



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

**Report on the 2011
Supplementary Appropriation
Bill 2011**

NP-Paper No. 33/2011

Presented on 8 December 2011

National Parliament Office

Contents

| | | |
|----------|----------------------------|-----------|
| 1 | Introduction | 2 |
| | Terms of Reference | 2 |
| | Functions of the Committee | 3 |
| | Membership | 4 |
| 2 | Background | 5 |
| | Objective | 5 |
| 3 | Review | 6 |
| | Committee Process | 6 |
| 4 | Summary Report | 7 |
| | Contingency Warrants | 7 |
| | Advance Warrant | 9 |
| | Error in the Bill | 11 |
| 5 | Recommendations | 12 |
| 6 | Appendices | 13 |

1 Introduction

The Public Accounts Committee (Committee) has concluded its review and report on the 2011 Supplementary Appropriation Bill 2011 (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 (3rd) meeting of Parliament, the Bill was read the first time on Monday 5 December 2011. The Minister's second reading speech occurred on Wednesday 7 December 2011.

The Committee considered the Bill and heard evidence from relevant government ministries on Thursday 1st, Saturday 3rd, Tuesday 6 and Wednesday 7 of December 2011. Following its review, the Committee makes 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 **2011 Supplementary Appropriation Bill 2011** 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 Public Accounts 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.

³Section 62, *Constitution of Solomon Islands 1978*

Membership

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

Hon. David Tome, MP (Chair)

Hon. Stanley Sofu, MP

Hon. Martin Kealoe, MP

Hon. Douglas Ete, MP

Hon. John Maneniaru, MP

Hon. Matthew C. Wale, MP

Hon. Steve Abana, MP

Hon. Silas Tausinga, 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], the provisions of Financial Instructions (FI) 182 to 186 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. 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 2011 Supplementary Appropriation Bill 2011, which were examined by the Committee.

The Committee undertakes its reviews and examinations on the Supplementary Appropriation 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

In carrying out the examination of the Supplementary Appropriation Bill 2011, the Committee undertook the following:

- Review of the 2011 Supplementary Appropriation Bill 2011, and
- Heard evidence from the Permanent Secretary for Finance and the Permanent Secretaries of 16 ministries which had obtained funding under Contingency and Advance Warrants.

During the review the Permanent Secretary and officials of the Ministry of Communication and Aviation were not able to give evidence due to other commitments (opening of a provincial airfield). The Committee strongly urges all Permanent Secretaries to prioritise their activities and be reminded that Parliament business including Committee hearings takes precedence over other commitments or engagements especially during Parliament's budget session.

The full transcripts of the Committees proceedings (contained in Hansard) and the Minutes of proceedings 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 commenced its deliberation into the Supplementary Appropriation Bill⁴ on Thursday 1 December 2011. The Bill seeks to authorise the legal authorization on supplementary expenditure of **\$141,408,348**, of which *\$51,917,361* is issued under Contingency Warrants, *\$40,194,500* issued under Advance Warrant and *\$49,296,487* to supplement recurrent and development expenditures. The following is a summary of key findings and common themes discussed during the Committee hearings. The issues raised below were also highlighted in the Committee's mid term Review Report into the implementation of the 2011 Appropriation:

4.1 Contingency Warrant⁵

The Committee noted that in many cases the Contingency Warrant (CW) which had been approved by the Minister for Finance were not for items which were "urgent and not reasonably foreseeable"⁶. The Committee has for several years called 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.

In his evidence, Mr Shadrack Fanega, Permanent Secretary, Ministry of Finance indicated that the provisions for this years Contingency Warrant have already been exhausted, hence the need for Parliament to formally regularise extra expenditure.⁷

Although the Committee acknowledges that sentiments shared by the Permanent Secretary, the Committee believes that such situations highlighted during its

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 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.

