon Stanley Sofu:** yes, the review is still ongoing and one of those reviews is the public service act.

**Mr Matthew Wale:** Thank you Mr Chairman, the ministry will move to its new office building so this \$734,000 office rent is for which building?

**Hon Stanley Sofu:** Can the Member for Aoke/langalanga repeat the question?

**Mr Matthew wale:** The Ministry of Public Service will move to this new Public Service building but still the office rent is \$ 734,837 for 2014. So I was just wondering if they are going to rent another building or what?

**Hon Stanley Sofu:** Thank you chairman, that amount there should reduce but maybe it is an error there. What you see there is supposed to be for provincial tour, thank you.

**Mr Douglas Ete:** I really miss one important thing here on page 395 so can I go back there? That is on long service benefit, there is reduction of \$4.7million to \$43,000 for 2014. Can the Minister why there is a drastic reduction there?

**Hon Stanley Sofu:** That one is a miss posting and the budget supposed to be cater for it for 2014 and so I think it will come on the supplementary budget for 2014.

**Mr Peter Shanel Agoavaka:** On page 396, training in-service, if you look across the whole budget you will see a lot of training in-service for the different ministries but they are all Public Service. I just wonder if the Minister has any training policy and can the Minister inform the House what the training in-service of the whole Public Service. This is because different ministries do their own one and so there is a need to comprehend the look up training, the need of the job and enhance the training of that particular job. Can the Minister help me understand the Public Servant in-service training policy?

**Hon Stanley Sofu:** Thank you Chairman and colleague Member for Central Guadalcanal. Currently the budget reflected there is for those attending SINU, USP Solomon Islands Campus and this Divine Word University. I think the point that you have raised is very important. Currently like I have said in my debate on 2014 Budget, there is a training policy where the Ministry has made in consultation with other relevant stakeholders.

**Mr Douglas Ete:** Thank you. I am just following through on that huge reduction. The reduction is \$4.7million, and the amount that we will pass in the budget is \$43million.

There are two SS, one SS1 if he is retired. Then that is the only one. I just want to ask the government to try and look at this because it is very important that those who are going to be retired get that legal benefit. Thank you very much Chairman.

*Pages 399, 400 & 401*

**Hon Derek Sikua:** Thank you Mr Chairman. Just the last three Divisions or Units in the Public Service, the Reform Unit, Human Resource Management and Management Services Division do not have any funds to do their work. And if you look further back, the Headquarter or is the Headquarter the same as the Public Service, also do have the funds well. But these last three Units or Divisions within the Ministry that is from Items 399 to 401 do not have an operating budget. Where is the fund that they will need to carry out their work?

**Hon Stanley Sofu:** Thank you Chair and thank you Leader of Opposition. They are under the Unit of Public Service.

**Mr Douglas Ete:** Thank you Chairman. Page 396, the Public Service Review has registered zero in 2014. What does this mean? Have you completed it?

**Hon Stanley Sofu:** Thank you Chair, and thank you colleague Member of Parliament for East Honiara. Yes, the review was already completed and is now with the Attorney General's Chamber.

**Mr Matthew Wale:** Thank you Chairman. On page 399, the provision for Consultants for \$130,719. Presumably it is tied in with the various reviews that are currently going on. It just seems a very small amount, without of course knowing the extent of the



review work required but it looks like the \$130 is not enough. So this particular allocation is for which part of the review, just for the Minister to clarify?

**Hon Stanley Sofu:** This is because of the internal movement of staff within the division of Public Service.

**Hon Moffat Fugui:** Minister, I am taking you back to page 400 on Head 1013 and 1014. On 1013 it states 'overtime public servants' but in 2013 there is zero allocation and 2014 there is also zero allocation. I understand usually Public Servants do overtimes; maybe I am out of date. On Head 1014 'various allowance'; this year it was \$55,000 and for next year \$153,000 and my question is, what is shifts on overtime public servants and allowance for public servants? What is the difference on that one?

**Hon Stanley Sofu:** On 1013 'overtime and public servants' is under admin for 2014, we are anticipating some overtime there and for the 'various allowances' there times that officers would attend meetings so that Head must cater for them in 2014.

*Head 291 agreed to*

*Sitting suspended for 20mins*

*Committee of Supply resume at 06.58 pm*

**Head 292 – Ministry of Justice and Legal Affairs - \$27,143,226.00**

*Pages 405, 406, 407*

**Mr Matthew Wale:** Thank you Mr Chairman, sorry chairman I a little bit confuse of someone supervising minister for Justice or Prime Minister. Okay.

This one on office rent is what I want to ask on Mr Chairman on page 406, its increased there but because I think that ministry is occupied inside the Kalala House yeah or one of the government house at least but perhaps there are other buildings that are been rented. So can the Prime Minister clarify this to the committee? Thank you.

**Hon Gordon Darcy Lilo:** Thank you Chairman, this is the lease of the office of the Director of Public Prosecution in Place Makers building, with also the Public Solicitor.

**Mr Manasseh Sogavare:** Mr Chairman, sub item 2410 what is the new security arrangements around the administrative building there in Legal Justice.

**Hon Gordon Darcy Lilo:** We have the security personnel in post but there is some incidental costs is what we have expected to meet out of this vote but now all of that has been put to like general procurements and so forth; so there is no need ....

*Pages 408, 409, 410*

**Mr Matthew Wale:** Yes, thank you Mr Chairman, legal fees on page 408 of Public Solicitor, I want a bit of clarification as to what those fees are related to. Thank you.

**Hon Gordon Darcy Lilo:** Thank you Sir, as you know Public Solicitors are normally called for witnesses and this provision is to enable them to call witnesses to come in other court related expenses that have to be met.

**Mr Manasseh Sogavare:** Thank you. Page 448, Sub Item 2901 Uniforms, for which group.

**Hon Gordon Darcy Lilo:** Sir, you know the lawyers must wear their attires, court wigs and gowns.

**Hon Derek Sikua:** Thank you Mr Chairman. On page 410, Item 2004 Consultancy Fees. There is a very substantial increase of more than \$1.6million. Can the Prime Minister explain what is for and also explain the increase.

**Hon Gordon Darcy Lilo:** Thank you Sir. There are two very, very senior officers there, one is the legal draftsman, and the other one is Solicitor General. As you know, these are normally very highly paid officers. So we have to bring them under the scheme that we have, the local supplementation scheme, just to give them additional incentive to remain in the position.

**Mr Matthew Wale:** Thank you. Just to follow through on that. So consultancy fees are now line item for local supplementation scheme. Where was it previously when we have this supplementation scheme because the Legal Draftsman has been there for a while since we took over his costs?

