Committee Report


NP-Paper No. 16/2019
Presented on 9 September 2019
National Parliament Office
COMMITTEE MEMBERSHIP

The current members of the Public Accounts Committee (11th Parliament) are:
   Hon. Douglas Ete, MP (Chairman)
   Hon. Matthew C. Wale, MP
   Hon. Robertson Galokale, MP
   Hon. Nestor Giro, MP
   Hon. Rexon A. Ramofafia, MP
   Hon. Rollen Seleso, MP

Secretary: Mr. Peter Lokay, Auditor General

Secretariat
   Mr. Gregory Fineanganofo, Director Committees
   Mr. Heston Renee, Committee Secretary
   Miss Salome Pilumate, Committee Admin
   Mr. Lawrence Scott, Media Officer
   Mr. Duane Baiabe, Chief Media Officer
   Mr. Roland Sikua, Library Research Officer
   Mr. Patrick Wilson, Library Research Officer
   Mr. Ray Sibisopere, Library Research Officer
   Miss Hazel Fafale, Hansard Reporter
   Miss Theresa Nori, Hansard Reporter
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COMMITTEE FUNCTIONS

The Committee is established under Standing Order 69; an Order made pursuant to the Constitution¹ and has the functions, together with the necessary powers to discharge such,

(a) examine the accounts prescribed by Section 77 of the Public Financial Management Act 2013, 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.

¹ Section 62, Constitution of Solomon Islands 1978.
Mr. Speaker,

Pursuant to Standing Orders No. 69 (4) [e] and [g] of the National Parliament of Solomon Islands, it is an honour and pleasure for me Sir, to present the Report of the Public Accounts Committee of the Inquiry into the 2019 Supplementary Appropriation Bill 2019 (No.2 of 2019) for laying before Parliament.

Honourable Douglas Ete, MP  
Chairman  
Public Accounts Committee  

September 09, 2019.
EXECUTIVE SUMMARY

The Public Accounts Committee (PAC) had completed its scrutiny of the 2019 Supplementary Appropriation Bill (SAB) 2019 (No.2 of 2019) from the 29th to 30th August and 2nd to 3rd September and 61 witnesses appeared before the Committee.

The 2019 SAB 2019 (No.2 of 2019) is required to appropriate $145,251,033 for the service of the year ending 31 December 2019 - through Contingencies Warrant Section 58, Advance Warrants Section 60 and Supplementary Appropriation Section 51 of the Public Financial Management Act 2013.

The Committee views that most of the requests made in the 2019 SAB 2019 (No.2 of 2019) are foreseeable and could have been factored in the 2019 Appropriation Bill 2019. It further reiterates previous calls by PAC on the need for the government through the Ministry of Finance to have robust planning prior to each year’s budget to prevent further supplementary on known programs.

The Committee is also concerned that the practice of bringing forward arrears from previous years will cause further strain on the current budget.

After scrutinising the draft 2019 SAB 2019 (No.2 of 2019), the Committee makes the following recommendations:

1. That the Ministry of Finance and Treasury and the Ministry of Development Planning assist ministries to properly cost out their mandated services so that the full cost of government services is available and the priority programs are included in the yearly budget.

2. That the Ministry of Finance and Treasury review and increase the health service budget to address NCD taking into account the amount of taxes that will be collected from the sugar tax initiative.

3. That the Ministry of Finance and Treasury request SOE that declare profits to pay dividend to SIG and they review their fees and charges reduce them to a reasonable level.

4. That the Ministry of Fisheries and Marine Resources development landing site infrastructure for local fishermen at the Central Market.

5. That the Ministry of Justice and Legal Affairs urgently consult and bring to Parliament legislations on tribal land dispute resolution (TLDS).
1.0 BACKGROUND TO REPORT

The Public Accounts Committee conducted hearings into the 2019 Supplementary Appropriation Bill (SAB) 2019 (No.2 of 2019) from the 29th to 30th August and 2nd to 3rd September 2019, to determine and establish the validity of line ministries usage of Contingency Warrants (CW) and Advance Warrants (AW).

1.1 Scope of the Inquiry

The scope of the Inquiry was to inquire into the contents of the 2019 SAB 2019 (No.2 of 2019).

The above scopes are captured in the Terms of Reference of this Inquiry under Standing Orders 69.

1.2 Conduct of the Inquiry

The inquiry process involves hearings for line ministries appearing in the 2019 SAB 2019 (No.2 of 2019) in which written submissions as well as necessary documents requested by the Committee were received.

The Committee wishes to put on record its appreciation to the Permanent Secretaries (PSs), Under-Secretaries (USs) and other Senior Officials of various Ministries who came before the Committee and provided valuable information to assist the Committee in undertaking its important oversight role, by ensuring that public funds are allocated and expended appropriately and for the public good.
2.0 BACKGROUND INFORMATION

2.1 Supplementary Appropriation Bill

The 2019 Supplementary Appropriation Bill 2019 (No.2 of 2019) is required to appropriate $145,251,033 for the service of the year ending 31 December 2019 - through Contingencies Warrant Section 58, Advance Warrants Section 60 and Supplementary Appropriation Section 51 of the Public Financial Management Act 2013.

The amounts being appropriated were as follows:

<table>
<thead>
<tr>
<th>Contingency Warrants</th>
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<tbody>
<tr>
<td>DEVELOPMENT EXPENDITURE</td>
</tr>
<tr>
<td>476</td>
</tr>
<tr>
<td>TOTAL CW</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Advance Warrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>DONOR SUPPORT</td>
</tr>
<tr>
<td>276</td>
</tr>
<tr>
<td>283</td>
</tr>
<tr>
<td>372</td>
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<td>373</td>
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<td>374</td>
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<td>376</td>
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<td>383</td>
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<tr>
<td>390</td>
</tr>
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<td>399</td>
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</tbody>
</table>
## Variation in Appropriation

<table>
<thead>
<tr>
<th>DEVELOPMENT</th>
<th>AMOUNT</th>
<th>ITEMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>477</td>
<td>infrastructure Development</td>
<td>10,000,000 Transfer of $10m from SIG obligation to donor funded project to Rural infrastructure program.</td>
</tr>
</tbody>
</table>