⁶ Section 103 of *The Constitution of the Solomon Islands 1978*

⁷ Mr. Shadrack Fanega, Permanent Secretary, Ministry of Finance, Evidence, 1December 2011.

examination of the Bill could be best addressed through a thoroughly coordinated budget and that caution be given by the Ministry of Finance to the use of Contingency Warrants.

The Committee also observed a gradual increase in the amounts of Contingency Warrants over the years (see table). A detailed list of the expenditures which fall under the Contingency Warrant are contained in the Supplementary Appropriation Bill (*Appendix 1*).

| YEAR | Contingency Warrant |
|-------------|------------------------------------------------------------------------------|
| 2009 | \$50, 000,00 |
| 2010 | \$60, 000,000 |
| 2011 | \$68,000,000 (\$53,000,000 ⁸ + \$15,000,000 ⁹) |

Recommendation

The Committee is of the view that the Minister of Finance must make it clear to Permanent Secretaries that Contingency Warrants will not be approved without appropriate and convincing justification of how the request complies with the requirements of the Constitution, and so recommends.

The Committee recommends that Ministries take greater care in undertaking annual planning so that items which are foreseeable and can be estimated in that planning process are identified at that time and are not required to be funded by Contingency Warrant.

⁸ Clause 7, 2011 Appropriation Act 2011

⁹ Clause 3, 2011 Supplementary Appropriation Bill 2011

4.2 Advance Warrant

The Committee notes that for the first time an Advance Warrant had been issued under *section 13* of the Public Finance and Audit Act.¹⁰

The Committee understands that the Advance Warrant approved under the 2011 Appropriation Act is **\$60 million**. In his evidence to the Committee, Mr Shadrack Fanega, Permanent Secretary, Ministry of Finance explained to the Committee that the Advance Warrant is for an advance of public funds to a Ministry with the condition that it be repaid within 12 months.¹¹

The Committee observed during its review that an advance of **\$40, 194,500** had issued to four government ministries, namely;

- Ministry of Finance & Treasury (**\$2, 380,500**)
- Ministry of Police, National Security & Correctional Services (**\$2, 614,000**)
- Ministry of Justice & Legal Affairs, (**\$400,000**) and
- Office of the Prime Minister & Cabinet (**\$34,800,000**)

¹⁰ Public Finance & Audit Act Section 13.—(1) Subject to the provisions of this section the Minister may by warrant under his hand authorise the Permanent Secretary to make disbursements of moneys forming part of the Consolidated Fund or other public funds for the purpose of making advances—

(a) on behalf of and recoverable from other Governments;

(b) to or on behalf of public bodies or institutions where in the opinion of the Minister such advances are in the public interest:

Provided that such advances are repayable within a period of twelve months from the close of the financial year in which such advances are made;

(c) to or on account of any Special Fund where such advances are recoverable before the close of the financial year in which such advances are made;

(d) to public officers and elected members of Parliament for such purposes and under such terms, conditions and limitations as may be provided from time to time;

(e) to meet expenditure against an authorised loan in accordance with section 32 in anticipation of the receipt of any instalment of such loan.

(2) The total of the sums disbursed for the purpose of making advances shall not exceed in aggregate at any one time after deducting repayments and moneys on deposit an amount approved by an Appropriation Act or Acts.

¹¹ Mr. Shadrack Fanega, Permanent Secretary, Ministry of Finance, Evidence, 1December 2011.

Of the amounts issued, the Committee understands that three Ministries will have their Warrants repaid at the enactment of the Supplementary Appropriation Bill, except for the Office of the Prime Minister and Cabinet, which has until 31st December 2012 to repay the advance warrant owed.

The Committee would like to see a greater level of monitoring and control by the Ministry of Finance to ensure that Ministries comply with the requirements of section 13 of the Public Finance and Audit Act. The Committee would also like to see clear guidelines in place to ensure that public monies are recouped if there is failure to repay within 12 months.

Further detailed discussions on this matter and other matters relating to the 2011 Supplementary Appropriation are raised in the Committee's report into the implementation of the 2011 Appropriation Act (Parliament Paper no 29).