**Hon Gordon Darcy Lilo:** Thank you Sir. The concept of local supplementation is being applied generically to those in the service, but there is no such thing as this should be

stationary on one particular department of the government. Normally in the past, you would only have that in the Office of the Prime Minister and Public Service Division who manage the budget for local supplementations. But now because of the new Chart of Accounts, we have put them back to each Ministry, and the best title that we can give for this is Consultancy Fees. But I think one point that I would like to mention here is that, we have re-advertised the position of the State Solicitor. But I think there is only candidate who applied. As you it is a very, very crucial position to represent the State because he is the person who will go to the courts all the time. So we have no option but retain the current person.

**Mr Matthew Wale:** Thank you. The Consultancy Fees is generic enough, but I suppose it is probably even better to call it a supplementation scheme instead of Consultancy Fees when Attorney General is looking for short term consulting. These are long term appointments. But any way, it is not a big deal. Before I go on to my question, the salary of Attorney General is not very good but those who work with him; we seem to pay them very, very high. Also I think this is because this post is a political post and there will always be political appointments and it is under the Constitutional post holders pay scheme. However, it is not be enough to get people out of private practise into it and I flag this so that the Prime Minister aware off and look into it.

My question is with regards to office rent there is nil for 2014 while it is \$672,000 for 2013 and I just wonder the Office of Attorney General at Kalala house. But maybe they take any other place for 2013 and they give it up and so that is why it is nil in 2014?

**Hon Gordon Darcy Lilo:** We have terminated the one that we have secured in 2012 and so we no longer use that particular office and everybody just crowded inside the office of the Attorney General. But I think you made a very good point about the terms and conditions of the Attorney General, it has been neglected for some time. You will see that the other various salaries are just for the Attorney General so that we can give some recognition to the importance of that position. Hence, we no longer need the previous office that we rented and that is why it is zero now.

**Mr Derek Sikua:** Page 410, item 2901 – Uniforms, I am just curious what group of Attorney General's office that wear uniform?

**Hon Gordon Darcy Lilo:** This is for the wigs and gowns for every lawyer to wear to the court. I do not know may be because some of them forget their gown and wigs.

**Mr Matthew Wale:** Page 411, subventions and grants that is under the Attorney General's office. What is this for can you make it clear?

**Hon Gordon Darcy Lilo:** One very important office that is connected to the Attorney General's office and is under the control of Attorney General's office is the financial intelligent unit at the Central Bank. In fact, the Attorney General is the Chairman of that money laundering commission and it has to be placed there because of the nature of the activities that are involve in the financial related affairs.

*Page 411, 412 and 413*

**Mr Matthew Wale:** Thank you, just a policy question to the Prime Minister on the separation on the role of the Solicitor General and the Attorney General who is always going to be a political appointment and Solicitor General, hopefully not; and the protector and defender of public interest, we have had case in the past because the Attorney General is politically appointed may opt not to take up public interest cases because it may or may not be in the interest of the political masters. This is not just with your government but this is going back sometime. So there is a legitimate case argument to say that the Solicitor General should be that perhaps protector and defender of public interest and could take up public interest cases and impeded. What is the view of the government on this?

**Hon Gordon Darcy Lilo:** We will take note of that. I think it is important to mention that the Attorney has fiat over all the laws of the country and if he has that, he is the protector of public interest. I do not think it would be right for us to distinguish the role of the Solicitor General and the Attorney General just simply because of the nature of the appointment of the Attorney General. These are professional appointments and they have their own ways in allocating their responsibilities. The role of the Solicitor General is more on the Court and the Attorney General is there to uphold and protect the laws of the country. I think it is a very complimentary role that both of them have played. That is how I would see it. Others would see it quite differently. But I take note of that point.

**Mr Matthew Wale:** I will not debate on the views of the Prime Minister on this. We will leave it as that although there is a clear case for delineation.

I would like to ask about the court witness program on 412 and 413 on DPP. It is nil there and whether this is taken up elsewhere or there is now no need for this program. Thank you.

**Hon Gordon Darcy Lilo:** Sir, we had the willing offer from RAMSI and we thought that that was a very good offer for them to come and assist us on that particular aspect. It is under the justice program of RAMSI.

*Pages 414, 415, 416, 417*

**Mr Matthew Wale:** Pages 414 and 415- on Reform Commission. Why has it taken this long to appoint the chairman of the commission? I supposed that is reflected there as well but there is still no chairman appointed to this very important commission going back now three years. Can the Prime Minister clarify that? Thank you.

**Hon Gordon Darcy Lilo:** We tried to pick our own people who have the heart for the country but some of them are looking at the package. The terms and conditions of this position are quite well relative to others and low. So we are still looking at maybe another possibility. But if that has to be made then we have put it differently. We are looking around and we have been asking people, the very senior ones. We thought that we have almost have them but then all of a sudden they turn down the interest because the package is very small and we are reviewing that in order to pick the best because it is a very important position.

**Hon Dr Derek Sikua:** Thank you Mr Chairman, page 414. This allocation, item 5350, for motor vehicles there is a zero for 2014; is this commission still having a vehicle?

**Hon Gordon Darcy Lilo:** I think it shows a one off payment. Do you mean that for the canoe?

**Hon Dr Derek Sikua:** No, Mr Chairman, I think the purchase was made this year, so, are they not needing to buy one next year on the second to the last item on 414?

**Hon Gordon Darcy Lilo:** Chairman, we have procured it and there is no need for that next year.

**Hon Johnly Hatimoana:** On the law reform Commission under 292; recruitment expenses, there nothing there or has it been accommodated somewhere?

**Hon Gordon Darcy Lilo:** Yes, there might not be a need for that in 2014, but if the need for it arises next year then we will resort to the head quarter.

**Mr Matthew Wale:** I just had a glance of the budget support and I do not see anything there for court witness program on the DPP. Whether that comes in under budget support or does it comes under some other programs maybe direct funding from.

**Mr Chairman:** Are you questioning the budget support?

**Hon Matthew Wale:** No, I am not questioning the budget support, it is in relation to the answer which the Prime Minister has mentioned today when I asked on why the court witness program is nil. And he said that it is nil because the budget support has taken that up on the Regional Mission to Solomon Islands (RAMSI) and when I checked I have not seen any in the budget support so I want the Prime Minister to clarify this.

**Hon Gordon Darcy Lilo:** Sir, we just realise that it will come under various allowances on public servants.

*Head 292 agreed to*

**Head 293 – Ministry of Home Affairs - \$84,878,130.00**

*Pages 425, 426, 427 & 428*

**Hon Derek Sikua:** Thank you Mr Chairman, on page 426 Item 2201 on entertainment Mr Chairman, the entertainment under headquarters and admin is a huge allocation in there Mr Chairman, a big increase of \$1.8million. What does this allocation will used for in sights of entertainment Mr Chairman? Thank you.