## Supplementary Expenditure

<table>
<thead>
<tr>
<th>RECURRENT</th>
<th>AMOUNT</th>
<th>ITEMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>272</td>
<td>Education and Human Resources Development</td>
<td>7,700,000 Arrears of fees for 2018 for members of parliament constituency scholarships at SINU.</td>
</tr>
<tr>
<td>273</td>
<td>Finance and Treasury</td>
<td>3,000,000 Cost of designing new IRD vehicle plates and salary for Gary Calcot.</td>
</tr>
<tr>
<td>275</td>
<td>Governor General’s Office</td>
<td>1,000,000 Governor General’s overseas medical trip and trip to London for knighthood.</td>
</tr>
<tr>
<td>277</td>
<td>Infrastructure Development</td>
<td>14,565,000 Arrears for green terrace repairs from 2016 to 2019, Buala Agriculture office and vehicles for MPs and constitutional office holders.</td>
</tr>
<tr>
<td>281</td>
<td>Prime Minister and Cabinet</td>
<td>1,000,000 Claim for damages caused to Pacific Casino Hotel after the election of Prime Minister.</td>
</tr>
<tr>
<td>283</td>
<td>Police National Security and Correctional Services</td>
<td>15,370,332 Police operational costs, border security operations, medical fees and dirty allowances for CSSI.</td>
</tr>
<tr>
<td>292</td>
<td>Justice and Legal Affairs</td>
<td>700,000 Logistics, witness costs for court circuits for DPP and computers for new staff.</td>
</tr>
<tr>
<td>296</td>
<td>National Judiciary</td>
<td>2,524,927 Back pay for 28 months for judges, court of appeal costs and rental for external court rooms for hearing into election petition cases.</td>
</tr>
<tr>
<td>297</td>
<td>Women Youth and Children’s Affairs</td>
<td>900,000 Additional cost for office rental for relocation to City Centre building.</td>
</tr>
<tr>
<td>298</td>
<td>Rural Development</td>
<td>323,128 Rental arrears for previous office opposite King George VI School.</td>
</tr>
<tr>
<td>Total Recurrent Supplementary</td>
<td>47,083,387</td>
<td></td>
</tr>
<tr>
<td>TOTAL SUPPLEMENTARY</td>
<td>47,083,387</td>
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3.0 ISSUES OF CONCERN TO THE COMMITTEE

72 MINISTRY OF EDUCATION AND HUMAN RESOURCES DEVELOPMENT

Additional Supplementary Expenditure - The Committee is very concerned about the accounting treatment by the ministry to pay for additional expenditures that should have been appropriated by Parliament under Contingency Warrant (CW). The Committee notes that the ministry is requesting for SBD7.7 m under Additional Supplementary Expenditure (ASE) to pay for what they have already paid at the beginning of this year, and therefore, should have been regularized through CW and not through ASE. The Committee is of the view that the payment is an illegal payment.

The ministry states that there was pressure at the beginning of the year to pay for outstanding scholarship fees for SINU students under MPs scholarship scheme. The money was paid from funds appropriated for normal scholarships under the current budget. The request for the additional supplementary was purposely to reimburse the current 2019 scholarship budget so that there is enough to pay off the ministry’s commitments for the rest of the year. The key reasons for the payment were that SINU needed the money to operate, and to relieve students who are affected. Further, the accounting treatment was prescribed to the ministry by the Budget Unit to request the reimbursement through ASE.

The Committee firmly believes that the payment should be regularized through the CW. However, since the ministry has already made the payment of arrears to SINU the request to reimburse the 2019 scholarship budget through ASE is illegal.

MPs Constituency Scholarship Scheme - The Committee views that the payment for outstanding arrears for 2018 MPs constituency scholarship scheme is unfair to MPs who are consistent with settling their fees with SINU. The Committee is concerned that this practice will happen again and enquired into the ministry’s plan to address it so that this practice is stopped.

The ministry states that they are grappling with this issue, but it is an issue that needs to be dealt with at the political level. All the ministry can do is put strict policy to ensure fairness and to reduce additional costs. The ministry believes a legislation is required to put in place measures to avoid such issue from occurring.

The Committee views that the repayment of MPs constituency scholarship arrears with academic institutions must not be borne by the government and that the burden be placed on MPs. This practice must not be entertained as the Committee views it to be illegal.

School dormitories - The Committee enquired into the infrastructure needs of the secondary schools to cater for Grade Six students who will no longer be required to sit year six exams. The Committee is
The Committee views that the ministry must stop sending students to AMA University because of quality assurance and credibility issues. Rather, the ministry must send them to more reputable institutions. The ministry has recalled the students and is currently helping them to transfer to other institutions within the region. The concern now for the ministry is that only top achievers with GPA of Four (4), which is the cut-off point, can pursue medical studies in these regional institutions. Some of these students' GPA are below four. Therefore, the ministry is aligning their study programs with health programs. These students face the same dilemma that were faced by the Cuban trained doctors who were trained under different medical standards from our own. However, the fact of the matter is that these students still retain their scholarships.

AMA pre-medical students - The Committee enquired into the status of the students who were advised by the Ministry of Health that they cannot be allowed to practice medicine because of their GPAs and transfer difficulties.

The ministry states they will be phasing out the secondary entrance exam. A research was conducted to find out how many places will be available and based on that research the ministry developed a strategy in which they will use to phase out the grade six exam. This will allow pupils from year six to proceed smoothly into secondary schools by using classroom assessment as a basis for movement into form one. However, school infrastructure remains a challenge for the ministry because they always receive little money for infrastructure development. The growth rate of the population will also affect school infrastructure with the growing demand for schools. Since 2014, the ministry's development budget has dropped from SBD20 m to SBD8 m in 2019. A paper has been prepared on how the ministry is going to increase the access at the senior secondary level because that is where the bottleneck is. The ministry will be seeking Cabinet decision to loan from financial institutions to allow the ministry to carry out its plan.

Student allowances - The Committee is concerned with the issue of delay in payments of student allowances. The Committee notes that almost every year students are receiving their allowances very late and enquired into the cause of the delays.

The ministry have mechanisms to make schedule payments at the beginning of the year which allows them to make payments on time. However, the application of the systems in a consistent manner has been problematic and there is also system failure at the ministerial level. Further, the delays of issuing warrants at the beginning of the year and the compliance process can also cause delays. The ministry is considering establishing a trust fund at CBSI to make funds readily available at the start of every year to curb the issue.

The ministry also has a system in place to make payments to on a semester and quarterly basis. These payments are paid into the SIG account in Fiji where the SI High Commission Office in Fiji pays the students on a monthly basis.

The ministry has recalled the students and is currently helping them to transfer to other institutions within the region. The concern now for the ministry is that only top achievers with GPA of Four (4), which is the cut-off point, can pursue medical studies in these regional institutions. Some of these students' GPA are below four. Therefore, the ministry is aligning their study programs with health programs. These students face the same dilemma that were faced by the Cuban trained doctors who were trained under different medical standards from our own. However, the fact of the matter is that these students still retain their scholarships.

The Committee views that the ministry must stop sending students to AMA University because of quality assurance and credibility issues. Rather, the ministry must send them to more reputable
academic institutions. Further, the ministry must assess all universities to match our country's qualification framework or something equivalent before sending students to study in these institutions.

73 MINISTRY OF FINANCE AND TREASURY

Supplementary appropriations - The Committee is concerned with the current practice of tabling more than one supplementary bill per year over the years and this year is no exception. It is apparent to the committee that there is lack of planning and capacity within the ministry to address this perennial problem. To escalate the problem ministries claimed that their annual budget bids were reduced by the Budget Unit and were advised to use the advance warrant, contingencies warrant and supplementary appropriation mechanisms during the year. The committee believes that the SIG is abusing these tools due to incompetency.

The ministry agrees that there is scope to minimize the use of supplementary appropriation during the year. The budget strategy clearly spells out that ministries must plan the formulation of their budgets. Ministries were given baselines and the need to take into account arrears, ongoing fixed costs and co-funding with donors. All fixed costs must be funded before provisions are provided for discretionary expenditure. However there continues to be an issue with behavioural attitude in the ministries regarding the proper planning and costing of core services. The government therefore has directed all ministries and agencies to form budget committees to organize and plan the budget formulation and implementation in an inclusive manner. For the 2020 budget process ministries will be required to address proper planning and formulation of the budget to minimize the need for any supplementary appropriation during 2020. The other factor that usually necessitates supplementary budget during the year is the adoption of new policies by the government.

