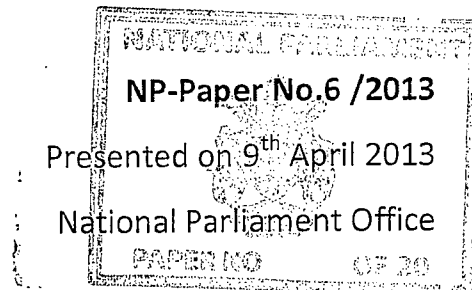




**NATIONAL PARLIAMENT OF SOLOMON ISLANDS
PUBLIC ACCOUNTS COMMITTEE**

**Report on the 2012
Supplementary Appropriation
Bill 2013**



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1 Introduction

The Public Accounts Committee (“**Committee**”) has concluded its review and report on the 2012 Supplementary Appropriation Bill 2013 (“**Bill**”), introduced in the House by the Minister of Finance and Treasury. The Bill was submitted to the Speaker through the Clerk to Parliament as required under the *Standing Orders*¹. The Speaker examined the Bill,² endorsed it and the Bill was duly deemed to have been presented to Parliament according to Standing Order 46.

According to government business for the current (4th) meeting of Parliament, the first reading of the Bill occurred on Wednesday, 3rd April 2013.

The Committee considered the Bill and heard evidence from relevant government ministries on Friday, 5th April 2013. Following its review, the Committee submits this Report to Parliament, with recommendations, for the information of Members and for Parliament’s consideration.

Terms of Reference

Pursuant to its mandate under *Standing Orders 69*, the term of reference of the Committee in this instance is to examine the Bill and to report its observations and recommendations on the Bill to Parliament.

¹ *Standing Order 44 (1)*.

² As required by *Standing Order 45 (1)*.

Functions of the Committee

The Committee is established under *Standing Order 69*; an Order made pursuant to the *Constitution*³ and has the functions, together with the necessary powers to discharge such, to:

- (a) examine the accounts prescribed by Section 33 of the Public Finance and Audit Act 1978, together with the report of the Auditor General thereon, and to report the results of such examination to Parliament;
- (b) establish the causes of any excesses over authorised expenditure and to make recommendations to Parliament on any appropriate measures to cater for such excesses of expenditure;
- (c) examine such other accounts laid before Parliament as the Committee may think fit, together with any auditor's report thereon and to report the results of such examination to Parliament;
- (d) summon any public officer to give information on any explanation, or to produce any records or documents which the Committee may require in the performance of its duties;
- (e) consider in detail the Draft Estimates prepared by the Government in support of the Annual Appropriation Bill;
- (f) summon and examine the Accounting Officers and Technical staff of Ministries and Departments and require the production of background information and explanation in relation to Draft Estimates;
- (g) report to Parliament in such a way that the report may inform Members prior to the Parliamentary debate thereon of the background to the Draft Estimates draw attention to those matters which the Committee feels should be the subject for such Parliamentary debate; and
- (h) make such recommendations as the Committee sees fit and subsequently receive comments and reports on such recommendations from the Government.

³ Section 62, *Constitution of Solomon Islands 1978*.

Membership

The current members of the Public Accounts Committee (9th Parliament) are:

Hon. Douglas Ete, MP (Chair)

Hon. John Maneniaru, MP

Hon. Peter Shanel Agovaka, MP

Hon. Matthew C. Wale, MP

Hon. Andrew Manepora, MP

Hon. Vika Lusibaea, MP

Mr. Edward Ronia, Auditor General (Secretary)

2 Background

Section 101 of the Constitution defines the process and conditions in which funds may be withdrawn from the Consolidated Fund. The issuing of funds under a Supplementary Appropriation Bill (SAB) is provided for under section 101 (2) [b] of the Constitution; and also the provisions of sections 103 or 104 are satisfied.

The process is further detailed under section 15 (Contingency Warrants) of the Public Finance and Audit Act [Cap. 120], (FI) 182 to 186 of the Financial Instructions Rules and section 102 (3) of the Constitution. Intrinsicly, this is designed to be a transparent process to ensure that public resources are safeguarded in the interest of the people of Solomon Islands.

The Public Accounts Committee (Committee) is responsible for the examination of draft estimates that support Appropriation Bills as well as Supplementary Appropriation Bills. The Committee subsequently reports on its findings to Parliament for the purpose of properly informing Members of Parliament and raising matters that will assist them in their deliberations.