**Hon Manasseh Maelanga:** Thank you Chair, I think the item of entertainment there is too big but there are some items there Chair that is not included from my ministry's submission so we find out they slot it under this item Chairman that's why you see the item of entertainment is a big increase in there Chair.

**Mr Matthew Wale:** Well, if so then what will your ministry act upon because it's a huge amount there? The anniversary preparations here is nil, national unity day is nil, and so I wondered whether these are taken up elsewhere or there will be no Independence Day next year. Thank you.

**Hon Manasseh Maelanga:** Thank you Chair, Yes, those are some of the items that been lump into this entertainment. Thank you.

**Mr Matthew Wale:** Thank you Chairman, with this publicity and promotions here it probably relate to the same things. I would like the Deputy Prime Minister to clarify this. Thank you.

**Hon Manasseh Maelanga:** Thank you, you mean the publicity and promotions Chair.

**Mr Matthew Wale:** Yes.

**Hon Manasseh Maelanga:** It is the ...?..... of ministry under headquarters that we used it especially for promotions and publicity during an awareness Chair. Thank you.

**Mr Manasseh Sogavare:** Thank you. Just one question on page 428 Item 4034-Conference Price Negotiation with an allocation of \$721,374. What is it for?

**Hon Manasseh Maelanga:** Thank you Chair. That should not come under the budget for the Ministry of Home Affairs.

**Mr Manasseh Sogavare:** Chair, we will be voting this Head with \$721,374, which supposed not to be there. This Conference Price Negotiation, according to the Minister, it should not be there. If it should not be there, what are we going to do about it?

**Hon Manasseh Maelanga:** Thank you Chair. That is why I said earlier that price negotiation should not be under my Ministry's usual item. It is a new item, but we are not aware of it. I think it should be conference. But it should not be Conference Price Negotiation.

**Mr Johnley Hatimoana:** Thank you Mr Chairman. On the Church Grants, there is also a bracket there, reduction. Does it mean that you will have to reduce the grants that our Churches will receive?

**Hon Manasseh Maelanga:** Thank you Chair. Just going back to the question asked by the Member for East Choiseul. Usually this Conference Price Negotiations, in the budgets we used to have it come under grants. Not basically these education grants, especially the grants that used to cover allocations that we usually give to the Churches, SIGFA, SICA and the Chiefs. But that item is not what we usually use, it should be under grants. That is what should be there, just to make a clear answer to the question

raised by the Member of Parliament for East Choiseul. But for the Church Grants, I think it is very clear there. It is the usual allocation that we always give to the Churches.

**Hon Derek Sikua:** Thank you Mr Chairman. This Item also appears on page 430, Item 4034- Conference Price Negotiation, again a new item for next year of more than \$406,073 under Sports Development. On page 428, it is under Special Duties. Can the Deputy Prime Minister to explain the reappearance of it under sports and development?

**Hon Manasseh Maelanga:** Thank you chairman that is why said today that is that item should not come as Conference price negotiation. Is that what u mean? If not then can you repeat your question?

**Mr Derek Sikua:** It is repeated again on page 430 under item 4034 on the sports development division of the Ministry of Home Affairs. Like the Member for East Choiseul said we will vote for this Head and it looks like the Deputy Prime Minister has faced difficulty in trying to explain why this item appears his Ministry. Hence, are they supposed to be really there or should be under the Ministry of Commerce or the narration should be just conference only and that is our problem on this side.

**Hon Manasseh Maelanga:** I will make it clear that it is only for conferences and the price negotiation is the wording that they just put in the budget and so it should just be conference.

**Mr Matthew Wale:** Citizen Fees and lotteries receipts. The actual for citizen fees for 2012 is \$34,350 and it is budgeted for many citizens who will become citizen in year 2013 and 2014. So in terms of the citizen fees I just want to ask the Minister to confirm the number of new citizens for this year 2013 which will justify the projection for 2014. After he answered that one before I ask a question on the lottery.

**Hon Manasseh Maelanga:** In terms of the citizenship, for 2014 we will be looking at 62 people applying and so we have to put that budget. We assume that if the people are getting their citizenship then we will work on the amount for the budget of 2014 and so we work on those 62 applicants. Thank you.

**Mr Matthew Wale:** I just want to follow through. I was asking for 2013. How many did the commission granted citizenship, which obviously form part of the basis for your estimates for next year, but i would like to know about this year. Thank you.

**Hon. Manasseh Maelanga:** I think he was asking about this year, so I will find the information and give it to the Member for Aoke/Langalanga later. Thank you.

**Mr Manasseh Sogavare:** Page 432 Item 4039- Distance Learning Centre Project of about \$50,000. Can the minister explain that to the committee?

**Hon. Manasseh Maelanga:** The allocation that usually used, like some of the projects, for example; a tournament that includes youths and brings them together to assist them in sports and also in the spiritual side that is run by the scripture union. So those are some of the small assistance for such groups. Thank you.

**Mr Johnley Hatimoana:** On Electoral Office registration; I just want to know because there is nothing there for next year but i know very well that registration is underway maybe till next year and whether it is accommodated somewhere or not.

**Hon. Manasseh Maelanga:** If the Member for Central Province can repeat his question please.

**Mr Johnley Hatimoana:** I was asking about registration, which comes under Head 2014 and there is no allocation there. This is under Electoral Office on page 432. What I was asking was the registrations. Somebody already corrected me here so I do not need to ask that question.

**Hon. Manasseh Maelanga:** I think it is on page 433 Item 6216.

**Mr Peter Shanel Agovaka:** I am happy that the Ministry of Home Affairs will be outing data basis on individual citizens, particularly registering our people. At the moment we do not have a formal registration that registered people from birth to death. If the Minister can briefly explain how these processes work? Are they going to work with the Ministry of Health or mainly on the civil registration? They are asking for \$1.1million to carry out that work. If the Minister can briefly explain how it works.

**Hon Manasseh Maelanga:** I think we will see that we have started a new division which is the civil registration and that is the reason for the increase. We are now beginning to have a date on all new civil registration on birds and all these where we try to gather; where we will work closely with the Ministry of Health and other Ministries also on this.

**Mr Manasseh Sogavare:** I am just following up on the question that I have asked previously on this distant learning centre project which the Deputy Prime Minister has tried to explain to us. How does this fit in with the work of the electoral office? Just for the Minister to clarify more because it does not seem to fit in well with the office of the Electoral Office.

**Hon Manasseh Maelanga:** It is a new budget item where this item is given zero for 2014. It is new and that has appeared on this budget.