Recommendation

The Committee recommends that the Ministry of Finance provide the Committee with a progress report on the repayment options of the Advance Warrant within the 90 days of this report being tabled.

Error in the Bill

During hearing evidence from the Ministries the Committee noted that an error occurred in the preparation of the Bill which may require correction. On *page 17* of the Bill, the Committee notes that the description for **Head 292** should be for surveying and not building repairs.

In his evidence to the Committee, Mr. James Remobatu, Permanent Secretary, Ministry of Justice, informed the Committee of this slight oversight:

In the bill, the amount is \$400,000.00 with the description repair of government building. The description is misleading. It should read survey cost instead.

The Committee is of the view the information brought before Parliament must be clear, accurate and must be reflective of the actual expenditure incurred.

Recommendation

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

5. Recommendations

Upon completion of the hearing on the 2011 Supplementary Appropriation Bill 2011, the Committee recommends that:

Contingency Warrant

- The Committee is of the view that the Minister must make it clear to Permanent Secretaries that Contingency Warrants will not be approved without appropriate and convincing justification of how the request complies with the requirements of the Constitution, and so recommends.
- The Committee recommends that Ministries take greater care in undertaking annual planning so that items which are foreseeable and can be estimated in that planning process are identified at that time and are not required to be funded by Contingency Warrant.

Advance Warrant

- The Committee recommends that the Ministry of Finance provide the Committee with a progress report on the repayment options of the Advance Warrant within the 90 days of this report being tabled.

Error in the Bill

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



Hon. David Tome

Chairman

Public Accounts Committee

8 December 2011

Appendix 1: 2011 Supplementary Appropriation 2011

3



2011 SUPPLEMENTARY APPROPRIATION BILL 2011

(NO. 1 OF 2011)

A
BILL
Entitled

AN ACT TO APPROPRIATE ADDITIONAL ONE HUNDRED AND FORTY ONE MILLION, FOUR HUNDRED AND EIGHT THOUSAND, THREE HUNDRED AND FORTY EIGHT DOLLARS TO THE SERVICE OF THE YEAR ENDING 31ST DECEMBER 2011

ENACTED by the National Parliament of Solomon Islands.

**2011 SUPPLEMENTARY APPROPRIATION
BILL 2011**

- Short title and commencement
1. This Act may be cited as the 2011 Supplementary Appropriation Act 2011 and commences on the date ("commencement date") it is published in the *Gazette*.
- Authorisation and appropriation of \$41,400,368
2. (1) The issue from the Consolidated Fund is hereby authorised of a sum of one hundred and forty one million, four hundred and eight thousand, three hundred and forty eight dollars to be applied to the service of the year ending 31st December 2011.
- (2) The sum specified in subsection (1) shall be deemed to have been appropriated as from the commencement date for supply of the heads and in the amounts respectively specified for such heads, as set out in the Schedule.
3. The total sums authorised by contingencies warrants issued by the Minister under section 15 of the Public Finance and Audit Act (Cap. 120) from the commencement date until 31st December 2011 shall not exceed:
- (a) in respect of Heads of Recurrent Expenditure, seven million five hundred thousand dollars; and
- (b) in respect of Heads of Development Expenditure, seven million five hundred thousand dollars.

SCHEDULE

(Section 2(1))

