



# **2015 APPROPRIATION BILL 2015**

**(NO. 1 OF 2015)**





# 2015 APPROPRIATION BILL 2015

(NO. 1 OF 2015)

A

BILL

Entitled

**AN ACT** TO APPROPRIATE FOUR BILLION, SIXTY MILLION, TWO HUNDRED AND FIFTY THREE THOUSAND AND EIGHT HUNDRED AND SIXTY THREE DOLLARS TO THE SERVICE OF THE YEAR ENDING 31<sup>ST</sup> DECEMBER 2015.

**ENACTED** by the National Parliament of Solomon Islands.

## 2015 APPROPRIATION BILL 2015

Short title and commencement

1. This Act may be cited as the 2015 Appropriation Act 2015.

Authorisation of \$4,060,253,863

2. The issue from the Consolidated Fund is hereby authorised of a sum of four billion, sixty million, two hundred and fifty three thousand and eight hundred and sixty three dollars.

Appropriation

3. The sum specified in section 2 shall be appropriated for the supply of the heads specified, and in the amounts respectively specified in relation thereto, in the First Schedule.

Short Term Discount Securities

4. (1) The Government may, at any time or times not later than 31<sup>st</sup> December 2015, borrow by way of short-term discount securities, issued within Solomon Islands, any sum not exceeding in the whole one hundred million dollars on such terms and conditions as the Minister of Finance may deem expedient.

(2) Proceeds from any borrowing under subsection (1) are only to be used in accordance with section 71 of the *Public Financial Management Act 2013*.

Government borrowing

5. (1) The Government may, in addition to its borrowings under section 4, borrow or enter into agreements to borrow on such terms and conditions as it may determine appropriate, amounts up to such sum of money for such purposes and from such sources as are respectively specified in the first, second and third columns of the Second Schedule.

(2) No amounts may be borrowed under subsection (1) except in accordance with an agreement under that subsection entered into on or before 31<sup>st</sup> December 2015.

(3) The Government shall not borrow any sum or sums in excess of the figure shown in the first column of the Second Schedule, except in accordance with *Part 8* of the *Public Financial Management Act 2013*.

(4) Government borrowing shall have the meaning provided in section 63 of the *Public Financial Management Act 2013*.

(5) The Minister shall report to Parliament in accordance with section 66(5) of the *Public Financial Management Act 2013* following such borrowing under subsection (1).

Debt Servicing Account

6. The Minister shall set aside, in accordance with section 69(2) of the *Public Financial Management Act 2013*, zero per cent (0%) of the

Government's domestically sourced revenue earned in 2015 in the Government's debt servicing account.

7. The total sums authorised by advance warrants issued by the Minister in exercise of his powers under section 60 of the *Public Financial Management Act 2013* for the financial year 2015 shall not at any one time exceed one hundred and fifty million dollars.

Advance  
warrants

8. The total sums authorised by contingencies warrants issued by the Minister under section 58 of the *Public Financial Management Act 2013* for the financial year ending 31<sup>st</sup> December 2015 shall not exceed the following amounts –

Contingencies  
warrants

- (a) in respect of Heads of Recurrent Expenditure, forty million dollars;
  - (b) in respect of Heads of Development Expenditure, thirty-five million dollars.
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**FIRST SCHEDULE**

(Section 3)

**PART 1 - RECURRENT EXPENDITURE**

<b>HEAD</b>		<b>EXPENDITURE AUTHORISED (\$)</b>
270	Ministry of Agriculture and Livestock Development	30,297,287
271	Office of the Auditor-General	6,664,080
272	Ministry of Education and Human Resources	752,723,098
273	Ministry of Finance and Treasury	99,293,773
274	Ministry of Foreign Affairs and External Trade	44,282,973
275	Office of the Governor-General	8,398,399
276	Ministry of Health and Medical Services	306,456,745
277	Ministry of Infrastructure Development	79,669,642
278	National Debt Servicing (Non-Statutory component)	39,902,642
279	National Parliament	75,748,833
280	Ministry of Forestry	25,607,171
281	Office of the Prime Minister and Cabinet	107,019,219
282	Pensions and Gratuities	0
283	Ministry of Police, National Security and Correctional Services	214,880,864
284	Ministry of Provincial Government and Institutional Strengthening	104,351,746
285	Ministry of Lands, Housing and Survey	18,618,851