**Hon Derek Sikua:** This side of the House has concerned on the anomalies that have appeared on the budget of Home Affairs. One is this is the 'conference price negotiations,' at the first time it was appeared on page 428 under 'special duties' and on 430 under 'sports development' and now we this distant learning centre project.

This has remind me of an old project in Ministry of Education where it deals with the use of the internet in schools and rural training centres. If that is what this project is about then it should not be there and if we are voting for this Head maybe the Minister of Finance should explain on whether the allocation should be there or not. It is quite a serious thing for us to look into it.

My question on page 433 apart from that comment is on the registration of voters. As we know there is already \$57.6million that is going to be under the Electoral Commission for registration of voters on this new bio metric system, what is this \$21million for? Is it part of it or is it for a different thing altogether?

**Hon Manasseh Maelanga:** Thank you, as I have mention today from the first comments which the Leader of Opposition has made. Chair, like I have said the 'conference price negotiation is a new code that comes in the Ministry but we are not aware of it but it should be conferences. And you will see that several items that have been omitted there from this. There are several items that usually appeared in our ministry's budget is omitted. So that is what I have said, that they are featured inside certain items there.

Chair, also to answer a second question that has been raised from the Leader of the Opposition concerning a \$21million and this one Chairman, I think it is the money that we want to completed the exercise comfortably, we like this voters registration system must complete properly that is why that \$21million comes in Chairman and we will see it work comfortably Mr Chair, that's why that allocation in there. Thank you.

**Mr John Maneniaru:** Thank you Chairman, just a comment in relation to point raised by the Leader of the Opposition because we will vote on those and some of nation words it needs an amendment and when we vote on them I am clear on the. Because as been admitted to the committee that some of the words that they are using there is not correct, some of the words there should be deleted so we will amending it so that when we vote on it and when the chairman is putting to the MPs then we will approve the right one or the amendments will comes later or something like that. That's just a comment in relation to what the Leader of Opposition have raised earlier today. Thank you Chairman.

**Mr Chairman:** I think all Honourable Members must understand that this is a draft estimate, the final one will come later and it might they will change those names here.

**Hon Manasseh Maelanga:** Thank you Chair, yeah actually as what I have said, there it happens to other ministries that there different headings under the items so that's why it happens in my ministry as well. But actually only names are change but the figures are still remains in our ministry's budget there.

So Chair, I think that's all I would like to explain in here. Thank you Chairman.

**Mr Matthew Wale:** Thank you very much Chairman, I know the Minister of Finance is remain very silent on this issue but perhaps because Attorney General is here, I know it is a draft but we will voting it now, it is good for the Attorney General to clarify this, we are from this side of the House we are very doubting not only just a narration, we also doubting the narration and the amounts. It is very clear that some of those ministries now in the case of Home Affairs those items here not supposed to be in here. So obviously they migrant come from some other ministry, it that. We don't we're been ask to vote something we don't know and you don't know about so for Attorney General to a little bit guide us on this one, the fact that it happens in other ministries is

no consolation just makes it worst Mr Chairman. So some guidance from the Attorney General in terms of process would be very helpful. Thank you Sir.

**Attorney General:** The estimates that we have before the committee are the estimates that are used to assist the members in voting for the amounts in schedules. When we vote we only vote for the amounts in schedules, the estimates are not voted upon. This document here is not being voted upon. It is just there to help explain the figures in the Schedule to the Act. But I take the point that those who prepare the estimates must make sure that proper descriptions are included in the estimates so that we do not have this difficulty of some descriptions appearing there, when they may appear to not properly describe the items that are being asked to be voted upon. So just to make the point clear, the estimates are there to help the Members vote. You are actually voting on the amounts in the Schedule to the Act. We do not vote, so to speak, on the estimates themselves. Thank you Mr Chairman.

*Head 293 agreed to.*

**Head 294: Ministry of National Unity, Reconciliation and Peace - \$12,916,716**

*Page 437, 438 & 439*

**Mr Manasseh Sogavare:** Thank you Mr Chairman. Just on the clarification that the Attorney General has made, we should only vote the total. So we do not wreck our brains to go through the items. That is just a comment in passing.

But on page 438, that presentation cannot be right. The Headquarter exist in 2013. The way it is presented there, the Headquarter of the Ministry of National Unity, Reconciliation and Peace just existed this year. So may be when you present the budget, or before we finalised it, you should sort it out for historical purposes. Because for 2013, there is zero. It tells a story that this Ministry does not exist in 2013, the Headquarter. So



this just adds to the pains that we have to go through to try and sort this budget. We will be pressured to end of Christmas Eve just to go through this budget, which is not really presented properly to Parliament. This is the highest executive decision body of the land; please do not put us under stress like this.

**Hon Hypolite Taramae:** This one which is now zero for last year it was placed under the subhead 010318 but this year we make it to stand on its own and so that is why it is zero and it appears on 2014.

**Hon Derek Sikua:** I did not quite get the explanation given by the Minister and so can the Minister repeat his answer. That is why the page 438 is zero, zero for 2012 and 2013 for both original and revised and suddenly we have a budget for the items both on the payroll and other charges in 2014. Also, I tried to look across the page 440 if those things were then repeated there but it does not match again. So can the Minister repeat your answer?

**Hon Hypolite Taramae:** Thank you chairman, if we look at 440 you will see the place where it is zero, zero to the end row and that comes in the page 438. That is why in 2012 and 2013 on page 438 zero, zero because on last year 2012 and 2013 comes under this subhead 0318. For this year, we make its own subhead for 003 that belongs to the headquarter administration, thank you.

**Hon Derek Sikua:** That is why I said that it does not match if that is what the ministry is saying. 438 the details of revenue and expenditure do not match page 440. So he still does not answer the question, thank you.

**Mr Chairman:** This 439 moved to 438. The same 440 right at the top you can see the same thing on page 438 and so I would assume that it is a transfer from one page to another page. Is that the understanding Minister?

**Hon Hypolite Taramae:** As I have said, this 003 was probably given as a new Head by the Budget Unit but they should have come under the reconciliation and peace which on 0318.

**Mr Matthew Wale:** Thank you, I just want to raise a point of order, do they cook some food for us or not? Now I want to move on with my point of discussion. Well, from the explanation that was given by the Attorney General in terms of the schedule to the Bill, it is just straight forward because this is a problem caused by the Ministry of Finance and so the Minister is just an innocent man. The problem is supposed to be blamed to the Minister of Finance & Treasury because of the chart of accounts and so the explanation of the Minister was on the comparatives of the Peace and Reconciliation which is on page 439. Therefore, the comparatives that we see differences on the page 438 has not have meaning or deceptive because the figures that are there does not reflect the true comparatives that are on page 439. I think that is what the Minister is saying and so we should just leave it as it is and we accept that this brick is not well prepared at all.