EXPENDITURE BY CONTINGENCIES WARRANTS

RECURRENT EXPENDITURE

| HEAD | EXPENDITURE AUTHORISED |
|----------------------------------------------------------------------|-----------------------------------|
| 270: MINISTRY OF AGRICULTURE AND LIVESTOCK DEVELOPMENT | 500,000 |
| 272: MINISTRY OF EDUCATION AND HUMAN RESOURCES DEVELOPMENT | 6,000,000 |
| 274: MINISTRY OF FOREIGN AFFAIRS AND EXTERNAL TRADE | 2,600,000 |
| 277: MINISTRY OF INFRASTRUCTURE DEVELOPMENT | 2,740,000 |
| 281: OFFICE OF THE PRIME MINISTER AND CABINET | 3,000,000 |
| 284: MINISTRY OF PROVINCIAL GOVERNMENT & INSTITUTIONAL STRENGTHENING | 1,600,000 |
| 287: MINISTRY OF CULTURE AND TOURISM | 477,361 |
| 289: MINISTRY OF COMMUNICATION AND AVIATION | 3,000,000 |
| 293: MINISTRY OF HOME AFFAIRS | 5,000,000 |
| 295: MINISTRY OF MINES, ENERGY & RURAL ELECTRIFICATION | 500,000 |
| TOTAL RECURRENT EXPENDITURE | 25,417,361 |

DEVELOPMENT EXPENDITURE

| HEAD | EXPENDITURE AUTHORISED |
|----------------------------------------------------------------------------|-----------------------------------|
| 470: MINISTRY OF AGRICULTURE & LIVESTOCK DEVELOPMENT | 1,000,000 |
| 474: MINISTRY OF FOREIGN AFFAIRS | 4,500,000 |
| 480: MINISTRY OF FORESTRY & RESEARCH | 3,000,000 |
| 483: MINISTRY OF POLICE & NATIONAL SECURITY | 1,600,000 |
| 484: MINISTRY OF PROVINCIAL GOVERNMENT & INSTITUTIONAL STRENGTHENING | 3,000,000 |
| 489: MINISTRY OF COMMUNICATION & AVIATION | 6,600,000 |
| 491: MINISTRY OF PUBLIC SERVICE | 3,000,000 |
| 495: MINISTRY OF MINES, ENERGY & RURAL ELECTRIFICATION | 2,700,000 |
| 499: MINISTRY OF RURAL DEVELOPMENT | 1,100,000 |
| TOTAL DEVELOPMENT EXPENDITURE | 26,500,000 |

**TOTAL RECURRENT AND DEVELOPMENT EXPENDITURE BY CONTINGENCIES
WARRANTS** **\$51,917,361**

**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 31 December 2012.

| HEAD | EXPENDITURE AUTHORISED |
|------------------------------------------------------------------------------------------------|---------------------------|
| 273: MINISTRY OF FINANCE & TREASURY <i>Repaid in 2011</i> | 2,380,500 |
| 281: OFFICE OF THE PRIME MINISTER AND CABINET | 34,800,000 |
| 283: MINISTRY OF POLICE, NATIONAL SECURITY & CORRECTIONAL SERVICES <i>Repaid in 2011</i> | 2,614,000 |
| 292: MINISTRY OF JUSTICE AND LEGAL AFFAIRS <i>Repaid in 2011</i> | 400,000 |
| TOTAL ADVANCE WARRANTS | 40,194,500 |

ADDITIONAL RECURRENT AND DEVELOPMENT EXPENDITURE

| | |
|------------------------------------|-------------------|
| ALL MINISTRIES: COLA PAYMENT | 24,396,487 |
| 498: MINISTRY OF RURAL DEVELOPMENT | 24,900,000 |
| TOTAL EXPENDITURE PRESSURES | 49,296,487 |

**TOTAL RECURRENT AND DEVELOPMENT EXPENDITURE BY CONTINGENCIES AND
ADVANCE WARRANTS AND SUPPLEMENTARY EXPENDITURE PRESSURES**
\$141,408,348

2011 SUPPLEMENTARY APPROPRIATION BILL 2011

Objects and Reasons

The object of this Bill is to authorise supplementary expenditure of one hundred and forty one million, four hundred and eight thousand, three hundred and forty eight dollars authorised under the 2011 Appropriation Act 2011 for the service of the year ending 31st December 2011.