Recommendation 1
The Committee recommends that the government through the Ministry of Finance and Treasury and the Ministry of Development Planning assist ministries to properly cost out their mandated services so that the full cost of government services is available and the priority programs are included in the yearly budget.

Financial position of SIG - The Committee is aware that the ministry is holding back on some payments for various reasons including non-compliance with procurement rules. The government is the big player in the economy and the slow release of payments for bills affects economic activity. The provision of data on cash position, revenue and expenditure performance of the government against the budget for 2019 will enable the committee to determine the financial position of the government and the effect it has on the economy.

The Ministry states that the government's cash position is weaker than what it was at the first quarter of 2019. At the end of August 2019 the cash in the bank was $350 m. The cash balances are enough to meet current commitments. The IRD revenue flow is consistent throughout the month while Customs revenue flow is a little bit variable. Revenue of around $25 m is expected from the tobacco companies within the next week. The known commitment from August to the end of the year is $500 m which will
be covered by the cash in the bank and the expected revenue flow from IRD and Customs to the year end. A prudent cash flow management is to have at least three months expenditure cover in the bank which equates to at least $500m.

The treasury provides weekly report to the Minister and Permanent Secretary and monitors fiscal position on a daily basis. The ministry is collaborating with ministries to provide monthly financial reports to aid in financial management. Regulations are developed to ensure that financial controllers deployed in ministries are competent in public financial management. The financial position is better now than it was two years ago.

It is noted that the supplementary budget of $180 m is not included in the financial modelling presented to the committee. The revenue forecast for 2019 has been revised downward by $194m due to the revised growth of 2.8%. The ministry's strategies to address the shortfall is to use the expected savings on payroll up to June of $125 m and implementation of new revenue measures. The proceeds from new measures is estimated at $84 m - $33 m from domestic borrowing and the rest will be from donor budget support. These proceeds from these measures will finance the expected gap of $375 m and will result in a balanced budget.

Logging sustainability policy regulations - The Ministry confirms that the regulations is with the Attorney General’s Chambers for vetting. One of the policies is to increase the logging fees for companies operating in the logging industry.

Contradictory data on economic growth – The Committee is concerned that the ministry and CBSI presented different statistical data on the state of the economy in particular the growth rate. The committee could be misled into believing that the economy was healthy when in fact it might not.

The ministry states that three institutions produce statistical data on the economy: Ministry of Finance, CBSI and IMF. Each were using a different benchmark which resulted in three different outcomes. The ministry did their modelling in June 2019 and revised the growth rate from 3.5% in 2018 to 2.8% in July 2019. The IMF revised their rate from 3.5% to 2.9% in May 2019 while CBSI revised theirs from 3.7% to 2.7%. The variables are sensitive to how log data is treated in the growth modal resulting in the different rate for each one. The rates are still within the same range. The ministry uses the revised growth rate to revise the revenue forecast downward by $194m.

Revenue base – The Committee is concerned that the government continues to rely on the same revenue sources for its revenue. The major source logging is now reducing by 10%. The committee notes that revenue measures and legislative reforms continue to target traditional revenue sources and the tax base has not been broadened to relieve current tax payers.

The ministry is working on various strategies to address the need to widen the tax base. On legislative reform the Customs and Excise Act will be strengthened and modernized to improve compliance and revenue collection, the national payment system bill is already in Parliament for enactment. The ministry is proposing several policies to change direct taxes such the tax administration bill that will
go before parliament soon and the consultation on a possible Value Added Tax. In the short term assistance is provided to IRD, Customs and other ministries to improve on revenue collection. In the long term various sectors such productive sector, resource sector and infrastructure must be supported to stimulate growth. The budget strategy for 2020 will focus on growth.

**New revenue measure** – The Committee notes that the government is imposing a sweet sugar tax as a new revenue measure. The committee is concerned that the new tax could be imposed on rice which is a staple food for majority of people in the country. Since it is a tax relating to health, the committee is of the view that the revenue from this tax is allocated to fund the health service.

The ministry states that this an initiative to address health problems relating to the national non-communicable diseases strategic plan. The initial implementation is to apply tax on identified sugary products and beverages in order to reduce NCD. National wide consultations were already done and rice was one of the products identified to be taxed. Rice will be taxed at 20 cents per kilogram as duty and 5% as goods tax. Other sugary products will be taxed as part of this policy. The ministry is consulting stakeholders regarding alternative products to rice, import and export substitutions for sugary products and to ensure prices are not manipulated by suppliers.

**Recommendation 2**

The Committee recommends that the Ministry of Finance and Treasury review and increase the health service budget to address NCD taking into account the amount of taxes that will be collected from the sugar tax initiative.

**Inclusive growth** – The Committee notes the gap between those who are benefiting and those not benefiting from the growth of the economy is widening. However the data on the two categories are not readily available. This was confirmed by CBSI when they appeared before the committee as they were relying on the statistics division for such information. The extent to which growth is inclusive is unknown. The statistics division must prioritize the collection of this data for informed decision making.

**Economic growth** – The Committee is concern with the decline in the economic growth from 3.5% to 2.8% in July and would like assurance from the ministry that the revised growth rate will not slip down further in the last half of 2019.

The economic growth hovered around 3% to 3.5% for the period 2013 to 2018. This has declined to 2.8% by June and July this year. Other factors contribute to the decline including the trade dispute between China and USA which affected the country’s trade with China plus the drop in international commodities prices for logs, fish, copra and cocoa. Some of the measures taken by the government is to address the decline in economic growth so that there is no impact on government revenue.

**Bauxite mining** - This year would be the fifth year of bauxite mining in Rennell and about $494 m gross revenue earned to end of 2018. Royalty is at 3% amounting to $14m and 50% of which is for SIG and
50% is for the landowners. The Committee is very concerned that the government might not be collecting any other revenue beyond the $7m. It would be useful to the committee to know if the company has declared profits and if taxes have been paid on the profit. It is well known to the Committee that logging companies have been making losses for the last 40 years but continue to operate.

The ministry indicates that pricing and rate for bauxite determines the value of the royalty of 3% that the government and landowners receive. The IMF is assisting the ministry with a framework to determine a formula to calculate the right pricing which can be used to charge the mining companies. The ministry is progressing the advice to the Minister of Mines to implement the pricing mechanism. The challenge for the ministry is that currently the Minister of Mines has the power to set the price. The clearance for export is now only allowed to be done in Honiara or Noro.

The government is working on amending the Mines and Minerals Act to charge different rates for different minerals and to bring the price determination under the umbrella of the Ministry of Finance. In terms of IRD taxes IRD is currently reviewing the company’s income from bauxite and other trading activities. The ministry is unable to provide any information on whether the company has made any profit since opening of the mining operations and this will be provided to the committee at a later date.

Broader policy reform – The Committee notes that apart from the VAT and the sugar tax the government does not propose any fundamental structural re-adjustment to stimulate growth in the right sectors of the economy. It is clear to the committee that there is clear appetite for higher levels of public expenditure, much of which is for consumption.

