

MONDAY 8TH DECEMBER 2008

The Deputy Speaker, Hon. Kengava took the Chair at 10am

Prayers.

ATTENDANCE

At prayers, all were present with the exception of the Ministers for Culture and Tourism, Mines, Energy & Electrification, Environment & Conservation, Civil Aviation, Provincial Government, Finance & Treasury, Agriculture & Livestock, Infrastructure & Development and Members for Central Guadalcanal, South Choiseul, West New Georgia/Vona Vona, West Guadalcanal, Central Makira, North Malaita, Central Honiara, Lau/Mbaelelea, Temotu Vattu, Shortlands and North West Guadalcanal.

PRESENTATION OF PAPERS AND REPORTS

“The Ministry of Public Service 2007 Annual Report” (*National Parliament Paper No. 43 of 2008*).

QUESTIONS AND ANSWERS

National Security: Intelligence Unit

10. **SOGAVARE** to the Minister for Police, National Security and Correctional Services: In line with the government’s intention to improve and strengthen the country’s intelligence service can the Minister inform Parliament of:

- (a) the number of officers in the intelligence unit and their level of experience in the force?
- (b) the outcome of the review carried out into the establishment of the National Intelligence Unit?
- (c) The progress made in developing systems enhanced networking and information sharing with regional and international intelligence service?
and
- (d) What training programs were developed for intelligence officers to improve their performance?

Hon. MANETOALI: Mr Speaker, I would like to thank the Leader of the Opposition for the question.

Firstly, Mr Speaker, the current strength of the National Intelligence Unit is 19. The level of police experience by members ranges from 3 to 27 years.

Secondly, in 2004 and 2005 the Solomon Islands Police Force conducted a review of the former special branch and intelligence model used by the British Police in the colonial era. At its conclusion, the branch was disbanded and replaced by this National Intelligence Unit. This Unit comprises of both security and criminal intelligence components.

Thirdly, Mr Speaker, a network of Transnational Crime Units (TCU) have been set up in some of the regional countries including Fiji, the Federated States of Micronesia, PNG, Samoa, Tonga and Vanuatu. The Solomon Islands Police Force recently approved the establishment of this TCU. It will comprise members of the Solomon Islands Police Force, Customs and Immigration. This Intelligence Unit compiles criminal activities which are of interest to other regional or international countries and submitted to the next higher body known as the Pacific Transnational Crime Co-ordination Centre (TTCCC).

Another internal body established around 2006 after the passage and implementation of the Anti-money Laundry Act is the Financial Intelligence Unit. It is staffed by the Central Bank of Solomon Islands. A Solomon Islands Police Force Member was recently appointed to be in the team. His role is to analyze all suspicious bank transactions.

Lastly, Mr Speaker, the Solomon Islands Police Force did not have any specialized training program for intelligence officers since establishing the new National Intelligence Unit. However, in recognizing this need a training package was prepared at the Police Academy and will be conducted in February or March 2009. This will be for current officers and new officers to be appointed into the Unit. There were however, short workshops and trainings attended regionally. Thank you Mr Speaker.

Mr SITAI: Mr Speaker, can the Minister inform Parliament as to whether or not expatriate advisors are attached to this Intelligence Unit? If so, how many and what are their roles?

Hon. Manetoali: Mr Speaker, the answer is yes. I do not have the record of the number, and their work is related to international intelligence.

Hon. Sogavare: Mr Speaker, I just ask if the Minister cannot provide that information now, can you assure Parliament that you will produce that to Members of Parliament.

Hon. Manetoali: Mr Speaker, yes.

Hon. Sogavare: Sir, thank you for that assurance. The training package is very important. In fact the government is committed to establish that training program between March of 2008 and December 2008. I just want to remind the Government on that. Can the Minister assure Parliament that training will actually happen and whether we have budgetary provisions to actually support that training, Mr Speaker?

Hon. Manetoali: Mr Speaker, I would like to assure the House that training will go ahead in February and March 2009.

Hon. Sogavare: Sir, can the Minister further elaborate his answer to part (a) of the question that 19 officers experiences ranging from 3 to 27 years. Can the Minister further breakdown those 19 officers on how many years of experience. It ranges from 3 to 27 years, but can we have a further breakdown on that particular information?

Hon. Manetoali: Mr Speaker, can I ask the Leader to repeat the question again?

Hon. Sogavare: Intelligence work is very, very important, in fact, it is lifeblood of the country in terms of security. The Prime Minister should always be kept informed of situations in the country. That means people who manned this unit must be people with vast experiences. Three (3) years, in my opinion is very less in terms of people that need to mann this very important unit. The Minister when he answered the question said that there are 19 people working in that unit with experience ranging from 3 to 27 years. Can the Minister further breakdown those 19 officers and itemize what experiences they have. If you cannot produce it now then maybe you can produce it to the pigeonholes.

Hon. Manetoali: Mr Speaker, at the moment I do not have the answer on how many years experience do each of the 19 officers have, and so I will have to provide the answers in the pigeonholes.

Hon. SIKUA: Mr Speaker, I just want to add to what the Minister has mentioned in terms of answering part (a) and (d) of that question. I just want to assure the

House that in relation to the current level of experience of officers and the intelligence reporting that is available to the National Security Council, the reporting has been of a very high standard. I am very alert and aware of what is going on, not only inside Solomon Islands but also outside of Solomon Islands. I want to assure the House of that very high level reporting by the Intelligence Unit to the National Security Council.

In terms of part (d) of the question on training programs to develop and improve performance of our intelligence officers, I just want to mention that a package the EU is putting together in supporting the recruitment of our Police Commissioner from the UK, is not only to assist us with the salary package of the new Commissioner of Police but it also comes with a training package as well that will ensure the training of our senior officers including officers of the Intelligence Unit in relevant training institutions in the United Kingdom. Mr Speaker, thank you very much.

Mr WAIPORA: Mr Speaker, supplementary question. When this country passed from the district administration system to the provincial government system, there used to be weekly or monthly intelligence report that they have with the head of the provincial government on what is going on in our country. Is this system still maintained in all the provinces or not?

Hon. Manetoali: Mr Speaker, intelligence report to the Security Council is done nearly every week. In regards to the provinces, it is between the Premier and the PPC who work together on that.

Hon. Sogavare: Mr Speaker, before I ask a supplementary question, it is good to hear from the Prime Minister that at last we have some improvement on reporting because when I was there that Unit in the Police only reports crimes that are happening in Solomon Islands, and that is why we were thinking about establishing another intelligence unit in the Prime Minister's office, which should report on national intelligence on developments happening outside of Solomon Islands, which affects the security of the country. But it is good to hear that the reporting is starting to improve.

The supplementary question I want to ask, Mr Speaker, is when the former Special Branch was dismantled, how many former special branch officers were taken up in the new Intelligence Unit, Mr. Speaker.

Hon. Manetoali: Mr. Speaker, currently I do not have an answer to that. But I will provide that through the pigeonholes of Members of Parliament.

Hon. Sogavare: Mr. Speaker, with all the assurances by the Minister that he will supply that information, I thank him for answering the questions.

Police: National Crime Prevention Council

11. **Hon. SOGAVARE** to the Minister for Police, National Security and Correctional Services: In line with the government's intention to strengthen community policing can the Minister inform Parliament of the progress made in the implementation of the following strategies:-

- (a) Establishment of the proposed Solomon Islands National Crime Prevention Council? and
- (b) Formation of crime prevention community committees in communities throughout the Solomon Islands?

Hon. Manetoali: Mr. Speaker, I would like to thank the Leader of Opposition for this question. The establishment of the proposed Solomon Islands National Crime Prevention Council is a policy of this government that we will continue to pursue in the New Year.

Following various consultation between the Solomon Islands Police Force and other stakeholders, a draft charter suggesting membership of the proposed Council has been prepared. The Government is presently considering the appropriate legal and administrative structure for the Council, which will see the Council formerly established in 2009.

Total crime prevention committees set up throughout Solomon Islands are as follows:- Honiara, has 10 crime prevention committees; Guadalcanal Province has 5 crime prevention committees; Makira Province has 5 crime prevention committees, Western Province has 10 crime prevention committees and Malaita Province has 5 crime prevention committees.

Hon. Sogavare: Can the Minister apart from legal and procedural questions, what are the reasons why the government cannot establish the Solomon Islands National Crime Prevention Council which is scheduled to be established between March 2008 and December 2008?

Hon. Manetoali: Mr. Speaker, these crime prevention committees were established in the last six to twelve months. There are no specific criteria in establishing crime prevention committees, however, considerations include crime rates, committees willingness and commitment to have a CPC and communities have no legal powers and powers is based on the bond of respect

from communities. In fact, the crime prevention committees (CPC) was established in the last six to twelve months.

Hon. Sogavare: Mr. Speaker, in the answer of the Minister earlier on, he said that the national crime prevention council is not established yet. In terms of structure, how do the various crime committees fit into the structure? Would it be right to say that the National Crime Prevention Council is a national body and the communities and may be provincial crimes committees are units that are part of the structure. In that case would it be right to say that we should first have the National Crime Prevention Council. It must be established first so that it gives some meaning on the structure of the various crime prevention committees intended to be established throughout the provinces and communities?

Hon. Manetoali: Mr. Speaker, the plan is to set up the committees first so that we can see how they work first. But this council will be established by legislation to formally recognize the committees that were set up 6 to 12 months ago. Thank you, Mr. Speaker.

Hon. Sogavare: Mr. Speaker, thank you very much for the assurance that something will be established in 2009. Can the Minister assure the House that it will happen and whether we have financial resources or budgetary allocations to actually support the establishment of the National Crime Prevention Council and how many people are we looking at to man this National Crime Prevention Council, Mr. Speaker?

Hon. Manetoali: May I ask if it is the Council or the committee that the Leader of Opposition is referring to?

Hon. Sogavare: Mr. Speaker, I do not have any problem with the communities committee because the Minister said that they have established a number of committees. The problem is the national body, the National Crime Prevention Council, which to me it is more sensible that this Council is first established. The Minister said that in 2009 we should be able to see the establishment of that Council. I want the Minister to assure this House that that will happen in 2009 and that there is budgetary support in the 2009 Budget to support the establishment of the National Crime Prevention Council and the human resources to man that office. Thank you.

Hon. Manetoali: Mr. Speaker, yes I would like to assure the House that the Council will be formally established in 2009. Thank you.

Hon. Sogavare: Mr. Speaker, with that assurance, I thank the Minister for answering the questions.

Foreign Affairs: Cooperative Agreement with Iran

48. Mr. OTI to the Minister for Foreign Affairs and External Trade: In relation to the cooperative agreement, supposedly already entered into, with the government of Iran, can the Minister inform Parliament of:-

- (a) The content of the Cooperative Agreement,
- (b) Whether Cabinet authorized the Minister prior to engage with relevant authorities in Iran under this Cooperative Agreement?

Hon. HAOMAE: Mr. Speaker, I thank the Member for Temotu Nende for the question.

Mr Speaker, no agreement let alone a cooperative agreement was signed with Iran. But a memorandum of understanding was signed and therefore to do justice to the question, I respectfully ask the Honorable Colleague to resubmit the question based on a memorandum of understanding and not cooperative agreement. Thank you, Mr Speaker.

Mr Oti: Mr Speaker, since the Minister said that there is no cooperative agreement between Solomon Islands and Iran instead there is a MOU. Can the Minister inform Parliament what is the substance and contents of the memorandum of understanding, Mr Speaker.

Mr Speaker: I think the Honorable Minister has requested maybe a new question on the memorandum of understanding so that he can prepare an answer to it.

Mr Oti: Mr Speaker, the Minister would have the MOU with him, and so I see why he should not tell us or tell Parliament the content of the MOU.

Hon. Haomae: Mr Speaker, the MOU will be the subject of a new question, and that is the reason why I requested, respectably requested my colleague to submit a new question concerning the MO and I shall prepare the question and answer it. Thank you, Mr Speaker.

Mr Speaker: Thank you Honorable Minister. I think I have made that very clear. The Minister is prepared to give an answer on a new question based on

the memorandum of understanding. On that basis a new question can be asked because the Minister is prepared to answer it. Maybe the Minister can go ahead and answer part (b) of the question.

