

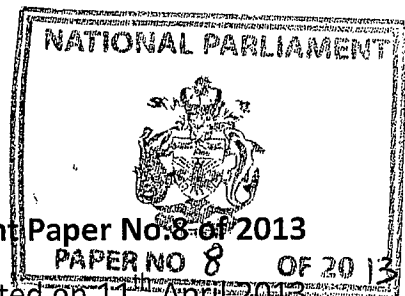


**NATIONAL PARLIAMENT OF SOLOMON ISLANDS
BILLS AND LEGISLATION COMMITTEE**

**Report on the Prime Minister's
(Pensions and Benefits) Bill**

2013

(No.6 of 2013)



National Parliament Paper No. 8 of 2013

Presented on 11 April 2013

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EXECUTIVE SUMMARY

During its first deliberations on the Prime Minister's (Pensions and Benefits) Bill 2013 held on 9th of April, it was discussed that two members of the Bills and Legislation Committee who are former Prime Minister's, Hon. Manasseh Sogavare and Hon. Dr. Derek Sikua, will have to abstain themselves from involving in any inquiry on the Bill.

The Committee after consultation with the two concern MPs and with the office of the speaker grant leave to the two members to withdraw from participating in the Inquiry. The Committee believes that this action is appropriate to avoid any conflict of interest and to maintain its integrity in scrutinizing the Bill. The Committee therefore would like to acknowledge the two members for their understanding in abstaining themselves from the Inquiry.

On 10th April the Committee conducted its only hearing on the Bill. Five witnesses from relevant stakeholders appeared before the Committee.

Given the Policy backdrop of the Government the Bill is consistent with the Governors Generals (Pensions and Benefits) Act 2007. It is in line with the Government's intention to deal with former Speakers and Chief Justices pensions and benefits.

The Government through the Office of the Prime Minister had submitted a corrigendum to the Bill outlining amendments to some of the clauses. The Committee after going through the Bill clause by clause don't see anything that is inconsistent with what is already provided in the scheme to the Governor General. The Committee therefore is satisfied and commends the Bill to Parliament for passing.

1 INTRODUCTION

1.1 Inquiry Process

The Prime Minister's (Pensions and Benefits) Bill 2013 (the 'Bill') was submitted and received by the Office of the Speaker of the National Parliament of Solomon Islands on 9th April 2013. The Speaker certified and endorsed the Bill on the same day in accordance with Standing Orders 45 and 46 of the Standing Orders of the National Parliament of Solomon Islands.

The Bills and Legislation Committee (the 'Committee') resolved not to conduct a public hearing into the Bill because of time constraint. Instead relevant stakeholders were identified and invited to appear before the Committee. A list of the witnesses that appeared before the Committee is contained in Appendix 1.

1.2 Functions of the Committee

The Bills and Legislation Committee is established under the *Standing Orders*¹. The Order made pursuant to the *Constitution*² has the functions together with the necessary powers to discharge such, to:

- 6 examine such matters as may be referred to it by Parliament or the Government;
- 7 review all draft legislation prepared for introduction into Parliament;
- 8 examine all subsidiary legislation made under any Act so as to ensure compliance with the Acts under which they are made;
- 9 monitor all motions adopted by Parliament which require legislative action;
- 10 review current or proposed legislative measures to the extent it deems necessary;
- 11 examine such other matters in relation to legislation that, in the opinion of the Committee require examination; and
- 12 make a written report to each Meeting of Parliament containing the observations and recommendations arising from the Committee's deliberations.

¹ *Standing Order 71*

² *Section 62, Constitution of Solomon Islands 1978*

1.3 Terms of Reference

Pursuant to its mandate under the *Standing Orders*³, the terms 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.