My question is with regards to the Headquarter & Administration Reconciliation program grant which \$623,000 and on page 439 under the reconciliation and peace there is also another one there and that is \$1.4million which is a reconciliation program grant and then another one on page 441 under the policy and planning reconciliation program grant for \$1.5million. I am asking if these are three different types of programs and why are they separated like that and not just placed under one item. Also what are the major reconciliation activities for 2014 that these allocations cover?

**Hon Hypolite Taramae:** Thank you Honourable Member for Aoke/Langalanga for that question. Those three programs are different programs altogether but they come under

the banner of peace building and if you look at page 442, that program and money allocated are to cater for the Bougainville spill over. Then the allocation that is on page 440 is for the provincial programs of the reconciliation and the one that is on page 438 on the assistance of the ministry at the head quarter for the same program on reconciliation. Thank you.

**Mr Matthew Wale:** From the explanation by the minister, it seems that reconciliation is grossly underfunded for 2013. You think about the spillover effects, the issues on Guadalcanal plains, and the ongoing work on Weather Coast and on Malaita of course. From a general view it seems to be grossly underfunded. Can the minister confirm that this is the case and what is the ministry going to do about it? Thank you.

**Hon Hypolite Taramae:** Actually this amount does not reflect the whole reconciliation program. It is to start off the reconciliation program and when we discover some more demand, another budget will be made. Thank you.

*Pages 440, 441*

**Mr Douglas Ete:** I would like to make a comment here. If you take the bricks for 2013 and compare them, there are gross mistakes in the bricks for 2014 and that raises concern to the Committee. That also has been raised in the Public Accounts Committee that there are mistakes here. It does not reflect the real estimates for 2013. That is just a comment.

*Head 292 Agreed to*

**Head 295: Ministry of Mines, Energy and Rural Electrification- \$18,455,859**

*Pages 445, 446, 447*

**Hon. Manasseh Sogavare:** Page 446, sub-item 3001- Electricity; there is a big increase there from \$214,000 in 2013. Can the minister explain the reasons for that big increase?

**Hon Moses Garu:** This one is to cater electricity bill of the office in Honiara as well as for new insulations for lines from the new genset that we have acquired to support the office for power back up of the Ministry.

**Hon Dr Derek Sikua:** Thank you Mr Chairman. There is an allocation for maintenance on machinery on page 446. Can the Minister explain what machinery they are going to maintain from this allocation in 2014?

**Hon Moses Garu:** This allocation is for maintenance of office equipments such as photocopy machines and the others in all divisions within the Ministry.

**Hon Douglas Ete:** On page 446 'non residential building.' The initial estimate at the beginning of this year was zero. The in September we bring in a supplementation of \$2.587million, in 2014 budget there is a decrease of \$655,000. I want the Minister to brief the Committee on what this decrease is all about. Have we complete the work or not yet?

**Hon Moses Garu:** Thank you Chairman. Yes, for this provision of 'non residential building' we have already completed the task which is the office of the Ministry. A new fine building for the Cooperate Services has already been completed and the provision there is for some final touches on the work.

**Mr Moffat Fugui:** There is an increase of \$2,459,684 on Head 3001 on electricity from 2013 revised budget \$214,000, could the minister explain this to the House. Thank you.

**Hon Moses Garu:** Thank you Chair, I don't mind to repeat same answer which already given to my good Honourable Colleague. This one here Sir, is caters for the overall office bill, plus the new installation lines for ...?..... for the ministry which just acquired and that will supporting a backup of power need of the ministry and that is the provision which is the increase occurred Sir. Thank you.

**Hon Derek Sikua:** Thank you Chair, Page 448 item 2101 the chemicals under the geology division. There's a quite big increase of a 100,000 to pay for chemical. Those chemical is for what Mr Chairman and second part of my question is, some of those chemicals is very dangerous, if they are in the stock and never been used. How do you dispose on them in the interest of protecting our environment Mr Chairman? Thank you.

**Hon Moses Garu:** Thank you Chair, that provision Sir, is to pay for the chemical needs of geology laboratory for testing and verifying the mineral samples were the geologist in the ministry usually get them and also the samples that our people have taken to the ministry to try and test the type of minerals that they have.

In terms of how we take care of chemicals or disposing off the chemicals. Sir, the geologist and people in my ministry we have some facilities in which they storing those chemicals properly but I take note of the importance of the need for us to developed the safe facilities for those chemicals.

At the moment Sir, I can always guarantee and assure those chemicals that the ministry have taken, my ministry is securely taking care of them and so the development of our laboratory will have very safe and secured facilities to keep our chemicals Chair. Thank you.

**Mr Matthew Wale:** Thank you Mr Chairman, the income on page 448 is I would like to ask about, those mining tenement fees and I would like to ask what time or whether

with this projection that it goes up a bit but the actual of 2012 is \$3.2million but estimates for 2014 is only \$875,000 so compared to 2012 actual is really declining but the rate for fees. But the rate of the fees is what I want to ask the Minister, whether they are thinking of increase it. I encourage him to increase it so that we discourage the speculator from holding those tenements.

**Hon Moses Garu:** Thank you Chair, and thank you colleague Member for Aoke/Langalanga for that important question. Yes, there is, although an increase from last year's estimate. Comparatively like what the colleague has said, there was a drastic reduction from 2012. I believe Sir, I think this reduction is that, may be a number of tenements that are currently held are surrendered back. So this means we do not receive any fees from those. But there is potential that in the coming years, those tenements will be given to other interested investors. We only make the statement on what we have from 2013 estimates. We expect that some tenements will be awarded next year. So they will account for the increase that we see with that figure.

**Mr Douglas Ete:** Thank you very much Minister for that projection. Currently you have 148 tenement areas around the Solomon Islands, and it is an area that we want to go into. What figure are you looking at or what level are you looking at to earn the revenue that we expect? The second one is, Item 0244 Gold Dealers' License Fees which is \$66,892. I understand that there is a freeze and an embargo on the issuance of gold license to day. Can the Minister brief the Committee on the development so far on this area?

**Hon Moses Garu:** Thank you Mr Chairman and colleague Member and Chairman of the Public Accounts Committee for the important considerations. In terms of the level of estimate on income for mining tenements, Sir, I cannot make any comments to say that there will be some drastic changes. But based on the baseline, I think I am quite confident that we will achieve the estimates. This will be the same for the Gold Dealers' License Fees. I think the notion that there could be some possible additional licenses. I do not think we will grant any more licenses in the coming year. And so I am quite satisfied that the baseline projections provided are adequate for next year 2014.