The ministry states that it is putting to the government as part of the 2020 budget strategy recommendations on key areas that would help to stimulate growth. Some of the recommended areas are not new and it is up to the government to commit and prioritize them.

State owned enterprises – the committee was aware that there was a policy to guide SOE in terms of dividend and capital. SOE are declaring higher profits but continue to charge high fees and tariffs to users. SIEA and SIPA seemed to be charging high fees and tariffs which resulted in high net profits. The committee urges the government to discuss with these entities to review and revise their tariffs downwards and pay the government the appropriate dividends.

The dividend and capital structure policy was approved by Cabinet in 2018. The police implementation should commence in 2019. Solomon Power paid dividend of $4m in 2019. The ministry will follow up with SOE that declare profit to pay dividend from 2020 and onwards.

**Recommendation 3**

The Committee recommends that the Ministry of Finance and Treasury request SOE that declare profits to pay dividend to SIG and they review their fees and charges reduce them to a reasonable level.
The ministry just recruited 5 new officers for the labour mobility unit. The work of labour mobility is expanded to include marketing and sourcing markets for the labour mobility. At the moment around 1,200 workers are the different schemes. There are about 400 workers in Australia and 800 in New Zealand. The number is growing. The ministry is discussing with Japan so that the scheme can be extended there.

Labour mobility – The Committee enquired into the status of the sessional workers scheme whether it is benefiting the people and if the ministry has the capacity to manage the program.

The ministry just recruited 5 new officers for the labour mobility unit. The work of labour mobility is expanded to include marketing and sourcing markets for the labour mobility. At the moment around 1,200 workers are the different schemes. There are about 400 workers in Australia and 800 in New Zealand. The number is growing. The ministry is discussing with Japan so that the scheme can be extended there.
There are two schemes with Australia. One is Seasonal Workers Program which is for a nine month period. The other one is the Pacific Labor Scheme which is for a minimum of 3 years. It is most likely 49 people will be going over within the next two to three months. One new officer is focusing on these long term workers. The recruitment of future workers is focused on RTC graduates.

Labour mobility agents – The Committee is concerned that some rogue agents are recruiting people which resulted in these people losing their money.

The ministry confirms that recruitment agents are required to be certified by the MFAET before they can undertake any recruitments. The authorized agents are certified on an annual basis and their names are registered with the ministry in partnership with DFAT and MFAT. It is forbidden under the program for agents to source money for workers or potential workers. The only expenses required to be paid by workers are passport, medical and police clearance.

75 OFFICE OF THE GOVERNOR GENERAL

Annual calendar of events – The committee is informed that Office of the Governor General has an annual calendar of events that determine the budget for the office.

76 MINISTRY OF HEALTH AND MEDICAL SERVICES

Equipment committee - The Committee is aware that there used to be an equipment committee in the ministry to deal with the medical equipment needs of the ministry. The Committee is pleased to note that the CT-scan project has started but this is mainly due to the initiative of a Philanthropist. The committee is concerned that ministry is not investing in the basic equipment as required by the Role Delineation policy.

The current role delineation policy has six elements and one of those elements is equipment. The ministry has reactivated the equipment committee to develop a standard on equipment procurement, registration of assets and policy guideline on equipment disposal. The primary health facilities aid posts, clinics, area health centres, urban health centres require at least 300 equipment to function properly. Most of the medical equipment are rundown. The cost to equip an area health centre level 1 as per the role delineation policy is $3.5m and there are about 30 facilities of this type around the country. One such facility was recently commissioned in Tingoa. A level 2 area health centre, one is currently being built in Afio, will require $5m. The cost of the building to accommodate the CT scan is $17m.

Budget submission – The Committee is concerned that the Ministry did not submit budget proposals for important programs during the 2019 appropriation bill preparation and through supplementary appropriation. This resulted in the underfunding and low provision of health services to the country.

The Ministry did not request for additional funding due to the low execution rate of the 2019 budget. The problem is capacity to execute and implement programs which resulted in under spending of the recurrent budget by 48%, donor fund implementation is 26% and development budget execution is
11%. With regards to donor funding the different financial cycles compounds the low execution and the UN agencies provide funds on reimbursement basis. The ministry is working to harmonize these different systems with the ministry system. Also the UN agencies require their money to be refunded if not spent within the allocated financial year.

To alleviate the capacity issue the ministry is undertaking a restructuring program in consultation with Ministry of Public Service. At the same time the operational plan for 2020 was discussed with provincial partners to establish a clear demarcation, roles and responsibilities between national programs and provincial program.

Nurses to Vanuatu – The Committee is aware that a large number of nurses leaving to work at Vanuatu and this could have an effect on the delivery of health service in Solomon Islands.

The ministry does not have control over the nurses' decision to go and work in Vanuatu. 34 experienced nurses have already resigned for that purpose which created a gap in the nursing establishment. 80 more nurses indicated their intention to resign. Vanuatu intends to recruit 200 nurses. The ministry is look at the possibility of recruiting direct provincial workers to fill the vacancies. 75 new nurses are in the process of being recruited after their attachments to various clinics.

Reliability of medical equipment – The Committee is concerned with the reliability of medical equipment in the various health facilities in the country. The Committee is concerned that some of the test results and imaging might not be reliable.

The ministry states that machines are classified into the complex machines, medium level and instruments. The most complex ones always need a service contract. Those machines that need service contracts are machines that have built-in calibrations. So the service contract would identify when calibrations are due and that is the system that is not available in country. It is an issue that ministry is reviewing in terms of standards to be used and also how the machines conform to each other. Those are technical issues that needs to be looked at further. In terms of sending the images to the NRH, the way to do it is for the person sending the image to do the physical examination, which is simple and then send the pictures supporting the report.

Shortage of medical drugs – The Committee is aware that there is still shortage of drugs within the country.

The ministry confirms that drug shortage has been addressed and 90% of drugs are not in stock while 10% of the drugs are in transit at the wharf which relates to 19 specific drugs. In terms of consumable it is up to 99%. The stock at NMS are slowly getting back to normal. Clinics may still experience some drug shortage, particularly further down the supply chain, because moving these supplies from National Medical Store to the clinics is usually affected by transportation delays. However it is much better now than 6 months ago.
Dengue fever – The Committee is aware that dengue fever is high in Fiji and if the ministry is prepared for such outbreak in the country.

The Ministry of Health has a Surveillance Unit which monitors certain disease patterns throughout the Pacific. That network of Surveillance teams that are affiliated with the Ministry of Health provides weekly reports to the ministry. The ministry established 13 different sites within Solomon Islands to monitor six symptoms for dengue-like illness and for testing and also for other diseases. The ministry is beefing up surveillance at the airport as well in collaboration with Immigration and Environment Health. If Solomon Islands citizens get sick while overseas with particular diseases, such as TB or dengue, the Ministries of Health in those countries will notify MHM through communication channels which is established through World Health Organization.

RWASH – The committee is frustrated with the slow progress in the implementation of the RWASH program. The communities are unable to access the program and it only caters for water supply and not sanitation. The Rural Water Supply and Sanitation division need to assist communities with proper and environmentally friendly waters supply and sanitation system.