1.4 Membership

The members of the Bills and Legislation Committee for this Inquiry are:

Hon. Jame Tora, MP (Interim Chairman)

Hon. Milner Tozaka, MP

Hon. Mathew Cooper Wale, MP

Hon. John Maneniaru, MP

Hon. Douglas Ete, MP

Hon. Johnley Hatimoana, MP

³ *Standing Order 71*

2 REVIEW OF THE BILL

2.1 Background

Since 1978 Solomon Islands have 10 former Prime Ministers.⁴ These politicians, who have contributed significantly to the development of the country, gained the respect of the nation by virtue of being the head of the executive government during their time. Whilst some of these former PMs are still continuing with their political careers or held public offices, others have died or have retired and returned to their communities. Because of hardships and difficulties, those who are no longer in politics or have retired may tend to be involved in occupations that can compromise their status and dignity.

In 2007 the Parliament passed the Governor General (Pensions and Benefits) Act. The Act provides for the welfare of former Governor Generals with the underlying aim of maintaining the status and dignity of the office. In the same regard the current Bill is drafted with the similar underlying aim of maintaining the welfare of former PMs. The Bill provides for former PMs to be still accorded the same respect of their former office and it ensures that the hardships and difficulties encountered after a political life is reasonably taken care of.

2.2 Purpose of the Bill

The principal objective of the Bill is to make provisions for the payment of pensions and other benefits to former PMs who cease or have ceased to hold office.

⁴ eLibrary, National Parliament of Solomon Islands

3 OBSERVATIONS AND ISSUES

The Committee acknowledges the Government for being the first to look after the welfare of former PMs through this Bill. This draft legislative framework which is similar to the Governors Generals (Pensions and Benefits) Act provides for pension and benefits to former PMs with the underlying aim of maintaining their status and integrity. The Committee is satisfied with the way this Bill is drafted and commends it for passing. Though some issues of concern do exist the Committee feels they should not hinder the progress of this Bill. These issues are;

3.1 Members of Parliament (Entitlements) Commission regulations
The members of Parliament (Entitlements) Commissions Regulations (PER) had already provided pensions and other benefits to PMs as formers or members of Parliament. Suggestions made were, instead of proposing the pensions and benefits in a new legislation they could just be included under the PER. After all it is the Parliament (Entitlements) Commission that is responsible for these pensions and benefits including those of former PMs.

3.2 Budget implications
The Committee is concerned that the eventual implementation of the Bill will increase the Government Budget each year. The Government will now have to include in each year's budget the pensions and benefits of former PMs which may divert funds from needed or essential services during low revenue collection periods.

3.3 Spouses
Another issue raised during the hearing is the interpretation of "spouse" in accordance with the Islander's marriage Act (cap171) under clause 2. The Committee feels that this is restrictive. It may restrict former PMs or their spouse where the marriage is conducted in another country.

3.4 Undefined terms
The Committee had been provided with a corrigendum of the amendments to the draft Bill during the hearing. The amendments include insertion of new terms and clauses. However some of the terms still need further clarification. Such includes the absence

of the term “elected to office” under clause 4(b). This, owing to narrow interpretation, may leave room for former PMs elected to public office to still receive their pension.

4 CONCLUSION

Generally the Committee had no reservation in commending the Bill for passing. Though there are issues of concern raised during the hearing such as outline previously, they can be clarified and amended during the committee stage of the Bill.

5 RECOMMENDATION

After the hearing, the Committee finds no major issue with the Bill though minor amendments are required. The Committee recommends that:

- 1 The amendments made under the corrigendum are inserted including those suggested in this report.
- 2 The Bill is commended to Parliament for passing.



Hon. James Tora

Interim Chairman

Bills and Legislation Committee

April 11th 2013

6 APPENDICES

APPENDIX 1: WITNESSES

The Committee acknowledges and appreciates the attendance of the following witnesses who appeared before the Committee on the 10th of April 2013.

ORGANISATION	NAME/POSITION
Office of the Prime Minister and Cabinet	1. Mr. James Remobatu, Secretary to Cabinet
Parliament Entitlements Commission	2. Mr. Johnson Siapu, Chairman
Attorney General's Chamber	3. Mr. Ranjit Hewegama, Legal Draftsman 4. Mr. Anthony Makabo, Senior Crown Counsel (Drafting)
Ministry of Finance and Treasury	5. Mr. Norman Hiropuhi, Director-Budget