**Mr Matthew Wale:** On page 449, the five items on the end of that page are all zero and may be they are all under the chart of accounts issue. But those are obviously important functions of the Ministry and so I wonder why these are taken out and so can the Minister clear that?

**Hon Moses Garu:** Thank you Chairman, this will be provided for under the Head 6414 – monitoring and evaluation.

*Page 451, 452 and 453*

**Mr Manasseh Sogavare:** On page 453, sub item 6414 – monitoring and evaluation the only item top there has decrease from \$775,000 to \$100,000 so can the Minister explain that reduction?

**Hon Moses Garu:** Thank you Member of East Choiseul for that important question, I guess for item 6414 there is a big reduction there but I guess that will be picked up on the development budget.

**Hon Derek Sikua:** On page 452, I just want to ask question about this water resource management, is this section that deals with drilling in the past, those that drill the bore holes? This is the section that did that job in the past? I think that was before the ethnic tension and if so where is the money for them to do that work or buy a new drill?

**Hon Moses Garu:** Can the Leader of Opposition repeat the question? I am a bit confused which Head we are talking about.

**Hon Derek Sikua:** Probably I will put this item 6171 on hydrological work. There is no allocation for that since 2012 for that kind of work but I want to ask a general question of what is the work of this unit? In terms of the water resources what do they really do?

**Mr Chairman:** That is on page 452 on the last two items.

**Hon Moses Garu:** The Ministry continue to support and manage the water development and I guess our budget in the development budget can still support some of the work for water development request and need when they arise. But the main work of the Ministry apart from the maintenance of its priorities, we also look in term of policy and I guess that is just provisional because it is not clear here it will be manage within the provisions of the division. Also it will be supported as through the development provision of the division, thank you.

*Pages 454, 455 & 456*

**Mr Peter Shanel Agoavaka:** On the mines division, I am trying to find where in that division can we locate the review of the mining's Act. So, can the Minister inform us whether the Ministry will review the mining Act because as you know, this current mining Act has victimize our people of Gold ridge in terms of royalty distributions and other things. Hence, if Gold ridge is to be a yard stick for other mining industry in the country then we must make this mining Act properly.

Therefore, is the Minister has any intention of reviewing the Act and if so, how will that be presented in this budget?

**Hon Moses Garu:** Yes, that work is hold up a bit for some time but that has been one of the main agenda of the Ministry and the Government to make sure that the review and the consultations will continue until we finally bring the necessary amendments to the Parliament. Besides, you will not see that in the provision that is here or may be part of



it is on the consultation workshops but our envelope does not allow that but I guess a big support will come from our development advice to drive the funding of resources next year until we finally come up with the draft of this review.

**Mr Matthew Wale:** Thank you Chairman, on 462

**Mr Chairman:** No, we vote this Head first; ask your question please.

**Mr Matthew Wale:** On 455, this 'capex land'. It reflects the actual for 2012 but in 2013 there is a substantial provision initially, but I wonder what that allocation is for.

**Hon Moses Garu:** This allocation is to cater for a piece of land for us to keep ores and rock samples as government asserts from exploring capacities. As you know Sir, all the companies when they complete their prospecting all the samples must be surrendered to Government and we need a place to store them. At the moment if you go up to the Ministry of Mines you will see everything laying all over on the grass; these are very important samples for our reference and records.

**Hon Derek Sikua:** Thank you Mr Chairman, on page 456, this is for the petroleum division and when looking at the petroleum division it has eight officers there according to the actual while two positions were vacant, but they do not have payroll charges. How are you going to pay the six or eight officers? They have money to carry out the job but no payroll charges for these eight officers for 2014.

**Hon Moses Garu:** Thank you Chairman and thank you leader for your question. That provision will come under Headquarter so from there the salary of those people will cater for Sir.

*Head 295 agreed to:*

**Head 296 – National Judiciary - \$19,046,356.00**

*Pages 465, 466, 467 and 468*

**Hon Derek Sikua:** Thank you Mr Chairman, I think right across the magistrate costs here like Magistrate Central, Magistrate Malaita, Magistrate Western, and Magistrate Eastern Mr Chairman, the costs for the customary appeal courts here there is no allocation well it has been like that for since this year and also next year as well Mr Chairman.

I like ask the Prime Minister I think, because I have noticed from those gazette of the gazettes that we received Mr Chairman, they are appointing the members of the customary appeal courts yeah in most of these provinces here.

Where do the costs of customary appeal courts have moved to Mr Chairman? Thank you.

**Hon Gordon Darcy Lilo:** Thank you Sir, these costs have now been moved to the items like Public Servants Local Fares, accommodations and other local other costs Sir. So all of them are lump up in those sub items because the work of the Customary Local Courts, you have to go and pick them up, they have to be paid allowance. And if they had to travel to the provincial headquarters, they have to be accommodated. That is why they have to put that under other costs.

**Mr Matthew Wale:** Thank you Chairman. Can the Prime Minister confirm that there are Resident Magistrates in Eastern, Malaita and Western Regions?

**Hon Gordon Darcy Lilo:** I think there is no Resident Magistrate in the Eastern Region, but there are Resident Magistrates in Malaita and Western Regions.

*Head 296 agreed to.*

**Head 297: Ministry of Women, Youth and Children's Affairs –**

*Pages 477, 478 & 479*

**Mr Matthew Wale:** Thank you Chairman. The reduction on Item 2409 Office Rent for the Minister to explain. Did they close some of their offices somewhere, or the landlord lowers the rental?

**Hon Peter Tom:** Thank you Chairman and thank Member for Aoke/Langalanga. This Office Rental has decrease. We will have to do Virements on the headings to cover that office rental. So that is the explanation for that.

**Mr Matthew Wale:** Thank you Chairman, how about the house rent?

**Hon Peter Tom:** There is a reduction there and that is a huge cut in rental and that also reflects the actual expenditure in 2012 and if look at the column of 2012.

**Mr Moffet Fugui:** on head 4037 – women's development assistant grant that is on page 4079, for 2012 it was \$108,000. I think this is a very important grant that we make use of our women; it will be a big support for them. Hence, why for 2013 and 2014 projections or estimates for that nothing is there, can the Minister explain that?

**Hon Peter Tom:** This item comes under the women development division and not there at headquarter; instead it should come under the women's development division.

**Mr Matthew Wale:** Thank you Chairman, subscription memberships to organisations on page 478 under headquarter, its actual for 2012 is zero and then it is \$2,500 for 2013 and then \$104,000 for 2014. Hence, I want to know which organisation that the Ministry going to be a member of and how many of those organisation? Also if possible can the Minister also provide the names of the organisations?

**Hon Peter Tom:** Because we joined CYP under Commonwealth Secretariat, hence that money is going towards that CYP program.