Mr Oti: Mr Speaker, part (b) would be redundant because it is in relation to the cooperative agreement. So I accept the Minister's reluctance to respond to the question. I accept him answering that question framed on the basis of a MOU at a later date. Thank you, Mr Speaker.

External Trade: Bulk Fuel - Venezuela

49. **Mr Oti** to the Minister for Foreign Affairs and External Trade: Can the Minister inform Parliament on the progress of any official contact with Venezuela for the importation of bulk fuel to Solomon Islands or through Solomon Islands?

Hon. HAOMAE: Mr Speaker, I again thank my colleague and friend, Member for Temotu Nende for this important question.

The following has been formulated to provide an answer to the question. Mr Speaker, the government has made formal representation to Venezuela since coming into office. Talks between the Pacific and Venezuela are scheduled for December 2008 in New York, this month.

In September 2008, my Ministry received technical data on national energy capacity from the Ministry of Mines, Energy and Rural Electrification. The data was since submitted to the Venezuelan authorities at their request. Progress has been slow at this stage as Venezuela has just recently concluded its National Elections last month. They have also appointed a new Ambassador in New York who has assumed office only three months ago. Our Ambassador in New York has been in touch with him and reaffirms Solomon Islands interest to begin discussion on the issue. The concept being mooted here is similar to the petrocaribe. Mr Speaker, petrocaribe is a Caribbean oil alliance with Venezuela. We are still waiting for the details of the arrangements but from research it allows Caribbean nations to purchase up to 185,000 barrels of oil a day. It further allows countries to pay for part of the cost of its products such as bananas, rice and sugar. As soon as we receive the concept paper we will refer the matter within the government system to look at our options.

It is a government to government arrangement hence cannot be pursued through intermediaries. It is hoped a Pacific arrangement, petropacific arrangement would be applicable to our region in the Pacific.

Mr Speaker, I hope to travel to Venezuela to further pursue the matter in the first quarter of 2009. Venezuela at the moment is fully engaged with the financing for development in Doha, a development conference in Doha to which our Deputy Prime Minister had led our delegation and has just returned. Thank you, Mr Speaker.

Mr Oti: Supplementary question. I thank the Minister for his response. Since Solomon Islands has engaged with Venezuela on this issue, apart from other aspects of technical cooperation, the potential and the possibility for bulk fuel import into the Pacific and so on, the said discussions took place when the price of oil was relatively high. Since the drop in the price of crude oil, is it not going to affect the ongoing discussions for the import of bulk fuel?

Hon. Haomae: Mr Speaker, the Ambassador in New York is involved in the discussions, and I have not as yet received any information to that effect. If I receive the report about that, then I shall be more informative in answering the question by the Honorable colleague. At the moment I will be speculating or expressing opinion on that. Thank you.

Mr Oti: Mr Speaker, I thank the Minister for his response to the question.

Questions No. 58, 59 & 110 deferred

BILLS

Bills – Committee of Supply

The 2009 Appropriation Bill 2008

Mr Speaker: Honorable Members in accordance with the adjournment on Friday, the House will now resolve into a committee of supply to commence with its consideration of the 2009 Appropriation Bill 2008.

Parliament resolves into the Committee of Supply

Mr Chairman: Honorable Members we are now in a Committee of Supply to consider the 2009 Appropriation Bill 2008. As usual we will first consider the Schedules Head by Head before we consider the clauses of the Bill.

We will begin with the first Schedule, Head 270 - Ministry of Agriculture and Livestock Development, page 8 of the Recurrent Estimates and page 5 in the Bill itself.

According to Standing Orders there is a maximum of four (4) days to complete our business in the committee of supply and since this is our first day I will not impose any time restrictions but will watch our progress closely. If we do not make good progress today or on another allotted day, I might have to exercise my discretion under Standing Order 63(3) and limit the discussion on each Head to a fixed time so that we do not end up rushing proceedings on the final day.

Lastly, please be reminded that when we consider each Head, under Standing Order 64(3) there are a few rules we might adhere to, that is to say:

- any debate on a Head must be confined to the policy of the service for which the money is to be provided.
- the debate must not deal with the details of any item or sub head, and
- reference, however, maybe made during the debate to the details of the revenue or funds for which that service is responsible.

Honorable Members we will now proceed to consider the First Schedule.

Head 270 - Ministry of Agriculture & Livestock Development

Hon. Sogavare: Mr Chairman, can the Minister confirm that we actually start on page 10. There are no allocations on page 8.

Hon. Riumana: Mr Chairman, that is confirmed.

Hon. Sogavare: Mr Speaker, I need to get your ruling right. I assume that one of the roles of the Committee is to ensure that the allocations are adequate.

Services that are proposed by the government and outlined in the budget seem to be inadequate because we have identified a lot of areas that seem to be under supplied. I just want to be clear on the ruling there, Mr Chairman.

This is just to get more clarification on the ruling you made earlier on so that we are clear on how we are going to approach this committee.

I thought that one of the roles of the Committee is to ensure that the allocations are adequate to keep government services going. Is raising issues like that qualified?

Mr Chairman: I accept that that can be questioned so that the Minister can clarify any doubts.

Hon. Sogavare: Mr Chairman, thank you very much. Can the Minister confirm whether allocations for emoluments on page 10 correspond with pages 1 to 3 of the Establishment Register that is distributed to all Members of Parliament so that we are clear of the allocations on page 10 - the emoluments?

Pages 1 to 3 covers areas like the Headquarter Admin, Supporting Services - Headquarter Administration Services, Finance and Accounts Services, Planning, Land Use development, Agriculture Information, Agriculture Extension and Training, all of these are listed as the subtotal of headquarters. Can the Minister confirm that the allocation to emoluments relate to the establishment register from pages 1 to 3?

Hon. Riumana: Mr Chairman, the emoluments are divided into respective departments, and that is why there is a reduction in Headquarters and Admin. There are allocations in the respective departments.

Hon. Sogavare: Mr Chairman, maybe a policy question right from the beginning so that this question does not come up again or maybe when it comes to the relevant ministries we will probably need Ministers for clarification, and that is the vacant posts. Mr Chairman, may be the Ministry of Finance can sort this one out so that we are clear from the beginning. Are vacant posts budgeted for in the 2009 budget?

Hon. Rini: Can the Leader of Opposition repeat the question please?

Hon. Sogavare: Mr Speaker, I am raising a policy question on how the budget is structured in terms of the vacant posts.

Are the vacant posts also budgeted for in 2009? There are almost 200 vacant posts and if you add on another 200 new posts plus posts that were not filled last year, quite a very big number of posts are still either new posts created or are vacant posts of last year carried forward to 2009. Can the government clarify whether these vacant posts are budgeted for in the 2009 Budget?

Hon. Rini: Mr Chairman, the vacant posts are not budgeted for in 2009.

Hon. Sogavare: Mr Chairman, can the Minister confirm again that the posts are not budgeted for next year?

Hon. Rini: Mr Chairman, yes, I confirm that they are not budgeted for this year. The actual people on post were budgeted for this year but not the vacant posts.

Mr. Waipora: Mr Chairman, may be the Minister has already answered this concern, but I want to be satisfied because on page 10 is headquarters and administration and it is drastically reduced by \$1million plus. What is the Minister's explanation on this? It is reduced drastically, but these are administrators and that is why I want to know. If it is divided to other divisions then only the technical and professional people should be divided, and not administration, and this in regards to page 10.

Hon. Riumana: I think I have answered this question, and I wish the Member had concentrated on our session today. This reduction has been shared to other departments of the Ministry. It is not grouped in the administration department but has been distributed to other departments.

Hon. Sogavare: I thank the Minister of Finance for making that clarification. In fact, that answer by the Minister will raise more questions as we go along. Because the way we look at this budget is that all these posts are actually budgeted for. May be to avoid any confusion, can the Minister really confirm to us that they are not budgeted for. Like for example in the Ministry of Agriculture and Lands, I will show you the calculations later on but there is an apparent over budgeting of payroll by \$1.3million, even after accounting for vacant posts. We want to be clear on that. If they are not budgeted for then the Minister really needs to clarify to Parliament the recruitment program for next year because ministries actually come up with an additional 200 posts saying to the government or to this Parliament that they need these additional 200 people. This is not talking about posts that were vacant in 2008, which is if those 200 are added vacant posts would be very high. And if government does not provide for these vacant posts then you will not be able to recruit people next year. We need to be clear about this right from the beginning.

Hon. Tozaka: That is a valid point raised by the Leader of Opposition. I can assure the Leader of Opposition and I thank him also for recognizing the importance of budgeting and that it is a realistic budget. I think we want to make sure that this happens.

Our experience in the past is that we have vacant posts but they did not reflect the reality what's going to happen is that we have agreed with the Minister of Finance that we will look at what we cannot fill next year. But when there are needs there and ministries will justify them and then the public service

will facilitate the vacancy posts. We have to fill the posts realistically. It does not mean that the vacancies are not going to be filled. We are trying to have a realistic budget and that is why they are not budgeted for. We are flexible about it, and we are aware of it. The government's objective – we will fill the vacancy when respective ministries come to the Ministry of Finance and so as my Ministry to facilitate vacant posts respectively.

Hon. Sogavare: May be as we go on the position will become clearer. Page 10, Mr Chairman, item 270-0022011 - electricity and gas. Is this real cost or it also includes arrears? There is an allocation of \$2million there.

Hon. Riumana: Mr Chairman, that accounts for a standby generator.

Hon. Sogavare: I think we are looking at different items. What I am talking about is electricity and gas for \$2million. The simple question, and it applies throughout is that are we picking up arrears or real costs for electricity next year. May be the Minister of Finance should help out on this because of the way they structure the budget.

Hon. Rini: Mr Chairman, the figure you see in 2007 are actuals and that budget in 2008, the original budget was \$489,000, which is not enough and so during the supplementary it was increased to \$1.9million. The figure in 2008 is \$1.9million, the figure in 2007 actuals is for 2007 plus the arrears.

Mr. Wapora: Mr Chairman, I still stick to my question, and I am not satisfied with the answer. For example, if you come to veterinary and livestock and agriculture research, does it mean all those divisions have clerical officers, CAOs and chief accountants and that is why there is a reduction on administration and headquarter with that amount.

What I mean is that unless headquarters divided up the administration people - the CAO, the clerical officers and the senior administrative officers, which is what I am questioning. There is a reduction in salaries. I want to know under the different divisions whether the CAOs or SAOs were transferred. That is what I am questioning because if that is not the case then this amount will still reduce.

Hon. Riumana: Mr Chairman, I thank the Member for his very valid point and I thank him for his clarification and question.

Mr Chairman, administration is centralized, we have only one chief admin officer for the whole Ministry and each respective department consists of

technical staff. There is no chief admin officer in each of the departments. Each department has its own director but administration is centralized. Thank you.

Mr. Waipora: Mr Chairman, on the basis of that answer then it means some were made redundant because in 2008 it was \$2million and in 2009 it is \$529,075, a reduction of \$1million.

Hon. Riimana: Mr Chairman, as I said the administration cadre of the Ministry only has one chief admin officer and few supporting staff. But there are more technical officers in the technical field in each respective division, and that is why there is a reduction in administration.

Hon. Sogavare: A question on policy and the way the budget is structured on overseas trips or overseas travel. We have in the ministries overseas travels for MPS and overseas travel for public servants. There are allocations for those throughout the ministries and there is also a big allocation in the Prime Minister's office.

Mr Chairman, just a policy matter. What are the allocations in the different ministries and what comes under the Office of the Prime Minister?

Hon. Sikua: The instruction going out to Permanent Secretaries and Ministers is for Ministries to budget for their known mandatory trip overseas under their ministries. For example in the Ministry of Agriculture this \$200,000 is for the FAO meeting. Any other ministries that know they have to go to a particular international meeting in that year has to be budgeted for in their own ministries because that is a mandatory known meeting that they have to attend. What comes under the PMO is something that you may not know in your calendar for the year but it is a must to attend in the national interest. That kind of situation comes under the PMO. That is the instruction that went out when we were talking about the budget for 2009. You will see right throughout the ministries that they have allocations for overseas travel for Ministers and PS's to pay for their known mandatory meetings in the course of the year. What comes under the PMO is to cater for any unknown trips but important for Ministers to attend or indeed Members of Parliament. Thank you Mr Chairman.