Objective

Aside from the parliamentary oversight responsibility that is often exercised by the Committee, the object of this Report is to inform the Members of Parliament on significant issues pertaining to the Bill, which were examined by the Committee.

The Committee undertakes its reviews and examinations on the Bill within the parameters of the laws underpinning government finances. Furthermore, the Committee believes that its assessment must also be underpinned on sound economic strategies that are essential to achieving the common objective for which Parliament has allocated resources.

3 Review

Committee Process

The Committee was able to hear from all 7 Ministries who's Heads appear in the Bill.

In carrying out the examination of the Bill, the Committee undertook the following:

- Review of the Bill, and
- Heard evidence from the 7 Ministries which had obtained funding under Contingency and Advance Warrants and further additional fundings.

The full transcripts of the Committees proceedings (contained in Hansard) will be available on the Parliamentary website at www.parliament.gov.sb at an appropriate time as soon as practicable.

4 Summary Report

The Committee held its Hearing into the Bill⁴ on Friday, 5th April 2013.

The Bill seeks to authorise the legal authorization on supplementary expenditure of **\$72,601,300** of which **\$11,190,764** is issued under Contingency Warrants and **\$61,410,536** issued under Advance Warrant. The following is a summary of key findings and common themes discussed during the Committee Hearings. The issues raised below were also highlighted in preceding Supplementary Appropriations:

4.1 Contingency Warrant⁵

The Contingency Warrants of **\$11,190,764** has a recurrent amount of \$6, 190,764 and a development amount of \$5,000,000. These amounts were funded but not appropriated. The funds are new that needed to be appropriate by Parliament, hence the Bill.

The Committee noted that **\$11,190,764** million were issued to four Ministries and is outlined below;

	Ministry	Recurrent	Development
1.	Ministry of Foreign Affairs and External Trade	\$3, 845,264	
2.	Ministry of Police, National Security and Correctional Services	\$537,500	
3.	Ministry of Culture and Tourism	\$1,808,000	
4.	Ministry of Rural Development		\$5,000,000
	TOTAL	\$6,190,764	\$5,000,000

⁴ **Supplementary Appropriation Bill** is a bill of parliament which seeks approval for extra allocations in addition to those already approved by the Appropriation Act for that year.

⁵ **Contingency Warrant** is the official document that allocates extra money needed before the Supplementary Appropriation Act is approved by Parliament. The Contingency Warrants are monies already spent by the issued Ministry but since it is not appropriated for in the 2012 Appropriation Act, it is now sent to Parliament for its approval. The Minister for Finance can issue and Cabinet can approve allocations for emergencies that could not have been foreseen. Warrants apply until the last day of the Financial Year only; and then need to be replaced with a fresh annual Warrant.

The Committee has been for several years calling on Ministries to seek funding for necessary expenditure during the annual budget process rather than seeking Contingencies Warrants approval to permit expenditure which was entirely foreseeable at the time of the budget process.

The Committee noted in its evidence that the Ministry of Police, National Security and Correctional Services has sought \$537,500 through contingency warrant as a result of lack of proper consultation between the Ministry of Public Service and Ministry of Finance and Treasury at the earlier part of the year.

Mr. Sikua in his presentation before the Committee stated that;

“Towards the end of 2012, we were able to resolve the issue by adding new position numbers into the Ourion so it could cater for the large number of this intake. The RSIPF were thinking that we have the vacancies, however when it comes to the Aurion, these vacancies did not exist.”

The Committee is of the view that even if the Ourion system may not have the vacancies but the Ministry should have provided for the 69 new vacancies in the 2012 budget in line with their planned training and recruitment for the year. Thus the Committee maintains that the Contingencies Warrants should be strictly applied to unforeseen and urgent needs.

The Committee also heard that the Contingency Warrant of \$3,845,264 by the Ministry of Foreign Affairs and External Trade was for payment of outstanding contributions to regional and international organisations. The Committee is of the view that existing relationships with regional and international organisations are not unforeseen. The practice and application of contingency warrants as stipulated by the law is not followed.

The Committee believed that such situations highlighted above could be best addressed through a thoroughly coordinated budget with the Ministry of Finance and Treasury and other concern Ministries to avoid the use of Contingency Warrants in foreseeable circumstances.