EU is funding the current rural water and sanitation program. Over the five years it has been frustrated and challenging in terms of implementing projects in the communities. The Environmental Health Division reviewed and assessed their capacity issues and identified that people skills such as engineers were leaving the RWASH program creating gaps in capacity to design and implement the identified projects. To improve the capacity the ministry is collaboration with MPS to provide positions for engineers and outsourcing to NGOs the implementation of some projects. The ministry is implementing 93 projects including community based projects within schools and clinics.

EU is providing $30m for the project and the execution rate is 18.9% which is a concern to the Ministry and the committee.

National referral hospital relocation – The Committee enquires into the status of the relocation of the NRH.

The business case for the relocation has been drafted and will be completed by early 2020. The ADB consultant has started. An investment plan with detailed project scope will be done for Cabinet approval. The plan will spell out the whole relocation strategy and it is going to take about 10 to 30 years. The business case report is the way the Ministry of Health is taking on this giant leap and making sure the program is not a white elephant and make sure the program is planned and structured well and within affordability and capacity of SIG. The relocation has 3 components, it consists of the current hospital to ensure that it keeps running with the lead of CEO for the next 10 years, whilst the new hospital is been built. In order to do that it has to realign the services according to the role delineation policy.

Clinic infrastructure – The Committee enquires into the status of infrastructure development for clinics around the country.

The ministry confirms that tender for Wagina clinic in South Choiseul will be done within 3 weeks. The cost of building an area health center level 1 is minimum of $7million. For level 2 the cost from
$11million to $13million, excluding equipment. The ministry is embarking on building the centers on a holistic approach. Staff houses, equipment and other facilities must be in one package. It will take 7 months from the design stage to the tender and the signing of contract. The ministry will register all health facilities to secure them in case of land disputes.

NCD - Solomon Islands has the highest per capita consumption rate in rice in the region, which means that rice is a staple for most Solomon Islanders. But in terms of being as the cause for NCD as stated, it is multifactorial based on the behavior of the people in terms of their dietary components like eating more starchy food or sugary food, salty food and so forth. The other habits such as alcohol intake, smoking and whether people are active in terms of their daily lives also contribute to problem. So it is a multifactorial issue that requires multifactorial approach to address some of the NCDs that people are facing.

77 MINISTRY OF INFRASTRUCTURE DEVELOPMENT

Deferred projects – The ministry informs the Committee that due to the cut in their budget submission the following wharf projects will be deferred to 2020: Dovele in Western Province, Waimasi in Ugi and Kirakira in Makira Ulawa Province.

Constituency assets and projects – The ministry informs the Committee that they are collaborating with the police to retrieve assets that former MPs are holding on to and will investigate those who fail to provide acquittals for constituency projects such as the shipping grants.

Reestablishment of PWD – The Committee is informed that the ministry is undertaking a feasibility study to reconstitute the former PWD into the ministry establishment. A study tour to other pacific countries will be done as part of the consultation.

National transport fund – The transport fund is co-funded by SIG, ADB and Australian Government and will be exhausted by the end of 2020. All the money in the bank account are already committed and will be spent as soon as CTB awards tenders for the implementation of the approved projects.

Franchise shipping – The ministry is currently subsidizing 8 uneconomical shipping routes in the country through the franchise shipping scheme.

81 OFFICE OF THE PRIME MINISTER AND CABINET

Compensation to Pacific Casino Hotel – The Committee is concerned with the payment as it is unfair to other victims of the riot and it could also open the flood gates for further claims.

The claim was approved on the basis that the PM was accommodated in the Hotel prior to and during the election of the PM. There are no other claims from the victims of the rioting. The government has to develop a policy in this area for future. A similar payment was made after the Bike incident. The Cabinet approved the claim for only $1m even though the amount claimed was much higher.
China task force – The Committee is told that the funding for the task force is met through the recurrent budget of the PMO totaling $2,566,959. For the ministerial delegation the PMO only met their per diem amounting to $127,000.

2023 Pacific Games – The overall management and oversight is done by the national hosting authority board. The preparation for the games is in good progress. The hosting authority is negotiating with development partners including ROC, Qatar, UAE and Indonesia to fund priority infrastructures and facilities to cater for 24 sports and 4,000 athletes. The games advisor has already been appointed and the secretariat office is in place.

PMO infrastructure program – The Committee is very concerned that the PM, Speaker and other leaders are yet to be accorded official residences.

The design for the PM residence has been awarded to the contractor. The other projects could not proceed due to insufficient funding as the PMO is only allocated $500,000 for 2019.

83 MINISTRY OF POLICE NATIONAL SECURITY AND CORRECTIONAL SERVICES

Budget bit – The Committee enquires into the total value of the bid submitted to Ministry of Finance in view of the statement from them stating that ministries failed submit the full extent of their contractual obligations.

The original bid submitted to MOFT was $37m but only $15m was supported.

Housing stock – The supplementary also includes advance warrant for CSSI housing and the Committee would like to know the housing stock for CSSI and RSIPF and whether the housing needs of the two organizations are being met. The other area of interest to the Committee is the policy on housing.

The RSIPF has about 400 houses across the country. The remainder of the staff are either accommodated through the housing rental scheme (516 officers) or barracks while others receive housing allowance especially those on probation. The housing stock only represents a proportion of the total available officers. This has an impact on policing and staff welfare. With regards to the CSSI, 254 officers are accommodated under the housing rental scheme, 103 officers live in CSSI houses while 185 officers are receiving housing allowances.

The ministry also encounter problems with regards to few retiring officers who refused to vacate police quarters due to the non-payment of their entitlements. The ministry has taken legal action in order to evict those officers.

Maintenance of housing – The Committee notes that some of the houses have been rundown and require refurbishment.
The ministry confirms that they do have maintenance budgets to repair houses but the main challenges are inadequate amount of funding and logistical issues due to the widespread location of the stations across the country.

**Border security** – The Committee enquires into whether adequate funding has been provided to meet the cost of securing the border and the current state of security at the border.

The ministry confirms additional funding request is to meet operational activities at the border. This is part of the government’s three phase border strategy. Phase two requires the deployment of 15 officers on rotational monthly basis which includes the Police Response Team and intelligence officers. The cost is estimated at $1.6m per month.

The security situation at the western border is now stable. The deployment of PRT and other officers to the border has stabilized the security situation and the RSIPF is reviewing the situation in preparation for the Bougainville referendum. This operation will require additional funding.

**Police regulations on allowances** – The Committee is concerned that the issue regarding claims for border allowances during the Bougainville crisis for former police officers is yet to be resolved. It could be an issue in future if no proper regulations are in place to regulate claims for border allowances in times of security threats at the border.

The ministry confirms that officers that are deployed to the border are subject to existing allowances under the Police Act, Regulations and General Orders. The PRT are entitled to a specialized skills allowance as per regulations in recognition of their advanced skills training and the duties undertaken as armed officers. Officers can only claim what they are currently entitled to under existing regulations and orders. The ministry is in discussion regarding long term border allowance arrangements and is committed to developing a future professional scheme of service for the RSIPF. Meanwhile the ministry is reviewing the salary structure of the RSIPF and CSSI. The border allowance issue also affects customs, immigration, biosecurity and other public officers serving at the border.