Hon. Sogavare: Mr Chairman, what I want to raise is probably on that page because it occurs throughout the various ministries, and when it comes to one particular ministry it gets very serious, and that is the NPF deductions from the emoluments of public servants that are engaged in the various ministries. I do not know how they are calculated, and in fact I will put this issue to the

government and later on we need to discuss how we are going to address it because as it gets to the other ministries it becomes very serious.

Mr Chairman, like here on page 10, 7.5% of these figures - public service salary, housing, special duty allowance, overtime allowance, 7.5% of those is \$49,712 but the allocation there is only \$47,000. This happens throughout and so I do not want to raise this issue again when we get to the Ministry, but I do not want you to hold up the proceedings of the committee. But I think it is very important in the sense that, and I hope deductions to NPF is a statutory expenditure and so they are not voted upon. But that does not mean we do not have any concern on them because it reduces the amount of resources that is available for other services. It is an automatic mandatory payment that must be done when approval allocations to pay these things. I just want to raise this.

Here it is \$1,984 less in NPF provisions on allocations of those people working in this Ministry, in that particular unit, and it happens throughout. In certain ministries it is \$6million or \$8million. I want to raise this at this point in time so that the Minister takes note of it, and we will highlight this as we proceed. The wisdom of the government is how this is going to be addressed because it eats up.

What we are actually saying here is that if you deduct \$164million from \$194 you would only have \$30million of other statutory expenditures. I assume that that includes NPF reductions. Already there is an under provision of NPF that almost reach 20million. I just want to raise this issue at this point of time and we will just highlight the ministries affected as we go on and then maybe the Minister can clarify at some point in time what are we going to do about it. Thank you.

Hon. Riumana: Mr Chairman, that is a very good point that we will take note of. We will try and see how we can implement it in the 2010 budget.

Mr. Oti: Mr Chairman, second to the last item on page 11 Head 270-002-6526, trade market facilitation. Can the Minister clarify what is this allocation of \$150,000 that appears in this year's estimates? The Minister to explain what this is for. I also know that it is also accommodated somewhere in one of the pages and so I want clarification first on this one on page 11.

Hon. Riumana: Mr Chairman, I thank the Member for this very good question. The trade market facilitation allocation there is basically to meet the World Trade Organization requirement in terms of developing import and export protocols.

Hon. Sogavare: Just a follow up on my question. It is very important for the Minister to clarify because as he pointed out it also appears under other heads. In fact on page 19 the same things listed here, in fact from on-farm and on-station research, pesticide registration, trade market facilitation, incinerator/fumigation chambers, all those items are repeated again on the other side, and I think the appropriate question is, what are these things have to do with MAL Admin, headquarters and admin? I think they more fitted to other appropriate divisions. Why are they here on allocations for headquarters and administration, Mr Chairman?

Hon. Riumana: Thank you for that question. On the case of trade market facilitation, this is a new budget head. If you add this one on page 11, added with the other one that I made reference to, it adds up to the total bid request by the Ministry.

Hon. Sogavare: Mr Chairman, I am trying to connect how that fits in with admin/headquarters because my understanding is that those at the headquarters are dealing with office work and how to administer other implementing units and divisions, and so you will find things like the accounts section is there, the admin section there, and so on. Are we going to break this down and then show \$100,000 under admin and then under quarantine division the trade market facilitation is also shown in there. What is the rationale there?

Hon. Riumana: Mr Speaker, basically what appears under respective department caters for logistic support of the department related to an activity and what appears in administration and headquarters seems to be actual facilitation of a particular community.

Hon. Sogavare: Item 0026501 – page 11 - Solomon - Islands Plantations Limited there was an allocation in 2008 for 106 and in the revised budget it is zero. Do we take that to mean that that particular activity was discontinued in 2008? What is this \$16,699 allocation to that particular item for? It stands against the narration of the Solomon Islands Plantations Limited.

Hon. Riumana: Mr Chairman, I thank the Leader of Opposition for that question. The SIPL is the name being used in the budget, and this is basically to cater for meetings and conference of landowners' resource owners' meetings and conferences.

Mr Waipora: Mr Chairman, my question is on farm and on station research. Where are on stations research now so that \$500,000 is provided for them? The Leader of Opposition talked about earlier on today that they seem to be on wrong pages or wrong Heads but I do not want to ask the question on that. But I want to ask a question on on-farm and on station research, where is research done now, like previously it was at Dodo Creek.

Hon. Riumana: Thank you for that question. Wherever the Head is, it still belongs to the same basket, it belongs to the SIG. The on farm research refers to actual activities done on a farm. On station research refers to field experiment station and this refers to Neuwi, for example, or another one in Marau and another one in West. Field experiment station is referred to here as station research.

Mr Tosika: Mr Chairman, the policy of the government is to encourage Auluta to start soon to negotiate with landowners and so forth, but I see zero balance there. There is no figure allocated for administrative costs. Does this mean you will hold the Development Budget to take up the Auluta Basin project?

Hon. Riumana: Mr Chairman, allocation for Auluta is in the Development Budget.

Hon. Sogavare: Mr Chairman, just a general question. I know we are not voting on fees and charges but if we do not collect them we would not be able to finance the budget. When was the last review of these fees and charges? We do not know when they were last reviewed.

Hon. Riumana: Mr Chairman, charges and fees have not been reviewed for quite a distant period of time and we are currently working on reviewing these charges. So far we have reviewed quarantine fee charges and now we are working on reviewing the pest chemical administration regulatory functions and then we will move on to veterinary and livestock. Currently there is no Chief Veterinary Officer available in the country.

Hon. Sogavare: Thank you for the explanation. The emolument Heads ranges from 03331010 to 1015 on page 14. Can the Minister clarify to us that that particular unit - livestock and vet, the establishment there has actually increased from 17 to 21? Most of those allocations, in fact, has happened to a number of ministries and maybe this question will continue to come up until we have some

clear answers about them. Even to see posts increase, we assume the allocations should be enough to cater for that.

I just did some rough calculations on the levels put against the posts and that rough calculation shows that you would need at least about \$800,000 to cater for these 21 people. Are you sure, Minister, that that allocation of \$691,508 is what you actually need to support the service of the Veterinary & Livestock Unit?

Hon. Riumana: I wish to thank the Member for that very important question. One of the reasons for the increase in post is because of recruitment, as the Member has rightly said. We are also working on recruiting a Chief Veterinary Officer because as you can see on fees and charges there is a reduction because we are no longer providing that service since we do not have a qualified Veterinary Officer in the country. There are only two qualified Vet Officer but they are currently on private practice and therefore this activity is being taken up by those private enterprises. However, the Ministry is trying to recruit a Chief Veterinary Officer. Thank you Chairman.

Hon. Sogavare: Again, I want to point out to the Minister of Finance on this allocation on NPF on civil service salaries there is a shortfall or an under budget by \$3,069.

The other question directed to the Minister is in regards to wages. If you look at the non-established workers they remain at 13, on page 12 of the establishment register. Can the Minister explain why there is a reduction there when the number of post remains the same?

Hon. Riumana: Mr Chairman, we are anticipating four workers to be retired very soon because they have reached the retirement age.

Mr Tosika: Head 270-0334-205 – Fuel. I noted that it is only \$345.00, but if you look at the other pages it is seventeen. My concern is on research because research should use more fuel to go around doing research. This \$345 is enough for just one refill.

Hon. Fono: I think if our eyes are unable to read then I think we should use another book to make a straight line. Fuel there is \$34,000 and not \$345.

Mr Tosika: Mr Chairman, I am sorry, I think I am referring to promotion. But again on promotion, today printing is very expensive and \$345.00 cannot meet any printing at all.

Hon. Riumana: I thank the Member for that question. The shortfall there will be taken up by RDT, the Rural Development Program which will also take up some movement costs or publication costs. Also any project related to publication will be met by the project. Thank you, Chairman.

Hon. Sogavare: Just for the Minister to explain civil service salaries because only three new posts are created for 2009 on this particular unit. Why is there an increase of \$1million here? In fact, it is \$749,000 increase in civil service emolument allocation.

Hon Riumana: Mr Chairman, is the Member referring to page 17 or 18?

Hon. Sogavare: Mr Chairman, I am referring to page 16. In fact, if you look at the register you have distributed there were only three new posts created, but the increase there is \$749,000.

I am still picking on this because I feel that if the allocations here are for vacant posts then it will make sense to me because there are big, big increase on these various Heads when there is an apparent either reduction or posts remain the same and besides there are posts that are vacant.

Maybe some kind of explanation, a general explanation would help us not come back to this question again because it is clear here that if you look at Agriculture Research here there is a very substantial increase here, which does not justify the number of posts created for 2009.

Hon. Riumana: Mr Chairman, that increase is to cater for five new staffs in the Livestock Department. Thank you.

Mr Oti: Mr Chairman, can the Minister explain again because the previous question by the Leader of Opposition is on Agricultural Research and Livestock is different. So there are three issues here. In fact there is only one new post for next year, two vacant posts for this year are now budgeted for next year. With those three posts the additional money for it is \$749,000 if it was and if it is an increase over and above last year's allocation. These three new posts cost \$749,000. This is on page 16, right at the top there, item code 270-0334-1010 - Civil Service Salaries. If you look at page 8 and 9 of the establishment you will see that this year's establishment is 28 and next year 3, and so commonsense tells you that there are 3 new staff. So are these 3 new staffs will cost \$749,000?

Hon. Riumana: That increase caters because our oil palm project also comes under research and that increase caters for new recruitments to look after oil palm projects.

Hon. Sogavare: In fact that makes more sense.

Hon. Tozaka: In addition to what the Minister for Agriculture said about civil service salaries. I find that this year my Ministry caters for supernumerary posts on training. The salaries of our officers undergoing in-service training are catered for under Public Service Head. Now we have transferred that back to respective ministries and that is why you will see this reflected in their Civil Service Salaries; those undergoing training, their salaries are now being catered by respective ministries.

Hon. Sogavare: Mr Chairman, we just need to reconcile those two answers. What the Minister for Public Service has just said is that the current increase here is to cater for supernumerary posts, and what the Minister said is that this increase in allocation is for the five (5) vacant posts in this particular unit. There are two different answers that we now have. Which one is the true answer?

Hon. Tozaka: Mr Chairman, I think the answer to that is both of them, both of them are relevant to the question. What will happen now is the process of variation that where it is found there is shortage in some heads there will be variation. But I think the important thing here is the baseline, and this is within the baseline.

Hon. Rini: To add to that. Mr Chairman, you will see increase in wages and salaries as we go along, and this is partly due to adjustment of the minimum wage this year and so that will increase the baseline of the current staff. Also the award to Public Service of COLA of about 5% and so as we go along we will see there is an increase in salaries and wages.

Hon. Sogavare: Mr Chairman, that we can understand does not form the basic salary component of public officers. Maybe the Minister should clarify that it should come under other allowances or is it the case that COLA formed the basic salaries of those posts or is it something we pay in addition to them based on the movement of the price index or whatever. COLA is actually the cost of living adjustment and the assumption is that if the cost of living goes down then the COLA should be discontinued in the next budget.

Are we saying that the COLA, for example, is something in addition and over and above to cater for an environment? Does it form part of the basic salary or is it something paid in addition.

We can understand the increase in minimum wage, which basically fits into the basic salary, but not the cost of living adjustment.

Hon. Rini: Mr Chairman, we catered for that increase even in this year's budget in the basic salaries. The budget this year has really increased by 10 to 15%, which includes the cost of fuel, and so you would see in other charges that there are increases there and also on wages and salaries about 50% to 5% on the increase to wages and salaries.

Hon. Sogavare: Mr Chairman, maybe at this point in time we will accept the explanation because \$749,000 is enough to cover the explanation that is given to us. So I thank the Ministers for the answers.

Mr Waipora: Mr Chairman, page 16 on Laboratory Space Rent for \$150,000 and Protective Clothing and Safety Equipment. I am just curious to know where is this Laboratory Space Rent that is going to cost the government \$150,000 in rentals.

On protective clothing and safety equipment for \$15,000 is that amount adequate to pay for the protective clothing of staff. I think it will cost about \$30,000 or more and not \$15,000. Thank you, Mr Chairman.