Recommendation

1. The Committee is of the view that Contingency Warrants should not be approved without appropriate and convincing justification of how the request complies with *Section 103(2)* of the Constitution and *Section 15* of the Public Finance and Audit Act
2. The Committee is also of the view that in terms of recruitment, line Ministry must have proper consultation with the Ministry of Public Service and the Ministry of Finance and Treasury to ensure that details of recruitment are provided for in the Ourion system and to avoid the use of Contingency Warrants in such foreseeable circumstances.

4.2 Advance Warrant

The Committee observed during the Hearing that an advance of **\$61,410,536** had been issued to five government ministries with arrangements from various Donors namely;

	Ministry	Amount	Donor
1.	Ministry of Culture and Tourism	\$10, 443,908	SIG
2.	Ministry of Finance and Treasury	\$23,196,399	RAMSI
3.	Ministry of Health and Medical Services	\$6,888,550	AUSAID
4.	Ministry of Justice and Legal Affairs	\$881, 679	RAMSI
5.	Ministry of Rural Development	\$20,000,000	SIG

The Committee noted that the Ministry of Finance and Treasury, the Ministry of Health and Medical Services and the Ministry of Justice and Legal Affairs have used advance warrant to legalise the grants funded from donors through the Accountable Cash Grant Arrangement. Mr. Stephen Dalipanda, the financial controller from the Ministry of Health and Medical Services when clarifying this arrangement before the Committee stated that;

“... what happens here is that all the money that did not appear in 2012 appropriation is directly put into the health account from donors. So the

money is not included in the 2012 appropriation. So to make the process legal we applied for advance warrant. But the money will not be refunded. Its money given by the donors for us to use. It's similar to the AusAid one, the one out from the SWAP account, where it is not appropriated. But it sits with the Central Bank. So when the National Referral Hospital runs short of ration in the budget we call the money down. But since it was not appropriated, we put it through the advance warrant to legalise the process. "

The Committee noted this practice with great concern. Advances do not appear against the appropriated and non appropriated funds. The Committee is concerned that they cannot identify which funds advances are drawn against. The Committee would require better demonstration of the treatment of advances against the funds such advances are drawn against. The current practice and presentation to the Committee does not show veracity of the funds against which advances are made.

Recommendation

- **The Committee recommends that advances are better treated and presented against the relevant Grants or project funds from appropriated or Non Appropriated Funds.**

4.3 Discrepancy in Bill

The Committee enquired on why a \$15 million which was appropriated for the Ministry of Culture and Tourism for the payment of costs relating to the Festival of Pacific Arts through a supplementary appropriation in September 2012 was not accounted for in the Bill (See 287- 0602 - 6164). The \$15 million should automatically alter the figures and the revised estimates to \$63,806,500. With the contingency warrant of \$1,808,000 the figure should increase to \$65,613'500. With the \$10,443,907.59 advance warrant the revised estimates figure should be \$76,057,407.59. The Permanent Secretary of the Ministry of Culture and Tourism informed the Committee that he was not aware of this discrepancy in the Bill and will check with the Ministry of Finance and Treasury to sort out this discrepancy.

The Committee raised the discrepancy with the Permanent Secretary of the Ministry of Finance and Treasury who accepted the oversight. The Committee was further

informed by the Permanent Secretary of the Ministry of Finance and Treasury that they will rectify the discrepancy by bringing a corrigendum to Parliament.

The Committee is of the view the information brought before Parliament must be clear, accurate and must be reflective of the actual expenditure incurred as this would be misleading and undervaluing the funds used by Festival of Pacific Arts last year and risk improper accounting by the government.

Recommendation

The Committee therefore recommends that appropriate amendments be made to the Bill to rectify the error identified in the bill.

4.4 Disposal of Government Asset

The Committee noted that the Financial Instructions and Stores Instructions on the disposal of government assets must be followed when disposing of government properties. In their submission before the Committee, the Ministry of Justice and Legal Affairs informed the Committee that they have used the AS 2124 contract and under the terms and conditions of the contract, the disposal of demolished items are calculated in the submission of the contractor. So it is the contractor's responsibility to dispose these materials.

The Committee was concerned that disposal assets might be undervalued and procedures in the Financial Instructions and Stores Instruction not followed in the process. The Committee therefore request that the Ministry of Justice and Legal Affairs provide all the documents relating to the tender process. The documents were submitted on Monday, 8th April 2013.

Recommendation

The Committee recommends that the all documents relating to the tender process and contracts regarding the renovation works must adhere to the Financial Instruction and Store Instructions when disposing government assets.