286	Ministry of Development Planning and Aid Coordination	7,915,088
287	Ministry of Culture and Tourism	25,275,903
288	Ministry of Commerce, Industries, Labour and Immigration	34,355,948
289	Ministry of Communication and Aviation	42,366,530
290	Ministry of Fisheries and Marine Resources	16,457,016
291	Ministry of Public Service	30,599,344
292	Ministry of Justice and Legal Affairs	27,939,070
293	Ministry of Home Affairs	37,655,482
294	Ministry of National Unity, Reconciliation and Peace	18,004,343
295	Ministry of Mines, Energy and Rural Electrification	20,540,866
296	National Judiciary	19,242,592
297	Ministry of Women, Youth, Children's and Family Affairs	12,196,612
298	Ministry of Rural Development	16,876,207
299	Ministry of Environment, Climate Change, Disaster Management and Meteorology	28,845,481
	<b>TOTAL RECURRENT ESTIMATES</b>	<b>2,252,185,805</b>

**PART 2 - BUDGET SUPPORT EXPENDITURE**

<b>HEAD</b>		<b>EXPENDITURE AUTHORISED (\$)</b>
372	Ministry of Education and Human Resources	122,266,716
373	Ministry of Finance and Treasury	53,236,327
374	Ministry of Foreign Affairs and External Trade	1,198,490
376	Ministry of Health and Medical Services	123,407,925
378	National Debt Servicing	341,735,250
383	Ministry of Police, National Security and Correctional Services	14,721,465
390	Ministry of Fisheries and Marine Resources	7,150,250
392	Ministry of Justice and Legal Affairs	2,021,682
396	National Judiciary	1,049,231
	<b>TOTAL BUDGET SUPPORT ESTIMATES</b>	<b>666,787,336</b>



**PART 3 - DEVELOPMENT EXPENDITURE**

<b>HEAD</b>		<b>EXPENDITURE AUTHORISED (\$)</b>
470	Ministry of Agriculture and Livestock Development	34,244,829
472	Ministry of Education and Human Resources	82,000,000
473	Ministry of Finance and Treasury	70,925,060
474	Ministry of Foreign Affairs and External Trade	9,332,252
475	Office of the Governor General	1,000,000
476	Ministry of Health and Medical Services	41,191,145
477	Ministry of Infrastructure Development	242,679,297
479	National Parliament	5,000,000
480	Ministry of Forestry	25,115,767
481	Office of the Prime Minister and Cabinet	25,599,999
483	Ministry of Police, National Security and Correctional Services	17,300,000
484	Ministry of Provincial Government and Institutional Strengthening	48,750,000
485	Ministry of Lands, Housing and Survey	44,987,000
486	Ministry of Development Planning and Aid Coordination	12,550,000
487	Ministry of Culture and Tourism	25,000,000
488	Ministry of Commerce, Industries, Labour and Immigration	12,130,000
489	Ministry of Communication and Aviation	15,360,000
490	Ministry of Fisheries and Marine Resources	24,990,000

491	Ministry of Public Service	3,000,000
492	Ministry of Justice and Legal Affairs	5,100,000
493	Ministry of Home Affairs	3,524,000
494	Ministry of National Unity, Reconciliation and Peace	10,740,000
495	Ministry of Mines, Energy and Rural Electrification	24,261,317
496	National Judiciary	3,000,000
497	Ministry of Women, Youth, Children's and Family Affairs	4,000,000
498	Ministry of Rural Development	335,000,000
499	Ministry of Environment, Climate Change, Disaster Management and Meteorology	14,500,056
	<b>TOTAL SIG FUNDED DEVELOPMENT ESTIMATES</b>	<b>1,141,280,722</b>

**TOTAL EXPENDITURE                    \$4,060,253,863**

**NOTE:** In addition to this Appropriation Bill a further \$122,768,348 is forecast to be expended through other heads of statutory power, including the \$105,810,904 to be expended on National Debt Repayments. These Statutory Appropriations are explained in the Budget Strategy and Outlook (Budget Paper 1) and the Recurrent Estimates Document (Budget Paper 2) and are appropriated by existing legislation and/or the Constitution.

**SECOND SCHEDULE**

(Section 5)

**COLUMN 1****COLUMN 2****COLUMN 3****GOVERNMENT  
BORROWING LIMIT****USE OF FUNDS****SOURCE OF FUNDS**

\$300,000,000

To include:

Multilateral, bilateral and  
other financial institutions.(a) Rehabilitation and  
recovery program costs.(b) Development projects in  
natural, economic and  
infrastructure resources.

## 2015 APPROPRIATION BILL 2015

### OBJECTS AND REASONS

The object of this Bill is to authorise expenditure of four billion, sixty million, two hundred and fifty three thousand and eight hundred and sixty three dollars for the services of the Government in respect of the year 2015.

There will be no net domestic borrowing in 2015, unless Short-Term Discount Securities are issued in accordance with section 71(4) of the *Public Financial Management Act 2013* to deal with exceptional circumstances like a major economic shock or natural disaster.