Hon. Riumana: Mr Chairman, the \$15,000 allocation for protective clothing is quite a satisfactory amount because not every staff will be provided with protective clothing this year because some of them already have their protective clothing in last year's budget. Those who did not get any protective clothing this year will be catered for in next year's budget to be provided with protective clothing.

In terms of Laboratory Space Rental we are currently renting a space for laboratory functions and most of our lab tests are sent abroad because the machines have been destroyed during the tension. That too caters for this cost.

Mr Oti: Mr Chairman, can the Minister clarify the item on the top of page 17, item code 0334-3505 - establishment of Meteorology Stations. What is this and how different is this one from the Met Stations that we now have under the Ministry of Meteorology or is it the same thing. I just want your clarification, Minister.

Hon. Riumana: These stations are basically to collect rainfall data, distribution of rainfall data, rainfall patterns, record of sunlight, humidity and also to record clouds. And this will make the planting of crops easier during rainy season and dry seasons. We also need to know the pattern of insects or diseases that happen during the dry season and wet season.

Hon. Sogavare: Mr Chairman, item 0334-6157- can the Minister explain how this support will be administered and utilized.

Hon. Riumana: Commodities that have been identified for export, we will put extra support on that particular commodity that has been identified for export, and that is the purpose of this fund.

Mr Oti: Once again revenue can affect what we can commit to expenditure. The Minister in his earlier response to the question by the Leader of Opposition in terms of the level of fees and charges said that they are reviewing the charges and fees but there is a reduction in quarantine/fumigation fees. Is this as a result of the review?

Hon. Riumana: I think the new fees for new schedule for quarantine has been implemented as of this month, and that is why the increase in income.

Hon. Sogavare: Mr Chairman, again I want to raise this for the Minister of Finance to note on the NPF statutory allocation, which is less by \$4,393, 7.5% of those items work out to \$159,477, not \$155,084. There is an underestimation there by \$4,393. I just want the Minister to take note.

For the Minister responsible for the Ministry, on the emolument allocations, I just want the Minister to put our minds at ease, maybe the same reasons again, only six new posts in 2009, but there is an increase here of allocation by \$665,000. Can the Minister put our minds to rest on this concern?

Hon. Riumana: Mr Chairman, that increase is to cater for recruitment of two snail surveillance, two post entry quarantine and one operator. Most of these positions are not very high positions and therefore that slight increase.

Hon. Sogavare: Mr Chairman, the Minister has already explained page 19 and so we will take it as explained, but those allocations appear twice and so we are quite comfortable with that explanation.

On page 20, this unit existed in 2008. If you look at the establishment register they also exist in 2008. Can the Minister maybe put our minds at ease as

to where they have been accommodated under in 2008 so that it looks like we are establishing a new separate unit on this one?

Hon. Riumana: I thank the Member for that question. In year 2008 the Agriculture Information Unit was under Administration, but now it has been budgeted as a separate department and that is why it is shown in the budget on this page. Thank you Mr Chairman.

Hon. Sogavare: Mr Chairman, some of us operate better when these two registers or these two documents match. Can the Minister show to us because I have been trying my best to find it but I cannot see where this division is featured in the establishment register, this Agriculture Planning and Management Unit, and how many people are in this unit?

Hon. Riumana: Mr Chairman, it appears as Agriculture Planning and Land Use Development on page 2 of the establishment register. It has a total of 12 posts this year.

Hon. Sogavare: Mr Chairman, I am raising this again for the attention of the Minister of Finance, and this is page 22 on the emolument of civil service, if you add \$4.5million, \$500,000, \$145,000 and \$216,000 and you apply the rate of 7.5% deduction of the NPF you will get to \$409,361. What appears there is \$393,114, a shortfall of \$16,247. That is for the Minister to take note.

Also on wages, there is an underestimation by \$2,788, and 7.5% of the various items on emoluments is \$38,791 and not \$36,000. This is just for the Minister to take note.

The question to the Minister responsible in terms of the non established where are the non established reflected in the register? This is on Agriculture Extension and Training so that we know they really exist. That is the first question.

The second question is for the Minister to confirm to us that there is no increase in the number of workers in year 2009 for civil service, but why do we have an increase of \$2.1million?

Hon. Riumana: Mr Chairman, in the case of non established workers we have non established workers in each province. There are drivers, mechanics and cleaners in respective officers in the provinces.

In terms of staffing there will be an increase in staffing for 2009 for rice development which can be seen on page 3 of the establishment register.

We anticipate having a chief field officer (training) for rice, chief field officer (rice operation), chief field officer (rice cross harvest and marketing) and senior field officer (marketing). There are many vacant posts in the establishment.

Hon. Sogavare: Mr Chairman, page 23 maybe for the information of Parliament, the Ministry is asking an additional \$290,000 on overseas exhibitions in trade shows, item 0339-6047. Can the Minister inform Parliament of the success of the program this year and what are the specific activities we are planning for 2009?

Hon. Riutana: Mr Speaker, I think for this year they had a successful agricultural tradeshow close to Panatina Campus and that was from this Head. They anticipate doing a similar show next year. Thank you Mr Chairman.

Head 270 - \$25,725,292 agreed to

Head 271 - Office of the Auditor General

Hon. Sogavare: Mr Chairman, just a policy question. This statutory salary although we do not vote for it is a local salary component. Is the government going to recruit a local AG, localizing the post because we have a statutory allocation?

Hon. Sikua: Mr Chairman, the post is going to be localized. At the moment there is a paper coming to Cabinet on this matter for Cabinet to decide on the recruitment criteria and the process etc. We realize this is a very important appointment for one of our locals to take up. But we are careful that it is not politicized so that whoever gets the post is the best person for the post. That's why the Cabinet needs to decide on the criteria and the process of recruiting one of our locals to take over this position. Thank you, Mr Chairman.

Hon. Sogavare: Thank you for that answer. I just want the Minister of Finance to take note again that the NPF allocation of \$99,898 is a shortfall of \$4,860. The 7.5% on the civil service salaries did not take into account that statutory salary is \$104,761. Is this the same with the wages component where 7.5% of that is \$2,754, a shortfall of \$212,000? This is just for the Ministry to take note.

Mr Waipora: Page 28, I just want to ask question on audit fees. The National Government sometimes hired private auditors to audit government expenditures and in 2009 it will be \$650,000. I guess that allocation is for that purpose.

Hon. Rini: Thank you Chairman that's correct.

Head 271 - \$5,364,541 agreed to

Mr Chairman: Honorable Members, the committee of supply is suspended until 2pm.

Committee of Supply suspended for lunch break

Mr Chairman: Committee of supply is resumed and we are on Head 272, Ministry of Education and Human Resources.

Head 272 – Ministry of Education and Human Resources

Hon. Sogavare: Mr. Chairman, just on emoluments. There is a substantial decrease on emoluments. What is the policy change here? Where are the people who have been funded under this allocation gone to?

Hon. Wale: Mr. Chairman, they have been reallocated within divisions in the Ministry.

Hon. Sogavare: Mr. Chairman, in terms of revenue, can the Minister brief Parliament of what time were these fees and charges last reviewed?

Hon. Wale: Mr. Chairman, in fact a process to start review on the fees is just in the talking about stage now, and so we are hoping that in the first quarter of next year that review is well on the way.

Mr. Waipora: Mr. Chairman, what is this organizational administration? There is nil provision this year and then next year there is an allocation of \$396,000.

Hon. Wale: Mr. Chairman, this moves to the National Commission of UNESCO. It moves to code 0192-4041. Thank you.

Mr. Maelanga: I just want to ask the Minister on accounting code 272-0001-6092 - Assessment and Confirmation of Teachers. My understanding is that there are some untrained teachers who were not being paid for so many years, and the provision for 2009 is nil. Is there any allocation for confirmation of teachers in 2009? In my constituency there are many teachers who were not paid for so

many years. Some have been teaching say for up to five years without being paid. I just want the Minister to confirm to this House what this provision is for.

Hon. Wale: Mr. Chairman, I thank my colleague for East Malaita for that question. I suppose there are two parts to his question. One is, there is a teacher in training program that will address issue of training untrained teachers. Secondly, in so far as this item is concerned, it has moved to inspectorate on account code 0373-6092 on page 62.

Mr. Waipora: Page 42. I suppose this allocation to preschool on page 42 is grant for preschools. If that is so, then I want to know how much is for one preschool.

Hon. Wale: Mr. Chairman, it is calculated at \$60 per child of a preschool. Thank you.

Hon. Sogavare: Just in terms of reorganization. Can the Minister confirm where were these items from in the first place. Obviously, they exist in 2008 but in the revised budget there is zero, is not a correct picture because this unit obviously does exist. Where were they before?

Hon. Wale: Mr. Chairman, they used to be in administration.

Hon. Sogavare: Mr. Chairman, I would assume the same happens again here. Can the Minister confirm that?

Hon. Wale: Mr. Chairman, yes it is true they also come from admin. In fact you will see in most of the divisions when we go through, like your first question earlier on they have been lumped under admin and now they have been dishd out. Thank you.

Hon. Sogavare: Mr. Chairman, how many people are in this unit?

Hon. Wale: Only one and that is the secretary to the National Commission of UNESCO.

Hon. Sogavare: Mr. Chairman, can the Minister confirm whether the same arrangement also applies here that everything used to be under admin before and this one on page 148 is also the same arrangement.

Hon. Wale: Yes, I confirm that they come from admin. I am assuming that you are on page 47.

Hon. Sogavare: Yes.

Mr. Waipora: Page 48, - Early Childhood Education. I think this grant is for those people who run Early Childhood Education in the provinces or the headquarters. Is this grant to those who administer early childhood education? Or what is the situation here?

Hon. Wale: Mr. Chairman, the line item questioned by the Member for West Makira earlier on is for visit and inspection of the ECE. This provision is really a grant. Secondly, this is a new division and so it is not under admin before, and this is just for clarity. Thirdly, as I said earlier, it is \$60 per child and will be paid directly to schools and not to the headquarters of the church or whoever is running the schools. Thank you.

Hon. Sogavare: Mr. Chairman, on civil service salaries, item 0360-1012 to 1015. If you look at the establishment register for 2008 there are 21 people and in 2009 there are 20 people in that unit, and so there is not much of a difference there. Can the Minister put our mind at ease on the big increase of \$743,000 when it is a reduction in 2009 by one body but the allocation keeps increasing?

Hon. Wale: Mr. Chairman, one new division we have already passed – the education resource unit which used to be part of the curriculum. Also, last year this amount was underestimated. This is now the correct amount as it takes into consideration separating the ERU from curriculum.

Hon. Sogavare: Mr. Chairman, pages 57, 58 and 59 are the same the way they are structured. Can the Minister explain where these units have moved to? They are zeroed in 2009, and so either these services are discontinued or they are moved to somewhere else. Could the Minister explain to us where these units have gone to?

Hon. Wale: Mr. Chairman, they are moved to accounting code 272-0376 on page 65. Thank you.

Hon. Sogavare: Mr. Chairman, can the Minister explain to us where primary education has moved to. There was a big allocation for it in 2008 for \$77million and now it has gone down to \$150,000. Can the Minister explain to us the reorganization here? Thank you.

Hon. Wale: Mr. Chairman, it has gone to primary teachers. This is primary division at the Headquarters. Thank you.

Mr. Waipora: Page 59. Just a question on contract staff (PS's Consultants). What does this mean Mr. Chairman?

Hon. Wale: Mr. Chairman, I do not know how much appears on the version the MP for West Makira has but it is zero in my book, and I think it is not part of the bid of my Ministry, but may be it was put there by the Ministry of Finance.

Hon. Sogavare: Mr Chairman, item 0369-2081 on travel and monitoring and item 0369-6097 - education board. Can the Minister explain to us that big increase? How are we going to justify these big increases on both items? One is an increase of \$500,000 and another one is an increase of \$246,000. Can the Minister just outline the activities that this particular unit will carry out in 2009 to justify these allocations?

Hon. Wale: Mr. Chairman, 2009 marks an important year for review of the National Education Action Plan and also review of the tripartite arrangement with NZAID and EU donor partners. As part of that review and preparation for it, there will be many monitoring visits and also quite a concerted effort to collect data for processing to perform realistic costing for negotiations as part of the review.