5. Recommendations

Upon completion of the hearing into the Bill, the Committee recommends that:

1. The Committee is of the view that Contingency Warrants should not be approved without appropriate and convincing justification of how the request complies with *Section 103(2)* of the Constitution and *Section 15* of the Public Finance and Audit Act
2. The Committee is also of the view that in terms of recruitment, line Ministry must have proper consultation with the Ministry of Public Service and the Ministry of Finance and Treasury to ensure that details of recruitment are provided for in the Ourion system and to avoid the use of Contingency Warrants in such foreseeable circumstances.
3. The Committee recommends that advances are better treated and presented against the relevant Grants or project funds from appropriated or Non Appropriated Funds.
4. The Committee therefore recommends that appropriate amendments be made to the Bill to rectify the error identified in the bill.
5. The Committee recommends that the all documents relating to the tender process and contracts regarding the renovation works must adhere to the Financial Instruction and Store Instructions when disposing government assets.



Hon. Douglas Ete
Chairman

Public Accounts Committee

9th April 2013

6. Appendices

Appendix 1:



2012 SUPPLEMENTARY APPROPRIATION BILL 2013

(NO. 5 OF 2013)



2012 SUPPLEMENTARY APPROPRIATION BILL 2013

(NO. 5 OF 2013)

A

BILL

Entitled

AN ACT TO APPROPRIATE ADDITIONAL SEVENTY TWO MILLION, SIX HUNDRED AND ONE THOUSAND, THREE HUNDRED DOLLARS, TO THE SERVICE OF THE YEAR ENDING 31ST DECEMBER 2012.

ENACTED by the National Parliament of Solomon Islands.

2012 SUPPLEMENTARY APPROPRIATION BILL 2013

Short title and
commencement

1. This Act may be cited as the 2012 Supplementary Appropriation Act 2013 and commences on the date ("commencement date") of assent.

Authorisation and
appropriation of
\$72,601,300

2. (1) The issue from the Consolidated Fund is hereby authorised of a sum of seventy two million, six hundred and one thousand, three hundred dollars, to be applied to the service of the year ending 31st December 2012.

(2) The sum specified in subsection (1) shall be deemed to have been appropriated as from the commencement date for the supply of the heads and in the amounts respectively specified for such heads, as set out in the Schedule.

SCHEDULE

(section 2(2))

EXPENDITURE BY CONTINGENCIES WARRANTS

RECURRENT EXPENDITURE

HEAD		EXPENDITURE AUTHORISED
274	Ministry of Foreign Affairs and External Trade	3,845,264
283	Ministry of Police, National Security and Correctional Services	537,500
287	Ministry of Culture and Tourism	1,808,000
	TOTAL RECURRENT EXPENDITURE	6,190,764

DEVELOPMENT EXPENDITURE

HEAD		EXPENDITURE AUTHORISED
498	Ministry of Rural Development	5,000,000
	TOTAL DEVELOPMENT XPENDITURE	5,000,000

**TOTAL RECURRENT AND DEVELOPMENT EXPENDITURE BY
CONTINGENCIES WARRANTS** **\$11,190,764**

**SECTION 13 PUBLIC FINANCE AND AUDIT ACT – ADVANCE
WARRANT EXPENDITURES**

**Note: Advances under Section 13 of the Public Finance and Audit Act
must be repaid to the Consolidated Fund by 31st December 2013.**

HEAD		EXPENDITURE AUTHORISED
287	Ministry of Culture and Tourism	10,443,908
373	Ministry of Finance and Treasury	23,196,399
376	Ministry of Health and Medical Services	6,888,550
392	Ministry of Justice and Legal Affairs	881,679
498	Ministry of Rural Development	20,000,000
	TOTAL ADVANCE WARRANTS	61,410,536

**TOTAL RECURRENT AND DEVELOPMENT EXPENDITURE BY
CONTINGENCIES AND ADVANCE WARRANTS \$72,601,300.**

CONTINGENCY WARRANTS - RECURRENT ESTIMATES

HEAD: 274 MINISTRY OF FOREIGN AFFAIRS AND EXTERNAL TRADE

Estimates of the amount further required in the year ending 31st December 2012 for the services of this head: **\$3,845,264.**

Subhead/item	Description	Original Estimates	Supplementary Estimates	Revised Estimates
0120-4088	Payment to Overseas Bodies-Others	4,000,768	3,845,264	7,846,032
Total		4,000,768	3,845,264	7,846,032

Explanatory Note

This amount provides for additional funds to meet SIG outstanding contributions to the following Regional and International Organisations: Melanesian Spearhead Group (MSG), Commonwealth Secretariate, Commonwealth Youth Program, Commonwealth Funds for Technical Co-operation and United Nation Fund for Population Activities (UNFPA).