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

RECURRENT SUPPLEMENTARY ESTIMATES

HEAD: 270 MINISTRY OF AGRICULTURE AND LIVESTOCK DEVELOPMENT

Estimates of the amount further required in the year ending 31st December 2011 for the services of this head: **\$500,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|-------------|--------------------|-------------------------|-------------------|
| 0002:3104 | Office rent | | 500,000 | 500,000 |
| Total | | 0 | 500,000 | 500,000 |

Explanatory Note

This amount provides for additional funds to cover cost of office rent arrears of 2010 and 2011 monthly office rent.

HEAD: 272 MINISTRY OF EDUCATION AND HUMAN RESOURCES DEVELOPMENT

Estimates of the amount further required in the year ending 31st December 2011 for the services of this head: **\$6,000,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|------------------------------------------|--------------------|-------------------------|-------------------|
| 0191:4026 | Training – other (USP Distance Learning) | 2,059,716 | 5,000,000 | 7,059,716 |
| 0375:4061 | Grants | 26,795,675 | 1,000,000 | 27,795,675 |
| Total | | 28,855,391 | 6,000,000 | 34,855,391 |

Explanatory Note

This amount provides for additional funds for constituency scholarship awards and assistance to Auki Primary school.

HEAD: 274 MINISTRY OF FOREIGN AFFAIRS AND EXTERNAL TRADE

Estimates of the amount further required in the year ending 31st December 2011 for the services of this head: **\$2,600,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|---------------------------------------------|--------------------|-------------------------|-------------------|
| 0120:4097 | Payment to Overseas Bodies – Geneva Mission | 0 | 2,600,000 | 2,600,000 |
| Total | | 0 | 2,600,000 | 2,600,000 |

Explanatory Note

This amount provides for additional funds for establishment cost for setting up the SI mission office in Geneva, Switzerland.

HEAD: 277 MINISTRY OF INFRASTRUCTURE DEVELOPMENT

Estimates of the amount further required in the year ending 31st December 2011
for the services of this head: **\$2,740,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|----------------------------------------|--------------------|-------------------------|-------------------|
| 0243:2001 | Upkeep and Repair of Official building | 9,028,670 | 500,000 | 9,528,670 |
| 0249:2122 | Hire of vehicles and plant | 2,094,176 | 1,500,000 | 3,594,176 |
| 0002:3100 | House rental | 1,106,195 | 500,000 | 1,606,195 |
| 0249:3008 | Plant Replacement | 1,456,132 | 240,000 | 1,696,132 |
| Total | | 13,685,173 | 2,740,000 | 16,425,173 |

Explanatory Note

This amount provides for additional funds to cover operational costs of maintenance services, house rental for staff and vehicle hiring for Members of Parliament.

HEAD: 281 OFFICE OF THE PRIME MINISTER AND CABINET

Estimates of the amount further required in the year ending 31st December 2011
for the services of this head: **\$3,000,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|-----------------------|--------------------|-------------------------|-------------------|
| 0061:2074 | Provincial visits | 925,911 | 500,000 | 1,425,911 |
| 0061:2091 | Overseas travel - MPs | 3,725,744 | 2,500,000 | 6,225,744 |
| Total | | 4,651,655 | 3,000,000 | 7,651,655 |

Explanatory Note

This amount provides for additional funds for Prime Minister's office provincial visits and overseas travel.

HEAD: 284 MINISTRY OF PROVINCIAL GOVERNMENT & INSTITUTIONAL STRENGTHENING

Estimates of the amount further required in the year ending 31st December 2011
for the services of this head: **\$1,600,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|---------------------|--------------------|-------------------------|-------------------|
| 0482:4108 | Fixed Service Grant | 7,546,278 | 1,600,000 | 9,146,278 |
| Total | | 7,546,278 | 1,600,000 | 9,146,278 |

Explanatory Note

This amount provides for additional funds for goodwill payments to landowning groups of Auki wharf, Malaita Province.

HEAD: 287 MINISTRY OF CULTURE AND TOURISM

Estimates of the amount further required in the year ending 31st December 2011
for the services of this head: **\$477,361**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|----------------------------------|--------------------|-------------------------|-------------------|
| 0004:2092 | Overseas Travel – Public Service | 217,800 | 477,361 | 695,161 |
| Total | | 217,800 | 477,361 | 695,161 |

Explanatory Note

This amount provides for additional funds to cover cost for the Ministry's delegations travelling overseas.