Hon. Sogavare: I want to bring to the notice of the Minister of Finance once again that the NPF contribution here is underestimated by \$6.3million, and 7.5% of the amount listed there is \$6.8million and not \$518,000. The NPF contribution of people working in that unit is underestimated by \$6.3million. This is just for the Minister to take note of.

Mr Chairman: We move on to the next page, and that is page 72.

Hon. Sogavare: I bring again to the notice of the Minister of Finance that the NPF contribution of people working in that area is underestimated by \$501,000. This is just for the Minister to take note of.

Mr Speaker: Page 73

Hon. Sogavare: Mr. Chairman, I once again bring to the notice of the Minister of Finance that the NPF contribution of people working in that provincial education service is underestimated by \$843,589.00.

Mr Chairman: Page 74.

Hon. Sogavare: Mr. Chairman, I once again bring to the notice of the Minister of Finance is that the NPF contribution of people working in the community education service is also underestimated by \$7.3million.

Mr Chairman: From pages 85 to 94, I would like the Minister to clarify whether it is a printing error as the heads are written as 372 as they should be 272.

Hon. Wale: Thank you Mr Chairman, I confirm that is a printing error.

Mr Waipora: This \$1million for teacher validation exercise on page 94. Could the Minister explain to us what teacher validation exercise means so as to have \$1million allocation?

Hon. Wale: This exercise is started by the Ministry this year and will continue next year. This is mainly to check on teachers whether they are in the classrooms doing their work, what are their qualifications; if they untrained they need to go inside the teacher in training program run by the Ministry at this time. Those are the issues.

Teams of local TAs are going around the schools in collaboration with Education Authorities to find out from our schools how many teachers are there and how many vacancies are there; we are trying to seek answers to all those questions.

Head 272- \$390,424,107 agreed to

Head 273 - Ministry of Finance and Treasury

Hon. Sogavare: Mr Chairman, just to bring to the notice of the Minister of Finance, this time it is reversed, the NPF allocation there is more than what it should be. In fact it should only be \$48,482 but what is budgeted for there is \$54,907. It is an over-estimate of \$6,435. This is just to bring to the notice of the Minister.

Hon. Rini: Thank you Chairman, I take note of that.

Hon. Sogavare: Mr Chairman, item 0001-2091 and 2092 – overseas trips following from what the Prime Minister explained today. How many trips is the Ministry planning for 2009?

Hon. Rini: There are two trips for 2009, one is for the ADB, the normal trip to the ADB Governor's meeting and also the World Bank Board of Governor's meeting. As you know, World Bank trips is financed by the World Bank and we pay for the ADB trips.

Hon. Sogavare: Item code 0072-6001 – Legislation Review. Can the Minister confirm whether the Unit has completed its work on review of legislation?

Hon. Rini: All the necessary legislations for review have already been reviewed this year. Next year there will be review of few legislation but if the need arises, we will come back to Parliament or we can either do it through virement.

Hon. Sogavare: Again I want to bring to the notice of the Minister of Finance that the allocation for NPF contribution for people working in that Unit is over estimated by \$75,000 when we actually provided for \$87,000. This is just to bring to the notice of the Minister.

Mr Chairman, can the Minister confirm the policy on overtime. It is zero rated here, for 2007 it appears throughout. What is the policy of government on overtime?

Hon. Rini: Government policy is not encouraging overtime work but if there is workload and is really necessary then it is allowed. But overtime work is not encouraged and that is why you see zero provision in overtime. It is only allowed on very restrictive basis.

Mr Maelanga: I just want to ask the Minister on code 273-042w-6804 – SOE Debt Assistance. As far as I know two SOEs still have debts. I wonder why the allocation in the 2009 budget is less than the provision for 2008. Is this amount enough to cater for the other two SOEs that still have debts?

Hon. Rini: Yes, this year it is reduced to \$10million. And this is mainly allocated for SIEA and SIWA and other SOEs, but most of this \$10million will be allocated to the SIEA. This is a commitment by the government when the World Bank takes over the management and we have to clear arrears plus other expenditures incurred by the organization. This is mainly for the SIEA.

Hon. Sogavare: Mr Chairman, item 0422 sub item 4001 –Training - General. Can the Minister inform the House how many people were trained in 2008 and whether this training still continues or not because there is a reduction of \$221,000 in 2009.

Hon. Rini: This is a big reduction because most of our training was done last year and also this year, and a little bit that is left is for very minimal training anticipated for next year. A major part of our training development happened last year and this year, and so this is just to carry over to complete the remaining part of the training.

Hon. Sogavare: Mr Chairman, page 110 is Internal Audit Unit. In 2008 there is a plan to recruit 25 people and next year only six people.

Mr Chairman, this unit is one of the units that was pointed out by the Auditor General that needs to be strengthened. I just want to ask the Minister what is the government's plan in strengthening this Unit. Why is it that we deliberately run down this very important Unit.?

The explanation given to us was that there is no office space to fit them in and we were suggesting to the Permanent Secretary at that time that if there is no office space in the Ministry of Finance then it would be convenient to place these internal auditors in the different ministries. They can still be recruited but they are decentralized in the various ministries. This is a very important unit and I just want to find out from the Minister what his plans are in strengthening this very, very unit, which is deliberately run down.

Hon. Rini: That is very true. The point raised by the Leader of Opposition is quite true. This internal audit division is run down, but the government is trying to improve it. The main problem is identification of the right manpower. Sometimes manpower is available but the salary package is not attractive and so we are unable to find the right personnel for the post with a financial background.

The second problem is that like other Ministries accommodation is another problem, not only in Honiara, but also in the provinces. This year we are trying to encourage this department to be more effective, and you would see in the paper advertisement for this post. But you are quite right that it has been left out very long and no attention has been given to this very, very important department. But the government is trying its best to identify the right people and also to provide housing for staff so that this division is upgraded and improved.

Hon. Sogavare: Mr Chairman, although we are not to vote revenue heads but maybe for the information of the House, can the Minister inform Parliament what kind of government properties are going to be sold this year so that we get this amount of \$22.1million from.

Hon. Rini: The sale of government property will be the Home Finance and Marina Sasape. These are the two SOEs the government is trying to sell this year.

Hon. Sogavare: I just want to bring to the notice of the Minister of Finance again on the allocation for NPF of that particular Unit, which is overestimated by \$9,126. This is just for the information of the Minister.

Mr Chairman, on page 116 revenue head 0450 sub item 0423 – driving licenses. Can the Minister inform Parliament whether we still collect driving licenses fee or not as it is zeroed in 2009? I understand that revenue is collected by Inland Revenue.

Hon. Rini: That is lumped up in motor vehicle licence. Driving license and motor vehicle license are all lumped up in motor vehicle license and that is why there is zero in the driving license provision.

Hon. Sogavare: Just for the Minister to explain to us. The post in Inland Revenue, in fact the number remains the same as the number in 2008, and that is 97. But why do we have a big reduction there?
This is item 0450 sub-item 1010.

Hon. Rini: It was over budgeted in 2008. If you look at the actuals in 2007 there is about \$1.9million and so it is an over estimate in 2008 and that is why it is reduced to the real figure of \$3.5million.

Mr Waipora: Mr Chairman, page 118, the last item – Refund of Previous Years' Revenue. I do not get this quite clear because the government is refunding revenue to whom. I am not an accounting person and so I am asking because you are refunding some money and we are going to refund previous year's revenue for \$10million. It must be a very important thing and that is why it is \$10million.

Hon. Rini: This is refund to people who overpaid taxes. This is personal tax that when they made their returns and it was found out that they overpaid tax and so they have to be refunded. This also happens to companies as well. They might be paying taxes and when they make their returns and it is found that they

should be paying less tax but they have over paid tax to the government and so they have to be refunded.

Hon. Sogavare: Mr Chairman, item 0450 sub item 6001 – legislation review appears again here. I assume that review will be carried out by Inland Revenue and not by the Economic Reform Unit. Can the Minister inform Parliament which legislation are we reviewing here?

Hon. Rini: You are correct, that allocation should be under the Computer Department. Is that the one you are referring to?

Hon. Sogavare: Mr Chairman, I am referring to item 0450 sub item 6001 – Legislation Review, an allocation of \$200,000 still under Inland Revenue. Can the Minister inform Parliament what kind of legislation are we going to review and what involvement does the Economic Reform Unit has here?

Hon. Rini: That \$200,000 is under Inland Revenue, and that is for the government to further review the taxation system.

Hon. Sogavare: Mr Chairman, so what is the government proposing here, which regime are we reviewing? Is it Income Tax or Goods Tax and what is the government envisaging to do? Where are we heading in terms of tax reform?

Hon. Rini: This is both the Inland Revenue and the Goods Tax to simplify what we are currently using.

Hon. Sogavare: Again, I just want to bring to the notice of the Minister of Finance that the allocation for NPF for public officers employed in Customs and Excise is over-estimated by \$22,681.00. This is just to bring to the notice of the Minister.

On page 121 maybe for the Minister to inform the House the reform that is envisaged in Customs and Excise for which an allocation of \$200,000 is provided under item 0460 sub item 6001.

Hon. Rini: That is the other allocation from Inland Revenue. We are trying to look into the existing Custom and Excise Legislation and trying to review it to make it simple and easy to administer.

Head 273 - \$81,577,676 agreed to

Head 274 – Ministry of Foreign Affairs and External Trade

Mr Oti: Page 129 on civil service salaries – there is a reduction that is quite substantial on civil service salaries whereas the number in the establishment at headquarters and admin remains the same. Can this be explained?

Hon. Haomae: Mr Chairman, the personal emoluments or civil service salaries of the support staff at the Headquarters and Foreign Affairs Service officers are being separated. The civil salaries here reflect Headquarters and Admin and the salaries of the Foreign Service staff are on page 131. That is the separations and hence the reduction reflected here.

Hon. Sogavare: Mr Chairman there is a substantial decrease in training general, 0003 sub item 4001, from \$150,000 to \$7,000. What kind of training can be done with such an allocation?

Hon. Haomae: Mr Chairman, this training general is a provision to cater for local short term training. For example, short term training courses offered by the Solomon Islands College of Higher Education and the USP Solomon Islands Center.

Hon. Sogavare: Mr Chairman, so how many people were trained last year with this allocation of \$150,000 and there is a substantial decrease to \$7,000? Does this mean the training is phasing out now?

Hon. Haomae: Mr Chairman, we anticipate that because training happened last year and this year, and so next year training of staff will reduce.

Mr Waipora: Item code 0003-6200 - Changeover of Ambassador. In 2007 there was a big amount for it, about \$117,000, in 2008 it is \$36,050 and in 2009 it will be nil. I suppose what it means here in the changeover of ambassador is the expenses incurred during the changeover of ambassadors. If that is what it means then maybe next year there would not be a change of ambassadors.

Hon. Haomae: This provision was moved to other provisions within the respective overseas missions.

Mr Oti: Going back to the Minister's earlier explanation on the separation of Foreign Affairs staff from Headquarters under item 0120-1010 belongs to Foreign Affairs staff as such. Why is it not zero in 2008 since they were lumped together under Headquarters whereas in 2008 it actually shows \$531,049? This year there

is an additional \$257,569. But in the establishment it caters for 18, and this is the same as last year. If you lump 18 plus 12 under Headquarters it will give you 30 and would have given you that figure on page 129. I think the explanation of the Minister did not match the trend of reflection of expenditures on page 131 in particular. Can the Minister explain it again?

I was trying to make the Minister explain his first statement that under Headquarters Admin why the reduction is reflected in that provision is because of the removal of the Foreign Affairs Division as such from Headquarters.

In effect it would not be true because in 2008 under Foreign Affairs here on page 131, there was a provision of \$531,000. In fact there is an increase this year of an additional \$257,000 whereas the number remains the same in the establishment, which is 18 last year and 18 this year.

Why the increase apart from the fact that they were not even part of the headquarters last year as stated by the Minister?

Hon. Haoma: This provision here is provision for salaries of 11. If you count them there are 11 Foreign Service staff including 7 officers currently servicing in missions abroad plus vacant posts within the missions and headquarters.