HEAD: 283 MINISTRY OF POLICE, NATIONAL SECURITY AND CORRECTIONAL SERVICES

Estimates of the amount further required in the year ending 31st December 2012 for the services of this head: **\$537,500.**

Subhead/item	Description	Original Estimates	Supplementary Estimates	Revised Estimates
0479-1010	Civil Service Salaries	31,092,345	500,000	31,592,345
0479-1015	Employers NPF contributions	3,101,940	37,500	3,139,440
Total		34,194,285	537,500	34,731,785

Explanatory Note

This amount provides for additional funds to cater for salary payments of 69 new recruits Police officers in August 2012.

HEAD: 287 MINISTRY OF CULTURE AND TOURISM

Estimates of the amount further required in the year ending 31st December 2012 for the services of this head: **\$1,808,000.**

Subhead/item	Description	Original Estimates	Supplementary Estimates	Revised Estimates
0602-6164	Pacific Arts Festival	48,805,500	1,808,000	50,613,500
Total		48,805,500	1,808,000	50,613,500

Explanatory Note

This amount provides for additional funds to meet outstanding bills relating to the 11th Festival of Pacific Arts 2012.

**CONTINGENCY WARRANTS - DEVELOPMENT
ESTIMATES**

HEAD: 498 MINISTRY OF RURAL DEVELOPMENT

Estimates of the amount further required in the year ending 31st December 2012 for the services of this head: **\$5,000,000.**

Subhead/item	Description	Original Estimates	Supplementary Estimates	Revised Estimates
4880-5799	SIG Support to Constituency Development	5,000,000	5,000,000	10,000,000
Total		5,000,000	5,000,000	10,000,000

Explanatory Note

This amount provides for additional funds as SIG Support to Constituency Development.

Section 13 ADVANCE WARRANTS

HEAD 287: MINISTRY OF CULTURE AND TOURISM

Estimates of the amount further required in the year ending 31st December 2012 for the services of this head: **\$10,443,907.59.**

Subhead/item	Descriptions	Original Estimates	Supplementary Estimates	Revised Estimates
0602-6164	Pacific Arts Festival	48,805,500	10,443,907.59	59,249,407.59
Total		48,805,500	10,443,907.59	59,249,407.59

Explanatory Note

This amount provides for additional funds to meet costs relating to the 11th Festival of Pacific Arts.

HEAD 373: MINISTRY OF FINANCE AND TREASURY (BUDGET SUPPORT)

Estimates of the amount further required in the year ending 31st December 2012 for the services of this head: \$23,196,399.

Subhead/item	Descriptions	Original Estimates	Supplementary Estimates	Revised Estimates
0426-2301	ICT Replacement Hardware	0	2,123,436	2,123,436
0426-3062	Consultancy Fees	0	10,366,564	10,366,564
0427-2301	ICT Replacement Hardware	0	7,137,599	7,137,599
0427-2308	ICT Special Applications - Support & Maintenance	0	3,568,800	3,568,800
Total		0	23,196,399	23,196,399

Explanatory Notes

Accountable Cash Grants (ACG) provided by Ausaid (RAMSI) for the upgrade of the Financial Management and Information System (FMIS) including consultancy costs and system works; funds provided for the Accountant General's Office as Flexible Support funds and also includes funding for the Metropolitan Area Network (MAN) project under the ICTSU of the Ministry.

HEAD 376: MINISTRY OF HEALTH AND MEDICAL SERVICES (BUDGET SUPPORT)

Estimates of the amount further required in the year ending 31st December 2012 for the services of this head: \$6,888,550.