**90 MINISTRY OF FISHERIES AND MARINE RESOURCES**

**Revenue collection** – The Committee enquired into revenue collection of the ministry.

The ministry states that the first six months has been challenging. The expected revenue collection for 2019 is SBD354 m of which SBD203 m (or 57 percent) has been collected. The support of multilateral donors have enabled the ministry to achieve some revenue projections. These support has enable Solomon Islands tuna to enter into the European market where Solomon Islands was previously given a yellow card status.

The Committee encourages the ministry to enter into more inclusive marine and fisheries program to support the government’s budget in light of the declining logging revenue.
Beche-de-mer farming – The Committee enquired into beche-de-mer farming and ministry's position in the matter.

The Ministry states that they currently have a project within the ministry where they are doing sea cucumber farming trials. This project is trailing out to Marau and Ngella.

Sea weed farming – The Committee enquired into the determination of the price of sea weed.

The ministry states that the price for sea weed is determined by the world market and the production of the supplies to the world market. Sea weed farming is one of the ministry's priority area and assistance is provided to communities.

Albacore – The Committee enquired into the stock level of albacore where the highest catch is from our waters.

The ministry states that it is working closely with SPC on data collection on the species and in providing the ministry with scientific advice on the level of stock. The latest scientific advice provided by SPC is that the country's albacore stock is in healthy condition and not overfished.

Off-shore fisheries – The Committee is concerned that the issue of global warming will have adverse effect on off-shore fisheries and tuna migration patterns. The Committee enquired into the ministry's position in dealing with low revenue projection from off-shore fisheries.

The ministry states the impacts of climate change is affecting fish migratory patterns and currently we are experiencing low fishing activities in our waters because the movement of fish is directed to the eastern parts of WCPO at the moment. Currently, the Vessel Day System (VDS) mechanism is in place in terms of trading of days between PNA parties. This system is employed when fishing is low in our waters. Solomon Islands can join with countries in the eastern and western side of the Pacific Ocean in terms of our days.

The Committee is also concerned about the monitoring of off-shore fishing vessels.

The ministry states that the management of Purse Seiners are done through the VDS where there is now 100 percent coverage. In terms of monitoring there is also 100 percent coverage under the VMS system and 100 percent observer coverage of every net boats.

Processing facilities – The Committee notes that fish processing plants can also be done on smaller scale as well. Large scale processing plant projects notably takes too long to get it into operation as is evident in the case of Bina Harbor.

The ministry states that we have reached a stage where we need to be looking at processing rather than exporting raw materials and that is why the ministry is looking at Bina Harbor.

Ministerial restructuring – The Committee is concerned about the restructuring process of the ministry and whether the restructuring is achieving its intended purpose.
The ministry states that 34 recruitments were done in 2018 with another 11 more recruitment for 2019. The ministry is halfway through its restructuring recruitment which will be carried out in 2020. The ministry now has an increase in compliance officers to do actual assessments. The recruitment process is the main cause of delay. Further, most of the recruited officers are recruited under NZ MSSIF project and the PROP project. The MSSIF project is now winding down and therefore the officers are looking to be integrated into the Public Service which is a challenge for the ministry.

**Reef fish export** – The Committee enquired into the position of the ministry on the exportation of reef fish.

The ministry states that a company has applied in the past to venture into exporting if reef fish. The ministry is aware of production issues as our production supply cannot match the overseas demand which is estimated at 20 to 30 tons per month. This low production of reef fish has caused investors to abandon the investment.

**Landing sites for local fishermen** - The Committee is concerned about the lack of landing sites for local fishermen who supply the central market in Honiara.

The ministry states that they have not provided local fishermen with any landing site infrastructure. However, the ministry plans to improve the market and there is ongoing talks with the Japanese government for improving the market.

**Recommendation 4**

*The committee recommends that the Ministry of Fisheries and Marine Resources develop landing site infrastructure for local fishermen at the Central Market.*

**Resources management** – The Committee is concerned that our fisheries and marine resources are not managed sustainably due to weaknesses in the legislative and regulatory environments. Thus, it seems like the ministry is taking on the same approach undertaken in the logging industry where logged areas are not replanted with trees. The same could be said for our fisheries and marine resources.

The ministry states they have a new unit which deals with community based resource management. This Division goes to the people in the community level and try to encourage them to manage their resources in a sustainable way. In terms of tuna, it is highly migratory species which cannot be managed on our own and so it needs to be managed collectively with other countries where the tuna normally migrates to. Solomon Islands has the healthiest tuna stock in the world and that is in terms of our tuna species.
The ministry is determined to establish a site for its office and a site has been earmarked for the ministry opposite the Coral Sea resort at Town Ground. The delay for establishing a permanent office was because two Chinese challenged the Commissioner of Lands for retrieving back the land because it was of public interest. Now the ground work will begin and the ministry will assist with the relocation of those residing in the area. Further, the ministry does not intend to move back into the NPF building as the building space will not accommodate the growing number of staff.

Office building – The Committee is concerned with the continuous rental of office space and whether the ministry has any plans in place to establish a permanent office.

The ministry is determined to establish a site for its office and a site has been earmarked for the ministry opposite the Coral Sea resort at Town Ground. The delay for establishing a permanent office was because two Chinese challenged the Commissioner of Lands for retrieving back the land because it was of public interest. Now the ground work will begin and the ministry will assist with the relocation of those residing in the area. Further, the ministry does not intend to move back into the NPF building as the building space will not accommodate the growing number of staff.

Recommendation 5
The Committee recommends that the Ministry of Justice and Legal Affairs urgently consult and bring to Parliament legislations on tribal land dispute resolution (T1,DS).

297 MINISTRY OF WOMEN, YOUTH, CHILDREN AND FAMILY AFFAIRS

Additional Supplementary Expenditure - The ASE provide additional funding to cater for office rental for the ministry and the City Centre building.

The presence of police at some of the high profile objection sites deterred a lot of potential risks. Police intelligence raised some concerns about the potential for unrest during the objections and omissions period. There was an unprecedented level of cross border registration that occurred during the voter registration exercise which resulted in more than 10,000 omissions and objections lodgments. The lodgments for 2014 were about 3,000. The deployments were to places around Guadalcanal, Malaita, Western and some high profile venues in Honiara.

Office building – The Committee is concerned with the continuous rental of office space and whether the ministry has any plans in place to establish a permanent office.

The ministry is determined to establish a site for its office and a site has been earmarked for the ministry opposite the Coral Sea resort at Town Ground. The delay for establishing a permanent office was because two Chinese challenged the Commissioner of Lands for retrieving back the land because it was of public interest. Now the ground work will begin and the ministry will assist with the relocation of those residing in the area. Further, the ministry does not intend to move back into the NPF building as the building space will not accommodate the growing number of staff.
Solar hybrid program – The Committee is very concerned that it has taken around four years to implement this particular project. The other issues of concern to the committee are the capital outlay cost of the project, sustainability and the level of emission saving.
The ministry agrees that it did take a while to implement and complete the project mainly due to lack of local capacity to implement such a project. Solomon Power for instance has sourced overseas companies to build their hybrid power stations. With regards to efficiency Selwyn College will save on operational costs especially in diesel fuel. The ministry has built capacity internally therefore future projects would be implemented more efficiently and within a short timeframe.