Mr Oti: Mr Chairman, the Minister will get himself into difficulty when we come to the other pages. Can he revisit his response?

Mr Haoma: Can the Member repeat his question.

Mr Oti: What I am saying is that he will have problem with his explanation when we come to the other pages because they are reflected separately and not as part of home based officers.

Those outside attached to the missions, their budgets are on the other pages, and so it is different. I think the Minister's explanation is not right and that is why I said whether he can revisit his statement otherwise when we come to the next page or the next several pages, I do not know where he is going to put them in. Thank you, Mr Chairman.

Hon. Haoma: As I have said at the outset the movement of staff and the separation of Headquarter from the Foreign Service staff plus other increases especially COLA is what is catered for there.

Mr Waipora: Hosting of summits, meetings, etc on page 131. In 2007 there was no such thing like that, in 2008 there is nothing, but \$150,000 for 2009. I just want to ask the Honorable Minister to inform us what sort of summits, meetings is this

country going to host in 2009 and that is why there is \$150,000 provided for there. Is the \$150,000 adequate or not but that is what the Minister's answer. Thank you.

Hon. Haomae: Mr Chairman, this is to provide for some of the meetings that our country may host or provide for. The number of meetings is yet to be scheduled and so I cannot provide the Honorable Colleague that information at the moment. But if he really wants it I can provide him later on.

Hon. Sogavare: Mr Chairman there is a new allocation there on item 0120-4089 South Pacific Board of Education Association. Should this be really under the Ministry of Education or what is this? Is it a contribution or what?

Hon. Haomae: Thank you. This is the South Pacific Board of Education Assessment, although the executing aspect of it falls under the Ministry of Education but its representation and membership falls under the Ministry of Foreign Affairs.

Mr Waipora: Mr Chairman, item code 0120-6009 - protocol for the amount of \$22,741 in 2009. Can the Minister elaborate more on this because it is only one word 'protocol'?

Mr Haomae: Mr Chairman, this is a provision to cater for the purchase of gifts to be presented by the Honorable Minister to his counterparts and other very important dignitaries.

Hon. Sogavare: Mr Chairman, how many people are working in this Mission to United Nation?

Hon. Haomae: At the moment the ambassador, the counselor, and a support staff but at the moment the support staff is vacant.

Hon. Sogavare: Mr Chairman, how are we remunerating the others because the salary of the Ambassador there is \$61,000? But the support services that the Minister listed down looks like they are only accounted with this \$39,000. How do we remunerate the others?

Hon. Haomae: Mr Chairman, the others are paid under civil salaries.

Hon. Sogavare: Mr Chairman, what I am saying is that civil service salaries is alright but there is only \$39,000 that we make provisions for. But if two or three people are engaged then obviously that \$39,000 cannot cater for them

Hon. Haomae: Mr Chairman, the other staffs are paid as personal secretary salary and so forth and the others are paid under civil salaries. At the moment it is zero presented but that is a matter that the Ministry will have to take note of in liaison with the Ministry of Finance.

Mr Oti: Mr Chairman, is the Minister confirming that the Republic of China no longer supports the personal emoluments of one of the staff by saying that everything is accommodated inside this budget and that \$39,000 is the provision for one officer? The other one is used to be paid for by the Republic of China. Is the Minister saying that this is discontinued now?

Hon. Haomae: As far as I am concerned I am not aware of that arrangement at this point in time, it might be discontinued as reflected in the budget.

Mr Oti: Mr Chairman, for the information of the Minister it is a standing arrangement between the Solomon Islands Government and the Republic of China. Thank you.

Hon. Haomae: Mr Chairman, I take note of what my Honorable Colleague for Temotu Nende has said.

Hon. Sogavare: Mr Chairman, the very last accounting code 0127-4062 Honorary Consulates Grant. Mr Chairman, I take it that this is for our consulate at St. Vincent, Dr Trevor Garland. Can the Minister confirm that? If that is so then whether that allocation is reasonable to cater for the work that this man is doing on our behalf at St. Vincent, Mr Chairman.

Hon. Haomae: Mr Chairman, this is the provision which goes to help our Consular in Sydney. I take note of what the Honorable Leader of Opposition has said.

Mr Waipora: Mr Chairman, maybe this has already been explained but I strongly request the Minister to explain the salary of the Personal Secretary because when we come to the United Nations it is zero and now we come to Brussels it is zero too. Why is the salary of Personal Secretary zeroed here? Or is it somewhere in there?

Hon. Haomae: Mr Chairman, as I indicated to an earlier supplementary question, I have taken note of that and I will be in liaison with the Ministry of Finance to make the appropriate adjustments.

Mr Tosika: This question is related to the same issue. When I look at the heads the salary of the Personal Secretary is zero. I want the Minister's confirmation because when I look at the salary of civil servants there is \$44,000 on page 137 and that is for the Canberra High Commission. Can you confirm that the salary of the Personal Secretary is including in the civil service salaries at the top there rather and that is why there is zero there?

Hon. Haomae: Mr Chairman, I think the same question is still being asked by the Honourable colleague for West Honiara but framed in a different way. But as I have already indicated that is a matter I have taken note of and my Ministry will liaise with the Ministry of Finance and make appropriate adjustments.

Mr Tosika: Mr Chairman, my question is simple and I understand that there is no salary there. But my question is that civil service might include the Personal Secretaries.

Is the salary of Personal Secretary included in that civil service salaries at the top there because it would be unreasonable to exclude salary from a budget? It would be very unreasonable to do that. My question is, when that is left out from here is it featured in sub-item 1010 or is it totally excluded altogether?

Hon Haomae: Thank you. The provision in 1010 is for purposes of the Counselor who is working with the High Commissioner and also his driver, Mr Chairman.

Hon. Tozaka: If you look at the Establishment Register, the Personal Secretary is Level 6/7. And so it is a matter of sorting out in the salary. It is included in the Establishment.

Mr Oti: Mr Chairman, I cannot properly hear what the Minister for Public Service is saying. Yes, the post is there in the establishment but in the personal emolument provision it is zero. The post is there, no human being and therefore no allocation for it. Is that what the Minister is saying?

Hon. Sogavare: Page 141. Can the Minister just confirm to the House why is there no allocation for supporting staff in 2009 for the PNG High Commission?

Hon. Haomae: Is the Leader asking about the projected number of staff at the Port Moresby Solomon Islands office?

Hon. Sogavare: Mr Chairman, what I am asking for is why is there allocation for supporting staff? In the establishment register there are two posts there – the High Commissioner and the Personal Secretary. There is allocation for the High Commissioner but not the Personal Secretary. In fact the provision for supporting staff is all zero until you get to the salary of the Ambassador there is provision for it. What is happening here?

Hon. Haomae: Mr Chairman, as to the salary of the Personal Secretary it is similar to my first answers. The High Commissioner is not the Ambassador because Papua New Guinea is a member of the Commonwealth but his salary is reflected in here. Civil Service Salaries is not yet reflected because until 2010 when the Chancery in Port Moresby is completed the manpower will be reflected in the next budget.

Mr Oti: Mr Chairman, with the Minister's explanation, does it mean that in 2009 there will be no Personal Secretary at post?

Hon. Haomae: Mr Chairman, at the moment not yet, but the explanation I made earlier pertaining to the salary of Personal Secretary still stands. Only the High Commissioner is there and there is no representational staff, apart from the High Commissioner.

As I indicated earlier, Mr Chairman, when the Chancery is completed the Ministry will send the supporting staff to man the new Chancery. Thank you.

Hon. Sogavare: Mr Chairman, I understand that the High Commissioner is actually operating an office now, he is not working from his house, there is actually an office there that he is working in. I am trying to understand how this Chancery only when it is completed that we are going to engage a Personal Secretary and if that is not completed she is not engaged. How does that connection come about because I thought that the High Commissioner is now operating from an office and he needs a Personal Secretary to work for him? Are you saying that the High Commissioner is doing all his typing by himself, then he would be a very hard working High Commissioner?

Hon. Haomae: The High Commissioner is comfortable with the present arrangement. Mr Chairman, we were trying to impress on him to send a staff

over but he said that he is comfortable with the present arrangement until the new Chancery is completed.

Mr. Waipora: Mr. Chairman, he does not have a Personal Secretary but an EPS, but he is temporarily occupying his wife and she must be remunerated because she is doing the job. I have been there and she was typing my papers, and because of that I think some money should be provided to pay the High Commissioner's wife.

Hon. Haomae: That is catered for in the regulations, the Foreign Service regulations where every high commissioner or ambassador's wife help the high commissioners or ambassadors whatever the case may be. That is reflected in the Foreign Service regulations. It does not mean the government is disregarding the efforts done by wives of ambassadors and high commissioners on behalf of the country.

Hon. Sogavare: Mr. Chairman, may be for the benefit of the Parliament, can the Minister brief us on what we have been doing last year on these two allocations - item 0131-4095 - trade facilitation and 0131-6011 0- trade mission. What were the successes in the operation of these two activities, Mr. Chairman?

Hon. Haomae: The provision of 6011 - trade mission is a provision to cater for overseas trade related travels by staff of the External Trade Division of the Ministry.

Mr. Oti: With the Ministers' explanation of page 141 that upon the completion and opening of the Chancery before supporting staffs are appointed, let a lone the Executive Personal Secretary, how is that in consistent with the mission in Fiji, which is not yet opened but there is allocation for civil service salary? What is the consistency?

Hon. Haomae: Mr. Chairman, like I said earlier on I am taking note of those points and I will liaise with the Ministry of Finance for purposes of making appropriate adjustments. On the Mission in Fiji, it is proper.

Mr. Oti: May be it would help the Minister if that \$17,000 is removed from the Fiji Mission because it is still not set up and put that to PNG which is already in operation. May be that could be a way out unless you provision the other one. But thank you for the explanation Minister.

Hon. Haomae: Mr Chairman, I take note of that point, but I would like to inform the Honourable Member that the staffs in Fiji are also working now.

Mr. Oti: I have already thanked him but since he said that staffs in Fiji are already working, staffs in PNG too are already working and yet one has provision and the other one not. Minister, take note of the discrepancy.

Hon. Haomae: Like I have already mentioned I take of the discrepancy and I will liaise with the Ministry of Finance to make appropriate adjustments.

Head 274 - \$24,386,377 agreed to

Head – 275 – Office of the Governor General

Hon. Sogavare: Mr Chairman, item 0000-6006 - Committee of Prerogative of Mercy. The Committee did very, very little in 2008 because the allocation there is only \$196 and now we are talking about increasing it to \$9,016, although very small but as a matter of principle, what is envisaged for 2009 in that particular allocation?

Hon. Sikua: Mr. Chairman, it is true to say that the Prerogative of Mercy has not convened in 2008 but there have been a number of submissions that have come to me for consideration, which we hope are procedural and the Prerogative of Mercy will consider in 2009. Thank you.

Head 275 - \$4,859,380 agreed to

Committee of the House suspended for 15 minutes

Head 276 – Ministry of Health & Medical Services

Hon. Sogavare: Mr Chairman, civil service salaries, item 0001-1010 to 1015. I am trying to match this with the register. Can the Minister just explain to us the apparent reduction in the number of staffing there at headquarters and admin? Why is there a \$2.9million reduction in the total package allocation? Mr Chairman, there is no apparent reduction in the number of staff, but we have that reduction in the allocation. Can the Minister clarify our minds?

Hon. Koli: Mr Chairman, staff costs have been reallocated to respective divisions. There is no reduction of officers but it is just swapping of allocation in the different heads.

Hon. Sogavare: Mr Chairman, I think that explanation is straight and consistent with the other ministries.

The other point is just to bring again to the notice of Minister of Finance that the NPF allocations of both the established and non-established workers. In regards to non-established it is overestimated by \$8,499 and established workers \$25,348. Just to bring to the attention of the Minister of Finance.

There is a general – training provision there on page 161. What kind of training will people at the headquarters attend? Just for the Minister to explain to us item 0001-4001 - training general.

Hon. Koli: Mr Chairman, training in general is assistance towards our students who are training in Cuba. Thank you.

Hon. Sogavare: Which aspects of the cost of training our students in Cuba does this allocation cover?

Hon. Koli: This is assistance in terms of their traveling costs because last time they were a bit handicapped in their traveling expenses.