HEAD: 289 MINISTRY OF COMMUNICATION AND AVIATION

Estimates of the amount further required in the year ending 31st December 2011
for the services of this head: **\$3,000,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|--------------------------|--------------------|-------------------------|-------------------|
| 0511:6133 | Minor works installation | 500,000 | 3,000,000 | 3,500,000 |
| Total | | 500,000 | 3,000,000 | 3,500,000 |

Explanatory Note This amount provides for additional funds to cover Henderson airport operations, equipment installations and maintenance of provincial airfields.

HEAD: 293 Ministry of Home Affairs

Estimates of the amount further required in the year ending 31st December 2011
for the services of this head: **\$5,000,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|------------------------------|--------------------|-------------------------|-------------------|
| 0301:4141 | Assistance to local churches | 0 | 5,000,000 | 5,000,000 |
| Total | | 0 | 5,000,000 | 5,000,000 |

Explanatory Note This amount provides for additional funds for assistance to local churches

HEAD: 295 MINISTRY OF MINES, ENERGY & RURAL ELECTRIFICATION

Estimates of the amount further required in the year ending 31st December 2011
for the services of this head: **\$500,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|-------------|--------------------|-------------------------|-------------------|
| 0004:3100 | House rent | 790,549 | 500,000 | 1,290,549 |
| Total | | 790,549 | 500,000 | 1,290,549 |

Explanatory Note This amount provides for additional funding for staff house rentals.

DEVELOPMENT SUPPLEMENTARY ESTIMATES

HEAD 470: MINISTRY OF AGRICULTURE & LIVESTOCK DEVELOPMENT

Amount authorised by contingencies warrant required in the year ending 31st December 2011 for the services of this head: **\$1,000,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|---------------------|---------------------|---------------------------|--------------------------------|--------------------------|
| 4257:5799 | Giant African snail | 0 | 1,000,000 | 1,000,000 |
| Total | | 0 | 1,000,000 | 1,000,000 |

Explanatory Notes

This amount provides funding to assist communities to eradicate and destroy the Giant African snail.

HEAD 474: MINISTRY OF FOREIGN AFFAIRS AND EXTERNAL TRADE

Amount authorised by contingencies warrant required in the year ending 31st December 2011 for the services of this head: **\$4,500,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|---------------------|---------------------------------|---------------------------|--------------------------------|--------------------------|
| 4285:5799 | Assistance to Canberra Chancery | 11,800,000 | 4,500,000 | 16,300,000 |
| Total | | 11,800,000 | 4,500,000 | 16,300,000 |

Explanatory Notes

This amount provides funding to cover completion cost of the Chancery Building in Canberra, Australia.

HEAD 480: MINISTRY OF FORESTRY AND RESEARCH

Amount authorised by contingencies warrant required in the year ending 31st December 2011 for the services of this head: **\$3,000,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|---------------------|-----------------------|---------------------------|--------------------------------|--------------------------|
| | Downstream Processing | 8,000,000 | 3,000,000 | 11,000,000 |
| Total | | 8,000,000 | 3,000,000 | 11,000,000 |

Explanatory Notes

This amount provides additional funding for the Downstream Processing Project.

HEAD 483: MINISTRY OF POLICE & CORRECTIONAL SERVICES

Amount authorised by contingencies warrant required in the year ending 31st December 2011 for the services of this head: **\$1,600,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|---------------------|--------------------|-------------------------|-------------------|
| 4337:5799 | Auki Police housing | 3,000,000 | 1,600,000 | 4,600,000 |
| Total | | 3,000,000 | 1,600,000 | 4,600,000 |

Explanatory Notes

This amount provides funding to cover for cost of completing Auki Police houses.