*Page 480, 481 & 482*

**Mr Derek Sikua:** On Page 481, this conference price negotiation has appeared again on youth development of the Ministry. For next year, it has new allocation of more than \$438,000 and so can the Minister explain this particular allocation that appears under your Ministry?

**Hon Peter Tom:** I know for this one other ministries have also found it hard to explain and this one does not come inside the budget and so it is a new thing but I will try my best to explain it. This allocation is supposed to be our contribution support for donor because donors support us with the programs and we must contribute to those programs as our part with the donors. For example, for our Ministry the donors will support the UNICEF to do the program to do the awareness on issues such HIV AIDs for the young people. So our support for that program is important.

**Mr Johnly Hatimoana:** On page 481, under the Youth Development the National Youth Grant comes under 4028 has still remain the same but it is for the women that I want to ask the Minister about. That is, the National Women Grant has nothing there and so what happen?

**Hon Peter Tom:** Thank you, that is just a typing error and that should come under the grants of that is there for women inside the Ministry, thank you.

**Hon Derek Sikua:** Before I ask my follow up question on my previous question, just to add on to what the Minister said this National Women's Grant has move to the next page at the bottom that is on page 482 as to why it is zero on 48 under Women's development division in the Ministry. But Mr Chairman the reappearance of governance price conference; the way the Minister has explain it is very different from what the Deputy Prime Minister has explained today. So, I think the Minister of Finance can help the Committee on this in order for the committee to understand on why this conference price negotiation appears on two Ministries so far. On two occasions it has appeared on the Ministry of Home Affairs which is almost \$1.4million, and now it has reappeared under the Ministry of Women Youth and Children Affairs twice and with almost the same amount. So this is serious Mr Chairman.

And there are two different explanations on what this fund is really for, so it is time the Minister of Finance explains to the Committee. Otherwise, this fund can lend itself to abuse, knowing Mr Chairman that next year is campaign year; if the Minister for Finance can explain this to the committee.

**Hon Rick Howenipweli:** This query is indeed something that we have noticed from the two Ministries. I think there are other descriptions like this that appears throughout this draft budget and the only thing I can comment on is that it is a typing error. Some of those amounts, like this basic grant expense item which have some amount on it and no amount for it in 2014. So, the only explanation I can make is errors on descriptions of the Heads.

**Mr Moffat Fugui:** Thank you Chairman, you are still rigorous and vagarious so it is good for us to continue on. On Head 4037 there is a huge grant there so I want to applaud the Minister for those huge grants which is more than \$1million for National women's grants and women's development assistance grant. Even as a Member of Parliament I just see this, so my question is, who gives those grants? How do we use them and how do they distribute these grants for our women?

**Hon Peter Tom:** Thank you Chairman, yes, this fund is go towards the annual subvention grants and it is to support the Family Support Centre and Christian Care Centre, I mean for those two centres here and the allocation is for \$150,000 for each centre. So that is that grants go towards in supporting those two centres. Thank you.

**Mr John Moffat Fugui:** Thank you Chairman, there's a follow up question on that, so \$300,000 for these Family Support Centre and Christian Care Centre.

I would like to ask two questions related questions is that, do they give funding for other centres as well or for the women centres not the family support centre or the Christian care centre but others and then where will the rest of money will go. And I like the Minister to inform us that where is this grants come from. I am asking this question Mr Chairman Sir, because usually this grants here they have ropes tie on them in terms neither policy or where it will go that's why I am asking this so that we may aware of it. Thank you.

**Hon Peter Tom:** Thank you Chairman, this grant is come from SIG and one of those centres which I have forgotten to mentioning is National Council of Women the third centres which that grant goes towards.

**Mr John Moffat Fugui:** Thank you Mr Chairman, this is my question on this ministry. In sights of NCRA's policy, I mean with that small book, its Women, Youths, Children and Family Affairs, I don't see anything going to families per say here Mr Chairman. So if the Minister can care to explain it because families Chairman, is very important but its grossly or severely absent in this narration here in this submission for the ministry responsible.

Can the Minister explain to the House, where do we feed families here because families also need the support? Thank you.

**Hon Peter Tom:** Thank you Chairman, when you talked about Youths, its family, Children, Women, I think because man is not included inside that's why we don't family is included, if we include man than its family then. So when you look at it, it's a family because there is Youth, Children, Women and you cannot do away with man, the man is always there. When you look at the youths, children and women, they make up a family.

**Mr Matthew Wale:** Thank you Mr Chairman. The Minister has made me forgot my question. The Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) implementation, Mr Chair, there are no allocations for 2013 and 2014. The actuals for 2012 was \$187,039. Does that shows the full implementation of CEDAW, and we are now CEDAW compliant? Do we still need to comply with reporting requirements, or if we still need to do it, where is the allocation for it?

**Hon Peter Tom:** Thank you Chairman. I am just waiting for the Chairman to give me time. This was absorbed under women's grant, and it is in the development budget for 2014.

**Hon John Maneniaru:** Thank you Chairman. Page 483, Item 6709 Women's Special Day Event, similar question to the Member for Aoke/Langalanga. I want to ask the Minister

to point out where the support will come from. It will be good if Men's Special Day Event is also provided somewhere. Otherwise we will not apply for it. The question by the Member for Central Honiara is very true. The Women's Special Day Event is a good one, where do you budget for it?

**Hon Peter Tom:** Thank you Chairman and Leader of the Independent for the question. That Head is also absorbed under Women's Grant. Even though you did not see it there, but it is now under Women's Grant.

**Hon Derek Sikua:** Thank you Mr Chairman. I have a question on page 484, Item 4032 National Children's Grant of \$789,202. Can the Minister explain how they will utilise that fund?

**Hon Peter Tom:** Thank you Chairman and thank you Leader of Opposition. That fund is based on applications and we apply for.

**Mr Matthew Wale:** This national children's grant, how does they access it? Especially the group such as; pathfinders and other church's children ministries can they apply for this grant?

**Hon Peter Tom:** The answer is yes, they can apply for it.

**The sum of \$12,226,566 for Head 297 now stands part of the Schedule**

**Head 298– Ministry of Rural Development**

*Page 489, 490 and 491*



**Mr Matthew Wale:** Thank you chairman, on a first glance everything in the Head quarter and the administration seems to go down and so that in it tell us one story. My story is specifically to do with house rent, it goes down and it is comparable with 2012 actuals but the Ministry grow quite big and more directors are there also in the growth centres program. Hence, it looks clear that the Ministry cannot cope with this one and so can the Minister clarify that and if that is the case then how will they get around it?