Hon. Abana: Mr Chairman, just to add on to what the Minister has said. This is to assist 16 new students who will be traveling to Cuba next year. That is what that item is for.

Hon. Sogavare: Mr Chairman, page 162, can the Minister explain to us the difference between this page and the previous pages 160 and 161. They are all talking about headquarters - the Ministry of Medical Services Headquarters and Admin.

Hon. Koli: Mr Chairman, page 162 is for Policy and Planning.

Hon. Sogavare: Mr Chairman, can the Minister explain to us again, what is this for?

Hon. Abana: Mr Chairman, pages 160 to 162 is reallocation of the divisions, which means page 162 is for the policy and planning division in the Ministry.

Hon. Sogavare: Mr Chairman, may be for the purpose of accounting, can we appropriately head those sections so that they are not confusing.

Hon. Abana: Thank you Leader, the Ministry will take note of that concern.

Mr Chairman: Honourable Members, it is now 4:30 p.m. according to my time and as such, the proceeding of this Committee is now interrupted and Parliament is now resumed.

Parliament resumes

Hon. Sikua: Point of order, Mr Speaker, to ensure that we cover a few more heads today, I seek your consent to move that Standing Order 10 be suspended in accordance with Standing Order 81.

Mr Speaker: Leave is granted Honourable Prime Minister.

Hon. Sikua: Thank you. Mr Speaker, I now move that Standing Order 10 be suspended in accordance with Standing Order 81 to permit the continuation of the business of the House until adjourned by the Speaker under Standing Order 10(5).

The motion agreed to

Committee of Supply resumes

Hon. Sogavare: Mr Chairman, just in terms of structure and it started from page 162 up to page 171. Can the Minister explain where have these units been? They are zero rated in 2008 and now they have allocations in 2009, and so obviously they have been part of some units in 2008. Can the Minister explain that to the House?

Hon. Koli: Mr Chairman, staffs at the Ministry headquarters are moving to different departments and divisions.

Hon. Sikua: In relation to the cost for utilities on page 162, the costs of utilities are reallocated to headquarters.

Hon. Sogavare: Does it happen everywhere in the various units that the costs of utilities have moved to headquarters and the human beings have their allocations in the various heads? What does it mean Mr Chairman? Is the Prime Minister referring only to the three items, electricity, water, telephone and faxes on page 62? Can the PM explain a bit more?

Hon. Sikua: Mr Chairman, that would seem to be the case where utility costs are reallocated to headquarters and staff costs are relocated from headquarters to respective divisions. Thank you.

Hon. Sogavare: Mr. Chairman, page 173, item 0390-2153 – customs and ports charges. What kind of charge is this? Mr. Chairman, I know it existed in 2008 with an allocation of \$30,000 and next year \$90,000.

The thinking now is that there is one government department to one government department, and so are we saying that the Ministry of Health is paying for port charges.

Hon. Koli: Mr. Chairman, the Ministry normally sends specimens and commercial fees.

Hon. Sogavare: Mr. Chairman, can that be further explained. Customs is a governments department and Ministry of Health is another government department. Are we saying that we are getting money from another pocket and put it into another pocket? Mr. Chairman, if that is the case then this expenditure should appear under revenue in the Ministry of Finance. Is that what we are saying?

Hon. Abana: Mr. Chairman, the Ministry normally sends specimen from the Referral Hospital overseas and therefore cost would be incurred by the Ministry with the commercial agents we are dealing with them. This is what this allocation is for. Thank you.

Hon. Sogavare: Mr Chairman, just to be rationale, and therefore it should rightfully appear as, although it is very significant, only \$90, 000 and I do not know how much of that is port charges and how much of that is customs charges – this is just to be rationale on one government agency collecting from another government agency. On accounting treatment, if it appears as expenditure here then it should rightfully appear as revenue in customs. Where is this reflected as revenue in customs, for example, if we are collecting \$300,000 here?

Hon. Abana: Mr. Chairman, it covers both international and national customs and in the event that we need more detailed information as to the costs and where the money goes, the Ministry can provide that for your reference, Leader of Opposition.

Hon. Sogavare: We will leave it there. There is an allocation of \$10,000 for item 0390- 3100 - house rent did not appear in the 2008 budget but a \$10,000 allocation in 2009. What kind of house is this? Housing rentals nowadays are very high. What kind of house are we renting here?

Hon. Koli: Mr. Chairman, this allocation is for staff of the Central Hospital.

Hon. Sogavare: So where are they living? Which houses are we renting for them? In fact, those staffs existed before, but this is a new allocation of \$10,000. Who are they? Is it for new recruits?

Hon. Tozaka: Mr. Chairman, you would notice under my Ministry that we have provision for house rentals of staff of the Public Service.

Hon. Sogavare: Mr. Chairman, this side of the House does not have problem with the government renting houses for its officers. It is just that this amount looks very small and how can you rent a house with. That is all. Otherwise we might resort to supplementary appropriation in renting houses if this allocation does not make sense.

Mr. Chairman, the other one is materials and equipment for the National Referral Hospital which has a substantial increase of \$983,000, item 0390-3220. Mr. Chairman, may be for the benefit of the House that is a very big increase. What are we doing here, are we replacing something?

Hon. Koli: This provision is basically for equipments for next year.

Hon. Sogavare: Mr. Chairman, on civil service salaries, items 0391-1010 to 1015. There are 27 people at post in 2008. I am referring to page 179 which is the same number and so what is happening here. Are we arriving at a right cost now? This is the same number as last year and it is assumed that if all these posts are filled the cost should remain the same. However, we have very big allocation there. In fact a whole series of sub items there are increased by \$2.6 million. What is happening here? Can the Minister just further explain to us?

Hon. Sikua: Mr. Chairman, there has been a major reallocation of staff at the National Dental Division and thereby accounts for this increase.

Hon. Sogavare: Mr Chairman, that will explain but just looking at the fingers as they are, we have 27 and if you count 10 plus 17 that is 27 and in 2008 is 13 plus 17 which is 30, just an increase of 3 for 2009. It is just that there is very little

movement in terms of increase in staff but we have very big increase in allocation.

Hon. Abana: This increase also reflects to include the new scheme of service of this division. Thank you.

Hon. Sogavare: Mr. Chairman, we take that. I do not know whether the Ministry has the figures to be able to tell us how much really does the cost of this new affecting this allocation because this is a very big jump from \$300,000 to \$3million. That is a very, very substantial increase. We will probably leave it there as they are only estimates, but it is just that we want to be clear on what they are so that we do not unnecessary tie up resources that might be needed in other areas if we cannot justify why we have this allocation.

Hon. Koli: Last year the scheme of service was under budgeted, and this is the right one for next year.

Hon. Sogavare: Page 177, may be the same answer would apply here where we have a big increase as well from \$130,000 in civil service allocations to \$1.4million, which is an increase of about \$1.3million. I assume the same reasons would apply here, Mr. Chairman.

Hon. Koli: Mr Chairman, I confirm that it is the same reason.

Hon. Sogavare: Page 178, Mr. Chairman, I just want the Minister to note again that the same thing applies here and so I take it that the same answer would apply here. But as I said these are very, very big increases and I hope we are not unnecessarily tying up resources there.

Hon. Koli: Mr. Chairman, I take note of that point.

Hon. Sogavare: Mr. Chairman, just for the Minister to explain on the NPF contribution on page 180, item 0394-1025 there is a deduction there, and an allocation of \$1,541. Whose contribution is this?

Hon. Sikua: Mr. Chairman, there have been some transfers in the establishment there and there is an error with the NPF calculations. These have now been moved up, because the non establish staff were included here and that is why it appears like that.

Hon. Sogavare: Mr. Chairman, page 180, now is a reverse. The number of staff in 2008 is the same, and that is 11 staff. Now instead of increasing we are reducing from \$1million to \$410,000. What would be the explanation here on civil services salaries under Pharmacy Division?

Hon. Sikua: Mr Chairman, this is really an opposite because there have been reallocation of staff to the National Medical Store and that is why that decrease in civil service salaries.

Hon. Sogavare: Page 182, Mr Chairman, just to bring to the notice of the Minister of Finance again, the allocation for NPF for civil service is overestimated by \$2,090 on page 182, and on page 183 - civil service salary there is an overestimation there by \$862,000 and 7.5 percent of that is \$129,000 and not \$137,000. The same is with the non establish where there is an overestimation by \$1,892. If we add all these up the underestimation is almost \$16 to \$20million. Just for the Minister to take note.

Mr. Chairman, page 184, item 0396-6001, can the Minister explain to us what legislations are we reviewing here.

Hon. Koli: Mr Chairman, the Ministry will be reviewing the Environmental Health Act.

Hon. Sogavare: Mr Chairman, page 189, the relevant page in the establishment register is page 63. That allocation is to pay for two people at level 10/11 for 2008 and 2009. I am not sure which points are they paid but can the Minister just assure us that that allocation is enough for two people paid at Level 10/11, this \$90,000 provision.

Hon. Koli: Only two officers are in this division.

Hon Sogavare: Mr Chairman, I am referring to page 189, item 0399-1010 and t goes down to 1015, all the related emoluments. The point is looking at page 63 of the establishment register, if what I am looking at is correct, two people are paid at level 10/11 in the Eye Division. My point is that I do not know which points are these two paid at but if it is level 10/11 and it is assumed that they paid at the last level of the composite scale then we would rightly assume that they are paid at \$50,000 each year and if you put these together it will be more than \$100,000. But I can be wrong here they probably would be paid at the middle scale. Just for the Minister to assure us that that allocation is okay.

Hon. Koli: Mr Chairman, one is paid at Level 10 and one at Level 11.

Mr Chairman: Did you get the answer?

Hon. Sogavare: No, Mr Chairman, if you look at page 63 in the register of this division this allocation is for two people. It is on page 63 of the establishment register. There are two people there for the National Eye Department on page 63, two eye coordinators, and I would assume that this \$90,000 is for those two people and these people are paid at composite grades, Level 10/11, and we are not sure which scale they are at. If we assume that they are at the last scale, the last level, as there are 15 scales in Level 10. If they are paid at the last level on the lower scale then they would be paid at \$50,700. A simple multiplication by 2 comes to over \$100,000. That is my point here. Just for the Minister to assure the House that it is straight, and I might be wrong that they probably would be paid at a lower scale, maybe the middle scale and so this allocation is okay.

Sir, I do not want to take the Minister to task here as this is only an estimate, it is just for the Minister to say that it is right.

Hon Abana: I think basically the budget is for the lower scale at level 10.1 for both of them. That is basically where this figure comes from.

Hon Sogavare: Mr Chairman, I think some of these pages here duplicate. There is no need to ask questions on. I have two pages 189 here and may be one of them is wrong, may be a case of duplication.

These are all related to malaria activity program and so where are all these things moved to so that they are zero rated in all the provinces. Where are they now? Can the Minister explain how they have reorganized the budget so that we avoid many more questions, Mr Chairman?

Hon. Koli: This is concerning malaria and so all the funds are given down to provinces as provincial health grants for malaria in respective provinces.

Hon. Sogavare: So they would be reflected as such in later pages. Is that so? This starts from pages 190 to 198. So probably what the Minister has said applies to all those pages up to page 198. With your permission we can jump up to page 199.

Hon. Koli: Yes.

Hon. Sogavare: Mr Chairman, can the Minister confirm now that anything to do with malaria are now moved to the provinces. The way the budget is structured, if you look at the items say page 199, item 0482-1150, in there it is nil for 2009, we assume that is taken up in the first allocations 0482-1010 to 1015. Can the Minister just explain how this is structured because it is featured the same. In fact, page 215 is structured the same. Can the Minister explain to us with the first explanation you have given that malaria is absorbed into a new structure. Can you explain to us how this is taken up from pages 199 to 217?

Hon. Sikua: Mr Chairman, adjustments for wrong coding have been made and these are allocated to the allocations above. They have been pushed up and so these are basically adjustments to wrong coding. Those are the ones that have been inputted into the subheads just directly above that set of subheads. The overall increase is also inputted there to take into account the new scheme of service.