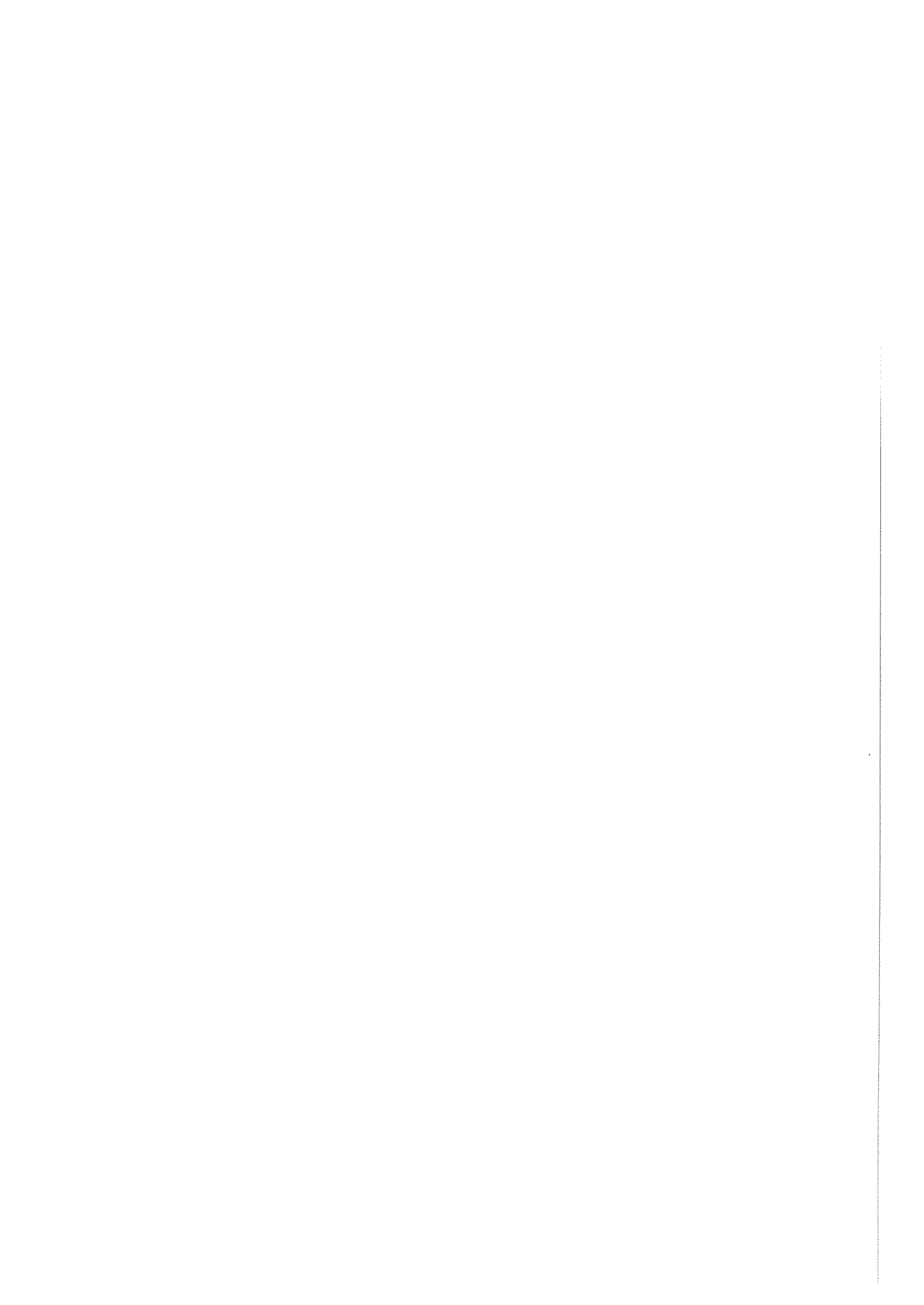
The Bill sets an annual limit on new Government borrowing, as defined in section 63 of the *Public Financial Management Act 2013*. The Bill authorises new Government borrowing, up to the specified annual limit amount, for rehabilitation and development purposes.

Provisions relating to the issue by the Ministry of Finance and Treasury of Advance Warrants and Contingencies Warrants during 2015 are also included.

The Bill should be read in conjunction with the Budget Papers provided to Parliament, including Budget Paper 1: Fiscal and Economic Outlook, Budget Paper 2: Budget Estimates Overview.

The Bill provides authority for a General Warrant to be issued by the Minister for Finance and Treasury up to four billion, sixty one million, five hundred and seventy four thousand and ninety three dollars to the Permanent Secretary of Finance and Treasury. This further allows the issue of Accounting Warrants by the Permanent Secretary in accordance with Sections 56 and 57 of the *Public Financial Management Act 2013*. The accounting warrants to be issued are outlined in Budget Paper 3: Recurrent Budget Estimates and Budget Paper 4: Development Budget Estimates.

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**MINISTER OF FINANCE AND TREASURY**



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