



2019 APPROPRIATION BILL 2018

(NO. 13 OF 2018)



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A

BILL

Entitled

AN ACT TO APPROPRIATE THREE BILLION, EIGHT HUNDRED AND SIX MILLION, TWO HUNDRED AND EIGHTY TWO THOUSAND AND FOUR HUNDRED AND SEVENTY THREE DOLLARS TO THE SERVICE OF THE FINANCIAL YEAR ENDING 31 DECEMBER 2019.

ENACTED BY THE NATIONAL PARLIAMENT OF SOLOMON ISLANDS.

2019 APPROPRIATION BILL 2018

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SCHEDULE 1

SCHEDULE 2

2019 APPROPRIATION BILL 2018

1 Short title

This Act may be cited as the *2019 Appropriation Act 2018*.

2 Commencement

This Act commences on 1 January 2019.

3 Authorisation of appropriation

- (1) The issue of an amount of \$3,806,282,473 from the Consolidated Fund is authorised, to be applied to the service of the financial year ending 31 December 2019.
- (2) The amount specified in subsection (1) is appropriated for the supply of the heads specified in Schedule 1 in the amount specified for each head.

4 Government borrowing limits

- (1) This section applies for the purposes of section 66(2) of the *Public Financial Management Act 2013* for the financial year ending 31 December 2019.
- (2) The Government may borrow or agree to borrow amounts not exceeding in total the borrowing limits specified in Schedule 2, column 1, for the purposes specified opposite in column 2, from the sources specified opposite in column 3.

5 Debt service account

For section 69(2) of the *Public Financial Management Act 2013*, the Minister must set aside 1.87% of the Government's domestically sourced revenue earned in the financial year ending 31 December 2019, to be transferred into the debt service account for the purpose of discharging statutory debt.

6 Advance warrants

For section 60(2) of the *Public Financial Management Act 2013*, the total amounts authorised by advance warrants issued by the

Minister for the financial year ending 31 December 2019 must not at any one time, after deducting repayments and monies on deposit, exceed \$150,000,000.

7 Contingency warrants

The total sums authorised by contingency warrants issued by the Minister under section 58 of the *Public Financial Management Act 2013* for the financial year ending 31 December 2019 must not exceed \$19,200,000 and may only be used for the recurrent and development heads of expenditure specified in Schedule 1, Parts 1 and 3.

SCHEDULE 1

Section 3

PART 1 - RECURRENT EXPENDITURE

Head	Ministry	Expenditure Authorised (\$)
268	Solomon Island Electoral Office	45,581,801
269	Office of the Ombudsman	5,112,442
270	Ministry of Agriculture and Livestock Development	35,762,536
271	Office of the Auditor-General	8,611,518
272	Ministry of Education and Human Resources	1,175,407,911
273	Ministry of Finance and Treasury	150,448,820
274	Ministry of Foreign Affairs and External Trade	67,801,497
275	Office of the Governor-General	10,137,414
276	Ministry of Health and Medical Services	428,496,994
277	Ministry of Infrastructure Development	68,600,826
278	National Debt Servicing	0
279	National Parliament	102,112,992
280	Ministry of Forestry and Research	25,849,204
281	Office of the Prime Minister and Cabinet	124,720,594
282	Pensions and Gratuities	0
283	Ministry of Police, National Security and Correctional Services	297,864,986
284	Ministry of Provincial Government and Institutional Strengthening	121,286,765
285	Ministry of Lands, Housing and Survey	19,093,029
286	Ministry of Development Planning and Aid Coordination	7,106,739
287	Ministry of Culture and Tourism	28,119,660
288	Ministry of Commerce, Industries, Labour and Immigration	44,362,389
289	Ministry of Communication and Aviation	48,771,838
290	Ministry of Fisheries and Marine Resources	23,886,410
291	Ministry of Public Service	30,255,363
292	Ministry of Justice and Legal Affairs	32,342,437
293	Ministry of Home Affairs	17,460,372

294	Ministry of National Unity, Reconciliation and Peace	17,552,734
295	Ministry of Mines, Energy and Rural Electrification	16,697,760
296	National Judiciary	30,712,688
297	Ministry of Women, Youth, Children and Family Affairs	12,301,842
298	Ministry of Rural Development	19,194,912
299	Ministry of Environment, Climate Change, Disaster Management and Meteorology	31,833,080
	TOTAL RECURRENT ESTIMATES	3,047,487,553