Subhead/item	Descriptions	Original Estimates	Supplementary Estimates	Revised Estimates
0380-1020	Wages	0	163,447	163,447
0380-2001	Upkeep & Repair of Official Building	0	300,000	300,000
0380-2010	Office Expenses	50,000	52,984	102,984
0380-2017	Printing	0	10,594	10,594
0380-2018	Publicity & Promotion	0	1,059,988	1,059,988
0380-2071	Tours & Travel	100,000	10,594	110,594
0380-2301	IT Replacement	0	5,301	5,301
0380-4001	Training-General	150,000	37,000	187,000
0380-4030	Conference & Seminars	150,000	155,301	305,301
0381-2018	Publicity &			

	Promotion	790,000	1,310,850	2,100,850
0381-4001	Training-General	300,000	74,200	374,200
0381-4030	Conference & Seminars	60,000	608,677	668,677
0383-4001	Training-General	150,000	195,295	345,295
0384-4030	Conference & Seminars	2,004	74,200	76,204
0385-2018	Publicity & Promotion	0	664,980	664,980
0385-4030	Conference & Seminars	165,547	534,477	700,024
0390-3030	Ration	0	1,350,000	1,350,000
0393-4001	Training-General	150,000	74,230	224,230
0393-4030	Conference & Seminars	100,000	7,420	107,420
0395-2018	Publicity & Promotion	1,424,533	111,350	1,535,883
0396-2071	Tours & Travel	120,073	47,662	167,735
0500-2001	Upkeep & Repair of Official Building	20,000	40,000	60,000
Total		3,732,157	6,888,550	10,620,707

Explanatory Notes

Accountable Cash Grants (ACG) provided by AusAid to help implement various health programs under the Health Sector Support Program (HSSP) of the Ministry.

**HEAD 392: MINISTRY OF JUSTICE AND LEGAL AFFAIRS
(BUDGET SUPPORT).**

Estimates of the amount further required in the year ending 31st December 2012 for the services of this head: **\$881,679.**

Subhead/item	Descriptions	Original Estimates	Supplementary Estimates	Revised Estimates
0002-2001	Renovation Works	0	881,679	881,679
Total		0	881,679	881,679

Explanatory Notes

Accountable Cash Grant (ACG) provided by RAMSI for major renovation works to the Chief Magistrate official residence.

HEAD 498: MINISTRY OF RURAL DEVELOPMENT.

Estimates of the amount further required in the year ending 31st December 2012 for the services of this head: **\$20,000,000.**

Subhead/item	Descriptions	Original Estimates	Supplementary Estimates	Revised Estimates
4075-5686	ROC Support to Constituency Development(RSCD)	20,000,000	7,500,000	27,500,000
4085-5686	ROC Constituency Micro-Project Fund(RCMPF)	10,000,000	5,000,000	15,000,000
4226-5686	ROC Millenium Development Fund(RMDF)	20,000,000	7,500,000	27,500,000
Total		50,000,000	20,000,000	70,000,000

Explanatory Notes

This amount provides for advance payment of the 3rd Instalment and final payment of 2012 ROC Budget Support to Rural Development (RSCD,RMDF & RCMPF) paid under the Solomon Islands Government Funds. This advance payment will be reimbursed as soon as ROC funds for the 3rd instalment and final payment of 2012 are paid to the Solomon Islands Government in first quarter of year 2013.

2012 SUPPLEMENTARY APPROPRIATION BILL 2013**OBJECTS AND REASONS**

The object of this Bill is to authorise supplementary expenditure of seventy two million, six hundred and one thousand, three hundred dollars authorised under the 2012 appropriation Act 2012 for the service of the year ending 31st December 2012.

This supplementary appropriation is to supplement expenditure incurred by the issue of contingencies warrants and advance warrants in respect of the heads specified in the schedule.

**RICK NELSON HOUENIPWELA, MP
MINISTER FOR FINANCE AND TREASURY**

Honiara, Solomon Islands
Printed under the authority of the
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Appendix 2: Minutes of Proceedings



PUBLIC ACCOUNTS COMMITTEE

NATIONAL PARLIAMENT OF SOLOMON ISLANDS

Minutes of Proceedings No 1

Wednesday, 27 March 2013, Parliament House, 5:30 pm

1. Members Present

Hon. Douglas Ete, MP (Chair)
Hon. John Maneniaru, MP
Hon. Andrew Manepora, MP
Hon. Vika Lusibaea, MP
Hon. Peter Shanel Agovaka, MP
Hon. Martin Kealoe, MP
Hon. Mathew C Wale, MP

Secretariat

Ms. Alice Willy, Committee Secretariat

2. Opening Prayer

Opening Prayer was said by the Committee Secretariat, Ms Willy.