Hon. Sogavare: Page 219. Mr Chairman, this is just for the Minister to explain. I am trying to relate the establishment register with the Budget on civil service salary allocations item 0541-1010 to 1015. I am not sure and so can the Minister confirm whether this allocation is for these five staff in the Nursing Division, Admin HQ or does it include others as well. If it is for only those five, then the posts are graded as follows: two at super scale 1, one at level 13/superscale 1, one at Level 10/11 and one at Level 5/6. Just that this allocation has increased from \$327,000 to \$2million. Who is related to this allocation? Is this only for headquarters or some other people as well?

Hon. Abana: Mr Chairman, this also includes 73 probationary nurses inside that pool.

Hon. Sogavare: There is a very substantial increase in the other allowances from \$164,000 to \$2million. What other allowances are nurses entitled to? At what level?

Hon Abana: Mr Chairman, this also includes their new scheme of services, which is dirty allowances and other allowances too in nurses' scheme of service.

Hon. Sogavare: Pages 224 and 225. Mr Chairman, just the accounting treatment of this big allocation of \$80million under Ministry of Health and Medical Services headquarters and admin appears as revenue and expenditure in 2008 but in 2009 it will not appear as such.

Can the Minister explain, and I take it that it is absorbed into the other pages that we are yet to look. Can the Minister explain how this is treated in the budget?

Hon Abana: Mr Chairman, in 2008 it appeared as just a lump sum and now in 2009 it is broken down into different programs. Therefore, from pages 222 until the end you will see the different programs appear under their respective allocations.

Hon. Sogavare: Mr Chairman, we welcome that approach because it clearly shows where these funds are used in 2008, it looks like it is a lump sum and so we do not know exactly where the money go to and what is the accounting process in using them. So are we right to say that that \$80million for 2008 is fully utilized in 2008?

Hon Abana.: Mr Chairman, the financial year of donors is a bit different from us. Their year end falls in the middle of June/July and so therefore this is not yet fully utilized. But the need to spread it out so that it comes under different divisions as we can see will make it easy for them to expend within the division.

Mr Waipora: Mr Chairman, on page 224 I just want to ask the question that this Australian Government Budget Supplement started this year. It looks like next year it is going to be reduced and so it will go down to \$60million. How long will this program take? It looks like it is five years or three years.

Hon. Koli: Mr Chairman, the MOU is for five years program.

Hon. Sogavare: Mr Chairman, all these allocations are for allocating this assistance. What kind of input does the Ministry have on how this fund is allocated?

This is a full detail of how this \$80million was utilized this year, and the question is what kind of input does the Ministry has in deciding how this fund was utilized.

Hon. Sikua: Mr Chairman, the \$20million reduction is for costs of specialists, including SKM Engineering being paid directly by AUSAID. The Ministry of Health then breaks up into national programs covering policy and planning, NCD, Reproductive Health, TB/Leprosy, National Medical Stores for medicine which costs a lot of money, almost \$25million then health promotion and environmental rural water supply. Rural water supply as we see is \$4.5million.

Then they have provincial support for all the provinces ranging from just over a million dollars in some small provinces to more than \$3million in the bigger provinces.

It does appear here that the Ministry of Health does have a lot of say in where this money is being allocated according to its priority programs.

Mr Tosika: If you look at these pages until the end of the Ministry of Health you will see Urban Works and Services. I would like to know because it comes out from this \$60million, what type of urban works and services is the Ministry providing in the provinces of Malaita, Ulawa, Isabel, Guadalcanal and others until the end. You would note that this Head covers all the provinces even here in Honiara too. What kind of urban works and services is the Ministry looking at here?

Hon. Koli: Mr Chairman, this is to support health promotion in terms of infrastructure.

Mr Tosika: These figures are quite substantial amount, for instance Malaita is allocated \$2million for health promotion. I think this amount is too big for just promotion for Malaita under urban works and services. If the Minister's answer is true that it is for health promotion then I think this should be revisited.

Hon. Abana: That allocation is to support infrastructure planning in the provinces for upgrading of clinics. That is what that allocation you see there is, which is more than \$2million for others and \$3.3million for others. That money will be used for upgrading of infrastructures in the provinces. Thank you.

Just additional information to that item 'Urban Works and Services', it is also supporting church clinics in the provinces. That allocation goes along that extent as well. Thank you.

Hon. Sogavare: Page 241. Mr Chairman, I cannot hear what the Minister is saying and so maybe he is going to answer the same questions we are asking. How are we going to determine these allocations, not that I come from Choiseul Province but our allocation for Urban Works and Services is just \$500,000 no more while the other provinces are from \$1million up? How do we determine the allocation? On what basis are these allocations?

Hon Abana: Mr Chairman, this is on the basis that \$2million was already spent on houses for Choiseul Province, and so we have another \$700,000 allocation there.

Mr Tosika: Mr Chairman, I cannot get it properly but if I am right the Minister was saying that this Urban Works and Services include clinics owned by churches. But if you look at page 236 it has Urban Works and Services and there is also an allocation for Helena Goldie Hospital. You said earlier that this Urban Works includes church owned clinics but in here you are separating or itemizing this thing.

Hon. Koli: Grants will be given to churches.

Hon. Abana: Mr Chairman, I think the need for churches to upgrade their clinics is quite huge. That support is included inside provincial grants but at the same time there are separate grants to churches.

Mr Waipora: Mr Chairman, can I ask your permission for me to ask a question that is not under this page but under Referral Hospital, and it is something of concern to all MPs. What is the policy of the Ministry regarding sick patients who come over and live with MPs in Honiara? When they go back what is the criteria. I would like to know. I am asking this question because it happens to every one of us. I would like the Minister to clarify the criteria. This is just a general question.

Hon. Abana: There is a system in place in the Ministry dealing with referral cases. Those who were certified from the provinces to come to the Referral Hospital will definitely be taken care of by the Ministry in terms of sending them back home after treatment. Those who just come by themselves to the hospital and after treatment would like to go back would be dealt with by you, the MPs; if they come to us we are responsible in sending them back home.

Head 276 - \$208,957,504 agreed to

Head 277 – Ministry of Infrastructure Development

Hon. Sogavare: Page 249. Mr Chairman, I want the Minister to explain to us item 0242-6026 - highway authority expenses. The allocation is inconsistent throughout the years. Is this authority in existence, and if so what is it doing?

Hon. Sofu: This Highway Authority Expenses provided for in here is for authorities like the Solomon Islands Water Authority, the Solomon Islands Ports Authority, the SIEA, and staff of the Ministry of Infrastructure Development,

especially those in the engineering section coming together for meetings and so forth. That provision caters for such meeting when convened. .

Hon. Sogavare: Mr Chairman, it is very important that we know what they are discussing. I am making reference and probably another question will come up during question time. Just say for example, this allocation 0242-2164, 0242-2165, let us say maintenance of roads for \$3million here, say relating it to Honiara road, for example, what the Honiara road really needs now is a redesign of the road. Is that issue part of what this authority is discussing because this road is becoming very, very unsafe for use now? You come down the Vura road, it is very narrow. Places where roundabouts should be put are not put and so there is traffic jam. What are the terms of reference of this authority? What are they discussing? Did we get anything out of this authority that normally meets?

Hon. Sofu: Mr Chairman, what they are doing is coming together to look at the design of roads, and where utilities should be placed. They discuss where is safe and where it is not safe. That is the purpose of the meeting.

Hon. Sogavare: So I am putting it across to the Minister to please take up these issues. These roads are becoming really unsafe now. They were designed some 10 years ago and the design is not really appropriate for the increasing number of traffic. This is just a submission to the Minister for that authority to look at.

Hon. Sofu: Mr Chairman, that is a very important point and since provision is there they can look at those areas when the need arises.

Mr Waipora: Still on the same item, who are members of this authority?

Hon. Sofu: Mr Chairman, earlier on today I mentioned the membership of this Highway Authority. It comprises the Solomon Islands Ports Authority, SIWA, SIEA, and staff in the Ministry of Infrastructure Development.

Hon. Sogavare: Mr Chairman, the transport fund expenditure item there needs legislation. When is this coming? When is the bill coming?

Hon. Sofu: In the absence of this piece of legislation, myself or the Minister of Finance will bring it to Parliament sometimes next week. That provision is there and it comes under land transport so that it can be used for normal maintenance of roads.

Hon. Sikua: Mr Chairman, the bill is ready and I think it will come to parliament early next year, and so it is good that the Minister provides allocation for it. I am expecting it should come here.

Mr. Tosika: Page 254 - on hire of shipping I think this is subsidy. Is that true Minister? This provision for hire of shipping is subsidy or assistance from government to ship operators. Is that correct? Is it subsidy?

Hon. Sofu: Yes.

Mr Tosika: If this is subsidy then I want you to explain how this subsidy works. Does it mean if I want to hire a ship from Honiara to Temotu and the other outer islands, can I ask for subsidy from here to Temotu and the other outer islands. Is that how a subsidy works or how?

Hon. Sofu: Mr. Chairman, thank you for that very important question. Subsidy in this case, and I will take as an example Temotu Province, when a ship is taken from Honiara to Temotu, subsidy does not apply. Subsidy only applies from Temotu to the other remote islands. From Honiara to Temotu is still economical, but the trip from Lata to the other remote islands of Temotu is subsidized by the government. If a ship is taken from Honiara to Gizo that trip is not qualified for subsidy, unless it is a trip from Gizo to Shortlands. Trips to uneconomical routes qualify for subsidy. Trips to Malaita Outer Islands, South Malaita, Renbell and to the Weather Coast area qualify for subsidy. Those are the areas that subsidy applies.

Hon. Sogavare: Page 254. I just want the Minister to clarify, item 0247-6044 – fees and 0247-6055 - hydrographic fees. What sort of fees are these, and to whom does the Ministry pay these fees to? Who normally renders that service to the government so that you pay this fee to?

Hon. Sofu: It should be hydrographic expenses and not fees. This hydrographic expense used to be with the Ministry of Lands but the appropriate place for this to come under is the Ministry of Infrastructure and Marine Division and so it was relocated to this Head and that is why we provide \$13,000 allocation in there.

Hon. Sogavare: Mr Chairman, what about the first one, 0247-6044 fees. What is that fees?

Hon. Sofu: Mr Chairman, fees in there under the Marine Division is provision to cater for the only ship that the government has, which is LC Vali that berths at the Ports Authority wharf.

Hon. Sogavare: Page 255. Item 0249-0521 - motor vehicle licence. That revenue item also appears under Inland Revenue. Can the Minister explain to us which aspect of that revenue base is administered by Works and which aspect is administered by the Ministry of Finance and Inland Revenue because it appears in both divisions?

Hon. Sofu: Mr Chairman, vehicle inspection fees are fees paid to the Ministry of Works when vehicles are inspected, and motor vehicle licence is paid to the Treasury in the Ministry of Finance. The Ministry of Infrastructure Development only collects inspection fees of private vehicles that come for inspection.

Hon. Sogavare: So that explains why there is zero on plant and vehicle inspection fees in the next item down. Can the Minister confirm that this revenue is collected under motor vehicle expenses at the top there?

Hon. Sofu: On income from plant and vehicles, I think the Ministry does not anticipate any fees to be collected from plant. Since the last six or four years there are no plants for hire. Plant machineries are working in their respective areas and they do not travel on public roads.

What happens is that the private companies and logging companies have their own qualified mechanics to ensure that their machines are safe for operation. Thank you, Chair.

Hon. Sogavare: Mr Chairman, the narration also says vehicle, and so I guess that covers the other vehicles. The question is that every vehicle running on the road are subject to inspection under the law. Can the Minister confirm that we are definitely collecting revenue from this, and where is it accounted for? We just want to get the Minister's confirmation that we account for those revenues on the first item under motor vehicle licence; that covers vehicle inspection fees. Is that correct?

Hon. Sofu: Mr Chairman, what I mean are the logging trucks. But you have raised a very good point, which certainly will be considered and looked into.

Head 277 - \$51,947,597 agreed to

Mr Chairman: Honourable Members, we have done enough for today. The proceeding of this Committee is now interrupted and will continue at the appropriate time on the next sitting day.

Parliament resumes

Mr Speaker: Honourable Members in accordance with the earlier resolution of the House and pursuant to Standing Order 10(5), Parliament is now adjourned until 9.30 am tomorrow morning.

The House adjourned at 5:45 pm