The Selwyn College project will be owned by the governing board of the school in collaboration with the Church of Melanesia. A sinking fund will be established by the school to replace or maintain the facility after at least 10 years. The project is design so that it is almost maintenance free.

END OF REPORT
4.0 APPENDICES

Minutes of Proceedings

Senator: Hon. Douglas Ete, MP, Chairman
Hon. Matthew Wale, MP
Hon. Robertson Galokale, MP
Hon. Nestor Giro, MP
Hon. Rexon A. Ramofafia, MP
Hon. Hon Rollen Seleso, MP

Secretary: Mr. Peter Lokay, Auditor General

Secretariat
Mr. Gregory Fineanganofo, Director Committees
Mr. Heston Rence, Committee Secretary
Ms. Cordney Wale, Committee Secretary
Ms. Salome Pilumate, Senior Admin. Committees
Mr. Roland Sikua, Research
Mr. Ray Sibisopere, Library
Mr. Lawrence Scott, Media Officer
Ms. Theresa Nori, Hansard Reporter
Ms. Hazel Fafale, Hansard Reporter
Ms. Sherilyn Ragoso, Hansard Reporter

2. Welcome and Opening Remarks
The Chairman of the Public Accounts Committee Hon. Douglas Ete made his opening remarks. The Chair informed the witnesses of the Parliamentary privileges. The Chairman invites witnesses to make their opening remarks.

3. Inquiry into the 2019 Supplementary Appropriation Bill 2019 (No.2 of 2019)
The Hearing proper commenced and the following witnesses from Ministry of Finance and Treasury (MOFT) were admitted:
The witnesses made their presentations before the committee. The committee questioned the witnesses based on the evidences presented. The examination concluded.

**Hearing 1 Witnesses**

i. Mr. Makini Dentana, Permanent Secretary  
ii. Mr. Bruce Philip, Accountant General  
iii. Mr. Alison Boso, Deputy Controller Revenues  
iv. Mr. Jim Sutton, Comptroller Customs  
v. Mr. Rictor Luaboe, Director IRU  
vi. Mr. Coswal Nelson, Director Budget

The witnesses made their presentations before the committee. The committee noticed that the submission presented were different to their bill and ask the witness to leave and re-appear before the committee on the following day, based on the evidences presented. The examination concluded.

**Hearing suspends at 12:01pm**

The Hearing proper resumed at 2:25 pm and the following witnesses from the Ministry of Police, National Security and Correctional Services were admitted:

**Hearing 2 Witnesses**

i. Mr. Mactus Forau, Permanent Secretary (Supervising), MPNSCS  
ii. Mr. Matthew Varley, Commissioner of Police  
iii. Ms. Julia Twumasi, Financial Controller, MPNSCS  
iv. Ms. Martha Alabae, D/Director Finance, CSSI  
v. Ms. Alice Saeni, Chief Accountant, RSIPF  
vi. Ms. Nourah Ajaj, Finance Advisor, RSIPF  
vii. Ms. Anika Nausi, ACP Corporate Services, RSIPF  
viii. Mr. Mostyn Mangau, DC NSOB (Ag.), RSIPF  
ix. Mr. George Walahoula, Director CSSI Finance, CSSI  
x. Mr. John William, DCA, CSSI

The witnesses made their presentations before the committee. The committee noticed that the submission presented were different to their bill and ask the witness to leave and re-appear before the committee on the following day, based on the evidences presented. The examination concluded.

**The Hearing suspends at 3.13 pm**

The Hearing proper resumed at 3:26 pm and the following witnesses from the Ministry of Health and Medical Services were admitted:

**Hearing 3 Witnesses**

i. Mrs. Pauline McNeil, Permanent Secretary, MHMS  
ii. Dr. Steve Aumanu, CEO, National Referral Hospital, MHMS  
iii. Mrs. Vivian Yu, FA/ MHMS  
iv. Mr. Ivan Ghemu, DOP/MHMS  
v. Mr. Peter Nelson, Financial Controller, MHMS  
vi. Mr. Layten Jacob, Procurement Manager, MHMS  
vii. Dr. Nemia Bainivalu, Supervising Under Secretary, MHMS  
viii. Dr. Gregory Jilini, Under Secretary (Health), MHMS  
ix. Dr. Aaron Oritaemae, HOD-MI, MHMS  
x. Mrs. Esther Tekulu, Finance Officer, MHMS

The witnesses made their presentations before the committee. The committee questioned the witnesses based on the evidences presented. The examination concluded.
4. Adjournment:
The committee concluded hearing at 5:06 pm

5. Documents Tabled
a. Submission #1 - MOFT - PS talking points
b. Submission #2 - MID - Budget Submission
c. Submission #3 - MHMS - How the CT operation at NRH will look like
d. Submission #4 - MHMS - CT scan Cost Explanation and Information
e. Submission #5 - MHMS - CT scan Case Load - Overview

Day 2/2019

Wednesday 30th August 2019, CR II, Parliament House 10:23 am

1. Members Present
Hon. Douglas Ete, MP, Chairman
Hon. Matthew Wale, MP
Hon. Robertson Galokale, MP
Hon. Nestor Giro, MP
Hon. Rexon A. Ramofafia, MP
Hon. Hon Rollen Seleso, MP

Secretary: Mr. Peter Lokay, Auditor General

Secretariat
Mr. Gregory Fineangenofo, Director Committees
Mr. Heston Renee, Committee Secretary
Ms. Salome Pilumate, Senior Admin. Committees
Mr. Roland Sikua, Research
Mr. Ray Sibisopere, Library
Mr. Lawrence Scott, Media Officer
Ms. Theresa Nori, Hansard Reporter
Ms. Hazel Fafale, Hansard Reporter
Ms. Sherilyn Ragoso, Hansard Reporter

2. Welcome and Opening Remarks
The Chairman of the Public Accounts Committee Hon. Douglas Ete made his opening remarks. The Chair informed the witnesses of the Parliamentary privileges. The Chairman invites witnesses to make their opening remarks.

3. Inquiry into the 2019 Supplementary Appropriation Bill 2019 (No.2 of 2019)
The Hearing proper commenced and the following witnesses from the Ministry of Justice and Legal Affairs were admitted:

Hearing 4 Witnesses
i. Mr. Freddy Meesa, Permanent Secretary
ii. Mrs. Lynette Tora, CEO National Judiciary
iii. Mr. Peter Nelson, Financial Controller, MJLA
iv. Mrs. Imelda Toake, Principal Admin Officer, National Judiciary

The witnesses made their presentations before the committee. The committee questioned the witnesses based on the evidences presented. The examination concluded.

*Hearing suspends at 10:57 am*

The Hearing proper resumed at 11:05am and the following witness from the Ministry of Infrastructure and Development was admitted:

*Hearing 5 Witnesses*

i. Mr. Stephen Maesiola, Permanent Secretary

The witness made his presentation before the committee. The committee questioned the witnesses based on the evidences presented. The examination concluded.