3. Opening Remarks

The Chair welcomed all members and briefed them on the 2012 Supplementary Appropriation 2013. There are seven ministries in the Bill which the Committee would have to inquiry on how the funds were expended last year.

4. Committee's deliberation

The Committee deliberated and resolved that the Chair speaks to the Prime Minister and request a day(afternoon) next week, preferably Tuesday or Wednesday for the Committee to hear from the seven Ministries or wait until Friday, 5 April 2013. The secretariat will have to prepare a schedule for the appearance of the seven ministries the Committee to adopt schedule in the next meeting.

4. Next meeting

Next meeting is scheduled for Thursday, 28 March 2013 at a time to be later confirmed by the Chair.

5. Close

Hon. John Maneniaru closed the meeting with a word of prayer at 5:35 pm.



PUBLIC ACCOUNTS COMMITTEE

NATIONAL PARLIAMENT OF SOLOMON ISLANDS

Minutes of Proceedings No 2

Thursday, 28 March 2013, Parliament House, 4:30 pm

1. Members Present

Hon. Douglas Ete, MP (Chair)
Hon. Andrew Manepora, MP
Hon. Vika Lusibaea, MP
Hon. Peter Shanel Agovaka, MP
Hon. Matthew C Wale, MP

Secretariat

Ms. Alice Willy, Committee Secretariat

2. Opening Prayer

Opening Prayer was said by Hon. Matthew Wale.

3. Briefing from Secretariat on tentative Schedule

The Secretariat briefed the Committee on the tentative Schedule produced for the Committee.

4. Committee's deliberation

The Committee deliberated and resolved that:

- a) The Hearing is scheduled for Friday, 5 April 2013 and Hearing should commence at 10:30am.

b) The Seven Ministries should be scheduled as follows;

Date /Time	Ministry
10:30am – 11:30am	Ministry of Police, National Security and Correctional Services
11:30am – 12:30pm	Ministry of Health and Medical Services
12:30pm – 1:30pm	LUNCH
1:30pm – 2:30pm	Ministry of Justice and Legal Affairs
2:30pm – 3:30pm	Ministry of Finance and Treasury
3:30pm – 4:30pm	Ministry of Culture and Tourism
4:30pm – 5:30pm	Ministry of Foreign Affairs and External Trade
5:30pm – 6:30pm	Ministry of Rural Development

5. AOB

- a) Allowance should be paid in cash and not put in with salary as it will be deducted. Secretariat will arrange with Accounts to have allowance paid in cash.
- b) Easter Greeting to Members of PAC.

6. Close

Hon. Peter Shanel Agovaka closed the meeting with a word of prayer at 4:35 pm.



PUBLIC ACCOUNTS COMMITTEE

NATIONAL PARLIAMENT OF SOLOMON ISLANDS

Minutes of Proceedings No 3

Friday, 5th April 2013, Parliament House, 10:30 am

1. Members Present

Hon. Douglas Ete, MP (Chair)
Hon. John Maneniaru, MP
Hon. Peter Shanel Agovaka, MP
Hon. Andrew Manepora, MP
Hon. Vika Lusibaea, MP

Secretariat

Mr. Edward Ronia, Secretary
Ms. Alice Willy, Committee Secretariat

2. Opening Prayer

Opening Prayer was said by Mr. Edward Ronia.

3. Briefing from Secretariat on Briefs

The Secretariat briefed the Committee on the Briefs provided and noted the \$15 million appropriated in September 2012 for the costs relating to FOPA under the Ministry of Culture and Tourism which was not accounted for under the current Bill.

4. Committee's deliberation

The Committee deliberated and resolved that:

- c) to commence with the Hearing.
- d) raised the \$15 million which was not accounted in the Bill with the Ministry of Culture and Tourism and the Ministry of Finance and Treasury.

5. Hearing Commenced

A. Ministry of Police, National Security and Correctional Services

Witnesses

Mr. Edmond Sikua, Permanent Secretary (PS)
Mr. Hansel Mamupio, Human Resources Manager (HRM)
Mr. Paul Kapakeni, Financial Controller (FC)
Mr. Stephen Maesiola, Undersecretary (US)

1. Welcome

Chairman welcomed the Committee members and witnesses.

Mr. Edward Ronia said the opening prayer.

2. Inquiry into the 2012 Supplementary Appropriation Bill 2013

PS and his officials appeared before the Committee.

The chairman welcomed the PS and his officials to brief the Committee on the Ministry's Supplement Budget.