HEAD 484: MINISTRY OF PROVINCIAL GOVERNMENT & INSTITUTIONAL STRENGTHENING

Amount authorised by contingencies warrant required in the year ending 31st December 2011 for the services of this head: **\$3,000,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|---------------------------|--------------------|-------------------------|-------------------|
| 4773:5799 | Doma township development | 0 | 3,000,000 | 3,000,000 |
| Total | | 0 | 3,000,000 | 3,000,000 |

Explanatory Notes

This amount provides funding to for Doma Township Project, West Guadalcanal.

HEAD 489: MINISTRY OF COMMUNICATION AND AVIATION

Amount authorised by contingencies warrant required in the year ending 31st December 2011 for the services of this head: **\$6,600,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|------------------------------------------------|--------------------|-------------------------|-------------------|
| 4731:5799 | Upgrading of Munda airport | 2,000,000 | 1,600,000 | 3,600,000 |
| 4365:5799 | Rehabilitation & construction | 10,000,000 | 3,000,000 | 13,000,000 |
| 4367:5799 | Airfield Navigation & Equipment Rehabilitation | 6,000,000 | 2,000,000 | 8,000,000 |
| Total | | 18,000,000 | 6,600,000 | 24,600,000 |

Explanatory Notes

This amount provides additional funding for Munda Airport Upgrading into international airport, Taro airfield rehabilitation and construction as well as rehabilitation of provincial airports equipment.

HEAD 491: MINISTRY OF PUBLIC SERVICE

Amount authorised by contingencies warrant required in the year ending 31st December 2011 for the services of this head: **\$3,000,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|-----------------|--------------------|-------------------------|-------------------|
| | Office building | 5,000,000 | 3,000,000 | 8,000,000 |
| Total | | 5,000,000 | 3,000,000 | 8,000,000 |

Explanatory Notes

This amount provides additional funding towards the new Public Service Office Building in Honiara.

HEAD 495: MINISTRY OF MINES, ENERGY AND RURAL ELECTRIFICATION

Estimates of the amount further required in the year ending 31st December 2010 for the services of this head: **\$2,700,000**

| Subhead/item | Description | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|-----------------------|--------------------|-------------------------|-------------------|
| 4576:5799 | Tina River Landowners | 4,400,000 | 2,700,000 | 7,100,000 |
| Total | | 4,400,000 | 2,700,000 | 7,100,000 |

Explanatory Note

This amount provides for additional funds to cater for goodwill payment to resettle landowners of Tina River Hydro Power Scheme, East Guadalcanal.

HEAD 498: MINISTRY OF RURAL DEVELOPMENT AND INDIGENIOUS AFFAIRS

Estimates of the amount further required in the year ending 31st December 2010 for the services of this head: **\$1,100,000**

| Subhead/item | Descriptions | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|--------------|--------------------|-------------------------|-------------------|
| 4666:5799 | SIG RSCD | 0 | 1,100,000 | 1,100,000 |
| Total | | 0 | 1,100,000 | 1,100,000 |

Explanatory Notes

This amount provides for the Solomon Islands Government contribution to ROC Support for Constituency Development (RSCD) grants.

Section 13 ADVANCE WARRANTS SUPPLEMENTARY ESTIMATES

HEAD 273: MINISTRY OF FINANCE & TREASURY

Estimates of the amount further required in the year ending 31st December 2011 for the services of this head: **\$2,380,500**

| Subhead/item | Descriptions | Original Estimates | Supplementary Estimates | Revised Estimates |
|------------------|---------------------------|--------------------|-------------------------|-------------------|
| 0426:3062 | Consultancy Fees | 0 | 1,983,750 | 1,983,750 |
| 0427:2301 | IT – Replacement Hardware | 500,044 | 396,750 | 896,794 |
| Total | | 500,044 | 2,380,500 | 2,880,544 |

Explanatory Notes

This Advance under Section 13 of the Public Finance and Audit Act is covered by donor funding already received and will be repaid to the Consolidated Fund on enactment of the 2011 Supplementary Appropriation.