*The Hearing suspends at 11.16 am*

The Hearing proper resumed at 11:19 am and the following witnesses from the Office of the Prime Minister and the Cabinet were admitted:

*Hearing 6 Witnesses*

i. Mr. Albert Kabui, SSPM, OPMC

ii. Mr. Derrick Smiles Mane, DSPM/Policy, OPMC

iii. Mr. Christian Nieng, DSPM, OPMC

iv. Mr. Leonard Ofainuu, HRM, OPMC

v. Mr. Pellion Buere, FC, OPMC

vi. Ms. Florence Joel, DSTC, OPMC

The witnesses made their presentations before the committee. The committee questioned the witnesses based on the evidences presented. The examination concluded.

*The Hearing suspends at 12:00 pm.*

The Hearing proper resumed at 12:03 pm and the following witnesses from the Ministry of Environment, Conservation, Climate Change and Disaster Management were admitted:

*Hearing 7 Witnesses*

i. Mr. Melchior Mataki, Permanent Secretary

The witness made his presentation before the committee. The committee questioned the witness based on the evidences presented. The examination concluded.

4. Adjournment:

The committee concluded hearing at 12:27pm

5. Documents Tabled

a. Submission #6 – MECCDM
Day 3/2019

Monday 2nd September 2019, CR II, Parliament House 10:37 am

1. Members Present
Hon. Douglas Ete, MP, Chairman
Hon. Matthew Wale, MP
Hon. Robertson Galokale, MP
Hon. Nestor Giro, MP
Hon. Rexon A. Ramofafia, MP
Hon. Hon Rollen Seleso, MP

Secretary: Mr. Peter Lokay, Auditor General

Secretariat
Mr. Gregory Fineanganofo, Director Committees
Mr. Heston Renee, Committee Secretary
Ms. Salome Pilumate, Senior Admin. Committees
Mr. Roland Sikua, Research
Mr. Ray Sibisopere, Library
Mr. Lawrence Scott, Media Officer
Ms. Theresa Nori, Hansard Reporter
Ms. Hazel Fafale, Hansard Reporter
Ms. Sherilyn Ragoso, Hansard Reporter

2. Welcome and Opening Remarks
The Chairman of the Public Accounts Committee Hon. Douglas Ete made his opening remarks. The Chair informed the witnesses of the Parliamentary privileges. The Chairman invites witnesses to make their opening remarks.

3. Inquiry into the 2019 Supplementary Appropriation Bill 2019 (No.2 of 2019)
The Hearing proper commenced and the following witnesses from Ministry of Education and Human Resources Development (MEHRD) were admitted:

Hearing 8 Witnesses
i. Dr. Franco Rodie, PS, MEHRD
ii. Mr. Henson Makoani, Asset Manager, MEHRD
iii. Mr. Merrylyn Kudoleke, FC, MEHRD
iv. Mr. Joe Ririmae, USC, MEHRD

The witnesses made their presentations before the committee. The committee questioned the witnesses based on the evidences presented. The examination concluded.

Hearing suspends at 10:49 am

The Hearing proper resumed at 10:54 am and the following witnesses from the Office of the Governor General were admitted:
The witnesses made their presentations before the committee. The committee questioned the witnesses based on the evidences presented. The examination concluded.

The Hearing suspends at 10:58 am

The Hearing proper resumed at 11:06 am and the following witnesses from the Ministry of Fisheries and Marine Resources were admitted:

Hearing 10 Witnesses
i. Mr. Patterson Lusi, USC/PS (Ag), MFMR
ii. Mr. Alick Misibini, FC, MFMR
iii. Mr. Tom Rarakani, HRM, MFMR
iv. Mr. Edward Honiwala, Director Fisheries
v. Ms. Samantha Tuti, Coordinator PROP, MFMR
vi. Mr. Ben Buga, Director Provincial Fisheries, MFMR
vii. Mr. Tolirum Sam Taloiasi, Manager Admin & Monitoring, MFMR
viii. Mr. Julio Aihunu, Manager Bina, MFMR
ix. Mr. Rossdie Mani, Deputy Director Inshore, MFMR
x. Mr. John Ali, Chief Fisheries Officer, MFMR

The witnesses made their presentations before the committee. The committee questioned the witnesses based on the evidences presented. The examination concluded.

The Hearing suspends at 12:28 pm.

The Hearing proper resumed at 2:20 pm and the following witnesses from the Ministry of Women, Youth and Children’s Affairs were admitted:

Hearing 11 Witnesses
i. Dr. Cedric Alependava, Permanent Secretary, MWYCA
ii. Mr. Aaron Pitaqae, Under Secretary Corporate, MWYCA
iii. Mr. Malcom Mataifo, Financial Controller, MWYCA
iv. Mr. Eddie Aife, HRM, MWYCA

The witnesses made their presentations before the committee. The committee questioned the witnesses based on the evidences presented. The examination concluded.

The Hearing suspends at 2:39 pm

The Hearing proper resumed at 2:42 pm and the witness from the Ministry of Rural Development were admitted:

Hearing 12 Witnesses
i. Mr. Allan Daonga, Permanent Secretary

The witness made his presentations before the committee. The committee questioned the witness based on the evidences presented. The examination concluded.
4. **Adjournment:**
The committee concluded hearing at 2:51 pm

5. **Documents Tabled**
a. Submission #7 – OGG Explanatory Notes 2019 Supplementary Budget
b. Submission #8 – OGG – Break Down for Supplementary Submission
c. Submission #9 – MFMR – A brief prepared for PAC on the hearing into 2019 Supplementary Appropriation Bill 2019 for MFMR

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**Day 4/2019**

**Tuesday 3rd September 2019, CR II, Parliament House 09:32 am**

**1. Members Present**
Hon. Douglas Ete, MP, Chairman  
Hon. Matthew Wale, MP  
Hon. Robertson Galokale, MP  
Hon. Rexon A. Ramofafia, MP  
Hon. Hon Rollen Seleso, MP

**Members Absent**
Hon. Nestor Giro, MP

**Secretary:** Mr. Peter Lokay, Auditor General

**Secretariat**  
Mr. Gregory Fineanganofo, Director Committees  
Mr. Heston Renee, Committee Secretary  
Ms. Salome Pilumate, Senior Admin. Committees  
Mr. Roland Sikua, Research  
Mr. Ray Sibisopere, Library  
Mr. Lawrence Scott, Media Officer  
Mr. Duane Baiabe, Chief Media Officer  
Ms. Theresa Nori, Hansard Reporter  
Ms. Hazel Fafale, Hansard Reporter  
Ms. Sherilyn Ragoso, Hansard Reporter

**2. Welcome and Opening Remarks**
The Chairman of the Public Accounts Committee Hon. Douglas Ete made his opening remarks. The Chair informed the witnesses of the Parliamentary privileges. The Chairman invites witnesses to make their opening remarks.

**3. Inquiry into the 2019 Supplementary Appropriation Bill 2019 (No.2 of 2019)**
The Hearing proper commenced and the following witnesses from the Ministry of Foreign Affairs and External Trade were admitted:

**Hearing 13 Witnesses**
i. Mr. Collin Beck, PS, MFAET
ii. Mr. George Tuti, Director, MFAET

The witnesses made their presentations before the committee. The committee questioned the witnesses based on the evidences presented. The examination concluded.

*Hearing into the 2019 Supplementary Appropriation Bill 2019 (No.2 of 2019) concluded at 10:26 am.*

4. **Adjournment:**
The committee concluded hearing at 10:26 pm

5. **Documents Tabled**
No Submission for Day 4