PS gave overview of the Ministry's Supplement Budget.

Committee questioned PS.

Evidence concluded.

B. Ministry of Health and Medical Services

Witnesses

Mr. Lester Ross, Permanent Secretary (PS)

Mr. Stephen Dalipanda, Financial Controller (FC)

1. Welcome:

The chairman welcomed the witnesses.

2. Inquiry into the 2012 Supplementary Appropriation Bill 2013

The Permanent Secretary (PS) and his officials appeared before the Committee.

The chairman welcomed the PS to brief the Committee on the Ministry's supplementary Budget.

The Committee questioned the PS and his Official.

Evidence concluded.

C. Ministry of Justice and Legal Affairs

Witnesses

Mr. Jeffery Me'esa (PS)

Ms. Minnie Ora, Finance Controller (FC)

Mr. Charles Koroni, Chief Infrastructure Officer (CIO)

1. Welcome

The Chairman welcomed the witnesses.

2. Inquiry into the 2012 Supplementary Appropriation Bill 2013

The PS and his officials appeared before the Committee.

The chairman welcomed the PS and his officials to brief the Committee on the Ministry's supplementary budget.

The Committee questioned the PS and his officials.

Evidence concluded.

D. Ministry of Culture and Tourism

Witnesses

Mr. John Wasi Permanent Secretary (PS)

Mr. Rex Ngengele, Financial Controller (FC)

1. Welcome

The chairman welcomed the witnesses.

2. Inquiry into the 2012 Supplementary Appropriation Bill 2013

The PS and his officials appeared before the Committee.

The chairman welcomed the PS and his officials to brief the Committee on the Ministry's supplementary budget.

The Committee questioned the PS and his officials.

Evidence concluded.

E. Ministry of Foreign Affairs and External Trade

Witnesses

Mrs. Joy Kere, Permanent Secretary (PS)

Mr. Bernard Bata'anisia, Deputy Secretary (DS)

Mr. Henry Baeoro, Financial Controller

1. Welcome

The chairman welcomed the witnesses.

2. Inquiry into the 2012 Supplementary Appropriation Bill 2013

The PS and his officials appeared before the Committee.

The chairman welcomed the PS and his officials to brief the Committee on the Ministry's supplementary budget.

The Committee questioned the PS and his officials.

Evidence concluded.

F. Ministry of Finance and Treasury

Witnesses

Mr. Shadrach Fanega, Permanent Secretary (PS)

Mr. Norman Hiropal, Director – Budget Unit

1. Welcome

The chairman welcomed the witnesses.

2. Inquiry into the 2012 Supplementary Appropriation Bill 2013

The PS and his officials appeared before the Committee.

The chairman welcomed the PS and his officials to brief the Committee on the Ministry's supplementary budget.

The Committee questioned the PS and his officials.

Evidence concluded.

G. Ministry of Rural Development

Witnesses

Ms. Selina Boso, Permanent Secretary (PS)

1. Welcome

The chairman welcomed the witness.

2. Inquiry into the 2012 Supplementary Appropriation Bill 2013

The PS and his officials appeared before the Committee.

The chairman welcomed the PS and his officials to brief the Committee on the Ministry's supplementary budget.

The Committee questioned the PS and his officials.

Evidence concluded.

Committee deliberated.

3. Close

Committee adjourns at 5: 00pm.



PUBLIC ACCOUNTS COMMITTEE

NATIONAL PARLIAMENT OF SOLOMON ISLANDS

Minutes of Proceedings No 4

Monday, 6th April 2013, Parliament House, 4:55 pm

1. Members Present

Hon. Douglas Ete, MP (Chair)
Hon. John Maneniaru, MP
Hon. Matthew Wale, MP
Hon. Andrew Manepora, MP
Hon. Vika Lusibaea, MP

Secretariat

Ms. Alice Willy, Committee Secretariat

2. Opening Prayer

Opening Prayer was said by Hon. John Maneniaru.

3. Committee's deliberation on the Draft Report

The Committee deliberated and resolved:

- a) to follow up with the Permanent Secretary of Finance and Treasury on how they will rectify the discrepancy in the Bill.
- b) Correct the spelling of Arion with "Orion".
- c) Will adopt Report on Tuesday, 9 April 2013 morning.

4. Close

Meeting closed at 5:00pm with a word of prayer said by Hon. Andrew Manepora.