PART 2 - BUDGET SUPPORT EXPENDITURE

Head	Ministry	Expenditure Authorised (\$)
372	Ministry of Education and Human Resources Development	65,259,001
376	Ministry of Health and Medical Services	134,675,641
383	Ministry of Police, National Security and Correctional Services	4,235,213
390	Ministry of Fisheries and Marine Resources	7,107,040
399	Ministry of Environment, Climate Change, Disaster Management and Meteorology	2,218,025
	TOTAL BUDGET SUPPORT ESTIMATES	213,494,920

PART 3 - DEVELOPMENT EXPENDITURE

Head	Ministry	Expenditure Authorised (\$)
470	Ministry of Agriculture and Livestock Development	12,200,000
471	Office of the Auditor General	

		1,000,000
472	Ministry of Education and Human Resources	58,000,000
473	Ministry of Finance and Treasury	24,000,000
476	Ministry of Health and Medical Services	23,000,000
477	Ministry of Infrastructure Development	85,500,000
480	Ministry of Forestry and Research	6,665,000
481	Office of the Prime Minister and Cabinet	76,500,000
483	Ministry of Police, National Security and Correctional Services	15,000,000
484	Ministry of Provincial Government and Institutional Strengthening	40,000,000
485	Ministry of Lands, Housing and Survey	4,000,000
486	Ministry of Development Planning and Aid Coordination	20,500,000
487	Ministry of Culture and Tourism	7,824,429
488	Ministry of Commerce, Industries, Labour and Immigration	10,700,000
489	Ministry of Communication and Aviation	14,000,000
490	Ministry of Fisheries and Marine Resources	4,700,000
492	Ministry of Justice and Legal Affairs	2,129,863
493	Ministry of Home Affairs	500,000
495	Ministry of Mines, Energy and Rural Electrification	9,000,000
496	National Judiciary	1,000,000
497	Ministry of Women, Youth, Children and Family Affairs	1,120,708
498	Ministry of Rural Development	120,000,000

499	Ministry of Environment, Climate Change, Disaster Management and Meteorology	7,960,000
	TOTAL SIG FUNDED DEVELOPMENT ESTIMATES	545,300,000

TOTAL EXPENDITURE \$3,806,282,473

NOTE: In addition to the amount authorised by this Act, a further \$100,925,913 is forecast to be expended through statutory charges on the Consolidated Fund, including \$78,341,019 to be expended on National Debt Repayments. These Statutory Appropriations are explained in the Financial Policy Objectives and Strategies Statement (Budget Paper 1) and the Recurrent Estimates Document (Budget Paper 2) and are appropriated by existing legislation or the Constitution.

SCHEDULE 2

Section 4

GOVERNMENT BORROWING LIMITS

Column 1	Column 2	Column 3
Total borrowing limit	Permitted purposes	Source
Face value of Treasury Bills on issue at the end of 2019 must not exceed the face value of Treasury Bills on issue at the beginning of 2019 by more than \$100,000,000	Purposes specified in section 71(4) of the <i>Public Financial Management Act 2013</i> (exceptional circumstances such as a major economic shock or natural disaster)	Treasury Bills issued under <i>Government Loans and Securities Act</i> (Cap. 119)
\$300,000,000	Purposes specified in section 71(3) of the <i>Public Financial Management Act 2013</i> (specifically for \$300,000,000 for high priority infrastructure and development initiatives)	Multilateral or bilateral development partners, domestic financial institutions

2019 APPROPRIATION BILL 2018

OBJECTS AND REASONS

The object of this Bill is to authorise expenditure of \$3,806,282,473 for the services of the Government for 2019.

This Bill sets annual limits on new Government borrowing, for the purpose of section 66(2) of the *Public Financial Management Act 2013*. There are 2 categories of permitted borrowing:

- borrowing by way of Treasury Bills to deal with exceptional circumstances
- borrowing from development partners or domestic financial institutions for the purpose of high priority infrastructure and development initiatives

The Bill specifies a borrowing limit for each category of permitted borrowing.

Provisions relating to the issue by the Minister for Finance and Treasury of advance warrants and contingency warrants during 2019 are also included.

The Bill should be read in conjunction with the Budget Papers provided to Parliament, including Budget Paper 1: Financial Policy Objectives and Strategies Statement.

The Bill provides authority for a General Warrant to be issued by the Minister for Finance and Treasury up to three billion, eight hundred and six million, two hundred and eighty two thousand and four hundred and seventy three dollars to the Permanent Secretary of Finance and Treasury. This further allows the issue of Accounting Warrants by the Permanent Secretary in accordance with sections 56 and 57 of the *Public Financial Management Act 2013*. The accounting warrants to be issued are outlined in Budget Paper 2: Recurrent Budget Estimates and Budget Paper 3: Development Budget Estimates.

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HON. MANNASEH SOGAVARE
MINISTER FOR FINANCE AND TREASURY