**Hon Lionel Alex:** Thank you chairman and thank you member for Aoke/Langalanga for that question. That is very true; there is a reduction on this house rent. For sure we will have to look for other means which will cater for this House rent and so whatever provisions that is there, that is where we will look into them, thank you.

**Mr Matthew Wale:** Similarly for Office rent, before during the debate of the CBF which has now become Act and nothing has been done on it. You said that you will open offices at every constituency and so we will need office rent, so perhaps not in all constituencies but maybe clusters of constituencies in some central locations. But since the rent for headquarters also went down, how you will implement this promised of having offices close to the constituencies. Even in the Headquarter you find it hard to meet your office rent, thank you.

**Hon Lionel Alex:** That is true, in terms of the Office rent there is a reduction as well and so, one of the concerns here is the establishment of constituency offices but since we came in until now and as next year is our last there were very few constituency offices that are already established. And so there are very few constituency offices that need office rent in the constituencies but together the Headquarter and the constituencies, the Ministry will try its best on whatever possible way that is able to cater for those rents.

**Mr Manasseh Sogavare:** On page 490, the item 3006 – water, some of the explanations that are given by the ministries the actual for 2012 is \$73 and for 2013 \$13,750. What

happened there, is it adequate to meet the water bill for the headquarter for 2014 which is just \$72?

**Hon Lionel Alex:** This item that is here and the amount that shows under it, does not really reflect the actual figure that is supposed to be. Anyway, we will virement for it, thank you.

**Hon John Maneniaru:** On page 491, in terms of salaries I want to ask the Minister to confirm to the committee. I understand that our structure goes up, we have Directors and Financial Controller but there are outstanding vacancies that you still to fill for some of the constituencies especially the Constituency Project Officers. However, the salary that is here does not reflect those numbers of positions and so can the Minister confirm whether the project officers who are outstanding for the rest of Constituencies are accommodated under this salary.

**Hon Alex Lionel:** This Head on salaries under the Rural Development division should be catering for salaries of staff, Constituency Development Officer (CDO), project officers and accountants. And as you have rightly said there are shortfalls there so we will try in whatever means to cater for this.

**Mr Matthew Wale:** Thank you Mr Chairman. I just want to ask the Minister; does that mean that on the 2<sup>nd</sup> of January we could start applying for accountants?

**Hon Alex Lionel:** I would like to ask the Member for Aoke/Langalanga to repeat his question.

**Mr Matthew Wale:** I am asking for accountants for constituencies; we have CDOs, project officer and then accountants. So, can we apply for accounts for constituencies as of 2<sup>nd</sup> January?

**Mr Chairman:** Minister, do you have some information about that manpower?

**Hon Alex Lionel:** The Ministry will give out advertisements especially for the accountants, and then there should be some preference from Members of Parliament as to who they wish to have. The Ministry will put out advertisements on January next year.

**Hon Dr Derek Sikua:** I think the Minister might have already been aware that on the new regulation that we were working on this CDF regulations; yes you are right, we have CDOs, project officer, the accountant and office secretary for our constituency offices. What about this office secretary, are you going to advertise it next year? Obviously, your salary allocation will not cater for it, are you going to get office secretaries for offices of Members of Parliament next year as well?

**Hon Alex Lionel:** At this point of time for us to advertise this post; not yet. I think the regulations have not come in yet and the Minister have not sight them yet. So when the regulations come in we will see how we are going to go about this issue.

*Head 298 agreed to*

**Head 299 – Ministry of Environment, Climate Change, Disaster Management and Meteorology: \$22,723,956**

*Pages 498, 499, 500*

**Mr Matthew Wale:** Thank you Chairman, on page 499 Environment & Conservation, Research and Conservation those two were nil. They would seem to core functions for conservation and the environment. So for the Minister to inform us on how whether these are chart of account issues no more whether he has other money to carry out such work like that. Thank you.

**Hon Bradley Tovosia:** In conservation I think that one is inside the development fund budgets so a lot of these things are come in development budget. Thank you.

**Hon Derek Sikua:** Thank you Mr Chairman, page 498 this item 2004 consultancy fees, I would like to ask the Minister, what is the nature of consultancy fee where this consultant will carry out in sight of environment and conservation Mr Chairman. Thank you.

**Hon Bradley Tovosia:** Thank you Chairman, that consultancy fee is for preparation of state of environment that is required under environment act for which we must ...?... after three years. Thank you Chair.

*Pages 501, 502, 503, 504 & 505*

**Hon Derek Sikua:** My last question on sight of environment and conservations Sir, on page 498, there's a new allocation for conferences seminars and workshops of \$150,000. What kind conferences your ministry will hosts next year Mr Chairman, for the minister to clarify this to the committee of this allocation here.

**Hon Bradley Tovosia:** Thank you Chair state of environment will need this conference as well so we allocate funds for that conference. Thank you Chair.

**Mr Matthew Wale:** Thank you Chairman, we asked at the Public Accounts Committee about this one in national disaster council here, the disaster relief is \$5million and \$5.2million actuals in 2012 and \$12million revised in 2013 budget and then more than \$10million reduction is \$1.8million for 2014 estimates.

So far it is a good Christmas and sea is fine there is no disaster but whether the rest of 2014 will be like that all through. How will the ministry cope with a quick and immediate response in the first instance of a disaster? Thank you.

**Hon Braddley Tovosia:** Thank you Chairman, and thank you Member for Aoke/Langalanga. The Ministry has covered the disaster issue in the Contingency Warrant (CW).

**Mr Matthew Wale:** Thank you Chairman. I have few questions on the other pages. I want to follow through on the answer that the Minister has given. Just assuming that we are going into an election year, Parliament will be dissolved in August or September. Then assuming that CW is used up and then a cyclone or disaster hits. Obviously you need a substantive allocation for you to respond immediately. But you have made the decision or the Ministry of Finance has made it for you. Just to bear that in mind, Sir, my substantive question is with regards to climate change mitigation, assessment, vulnerability and adaptation assessment, where there is no allocation here. A little bit is in the development budget, but it is clearly not enough in face of the need. I think it is not a need that we can postpone the vulnerabilities of those communities. So I am wondering, if the Minister can inform the Committee on how the Ministry intends to respond to this level of need, given the low level of provision that it has.

**Hon Braddley Tovosia:** Thank you Chair, and thank you Member for Aoke/Langalanga for the third question. Normally the Ministry has some funds, which is covered by external donors that support this programme.

*Head 299 agreed to.*

*Total Recurrent Estimate agreed to.*

**The total recurrent estimates of \$2,135,905,170 therefore stand part of the Schedule**

**Hon Gordon Darcy Lilo:** Sir, I move that further proceedings on committee be adjourn to the next sitting day.

*Parliament resume*

*The Parliament is adjourned*