HEAD 281: OFFICE OF THE PRIME MINISTER AND CABINET

Estimates of the amount further required in the year ending 31st December 2011 for the services of this head: **\$34,800,000**

| Subhead/item | Descriptions | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|--------------|--------------------|-------------------------|-------------------|
| | | | 34,800,000 | |
| Total | | | | |

Explanatory Notes

This Advance under Section 13 of the Public Finance and Audit Act is required to be repaid to the Consolidated Fund by 31 December 2012. The amount is for funding of the Deed of Settlement for RIPEL and former employees.

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

Estimates of the amount further required in the year ending 31st December 2011 for the services of this head: **\$2,614,000**

| Subhead/item | Descriptions | Original Estimates | Supplementary Estimates | Revised Estimates |
|------------------|---------------------------------|--------------------|-------------------------|-------------------|
| 0140:2001 | Repairs of Government Buildings | 437,504 | 590,000 | 1,027,504 |
| 0140:2002 | Repairs of | 1,018,480 | 600,000 | 1,618,480 |

| | | | | |
|------------------|------------------------|-------------------|------------------|-------------------|
| | Government housing | | | |
| 0140:1010 | Civil service salaries | 11,700,844 | 20,000 | 11,720,844 |
| | Motor Vehicles | | 1,404,000 | |
| Total | | 13,156,828 | 2,614,000 | 14,366,828 |

Explanatory Notes

This Advance under Section 13 of the Public Finance and Audit Act is covered by donor funding already received and will be repaid to the Consolidated Fund on enactment of the 2011 Supplementary Appropriation.

HEAD 292: MINISTRY OF JUSTICE AND LEGAL AFFAIRS

Estimates of the amount further required in the year ending 31st December 2011 for the services of this head: **\$400,000**

| Subhead/item | Descriptions | Original Estimates | Supplementary Estimates | Revised Estimates |
|---------------------|---------------------------------|---------------------------|--------------------------------|--------------------------|
| 0002:2001 | Repairs of Government Buildings | 306,795 | 400,000 | 706,795 |
| Total | | 306,795 | 400,000 | 706,795 |

Explanatory Notes

This Advance under Section 13 of the Public Finance and Audit Act is covered by donor funding already received and will be repaid to the Consolidated Fund on enactment of the 2011 Supplementary Appropriation.

ADDITIONAL RECURRENT SUPPLEMENTARY ESTIMATES

ALL HEADS: ALL MINISTRIES

Estimates of the amount further required in the year ending 31st December 2011 for the services of this head: **\$24,396,487**

| Subhead/item | Descriptions | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|--------------|--------------------|-------------------------|-------------------|
| | COLA | 587,500,000 | 24,396,487 | 611,896,487 |
| Total | | | | |

Explanatory Notes

This amount is required to cater for COLA award to all public servants.

ADDITIONAL DEVELOPMENT SUPPLEMENTARY ESTIMATES

HEAD 498: MINISTRY OF RURAL DEVELOPMENT AND INDIGENOUS AFFAIRS

Estimates of the amount further required in the year ending 31st December 2011 for the services of this head: **\$24,900,000**

| Subhead/item | Descriptions | Original Estimates | Supplementary Estimates | Revised Estimates |
|--------------|-------------------------------------------------|--------------------|-------------------------|-------------------|
| | SIG Contribution to RSCD | 0 | 15,000,000 | 15,000,000 |
| 4397-5799 | Rural Constituency Livelihood Fund | 53,000,000 | 4,400,000 | 57,400,000 |
| 4666:5799 | ROC assistance for National Youth & Development | 0 | 5,500,000 | 5,500,000 |
| Total | | 53,000,000 | 24,900,000 | 77,900,000 |

Explanatory Notes

The amounts are to cater for SIG contribution to the ROC funded RSCD, additional funding for the Rural Constituency Livelihood Fund as well as ROC assistance to all constituencies for youth development.