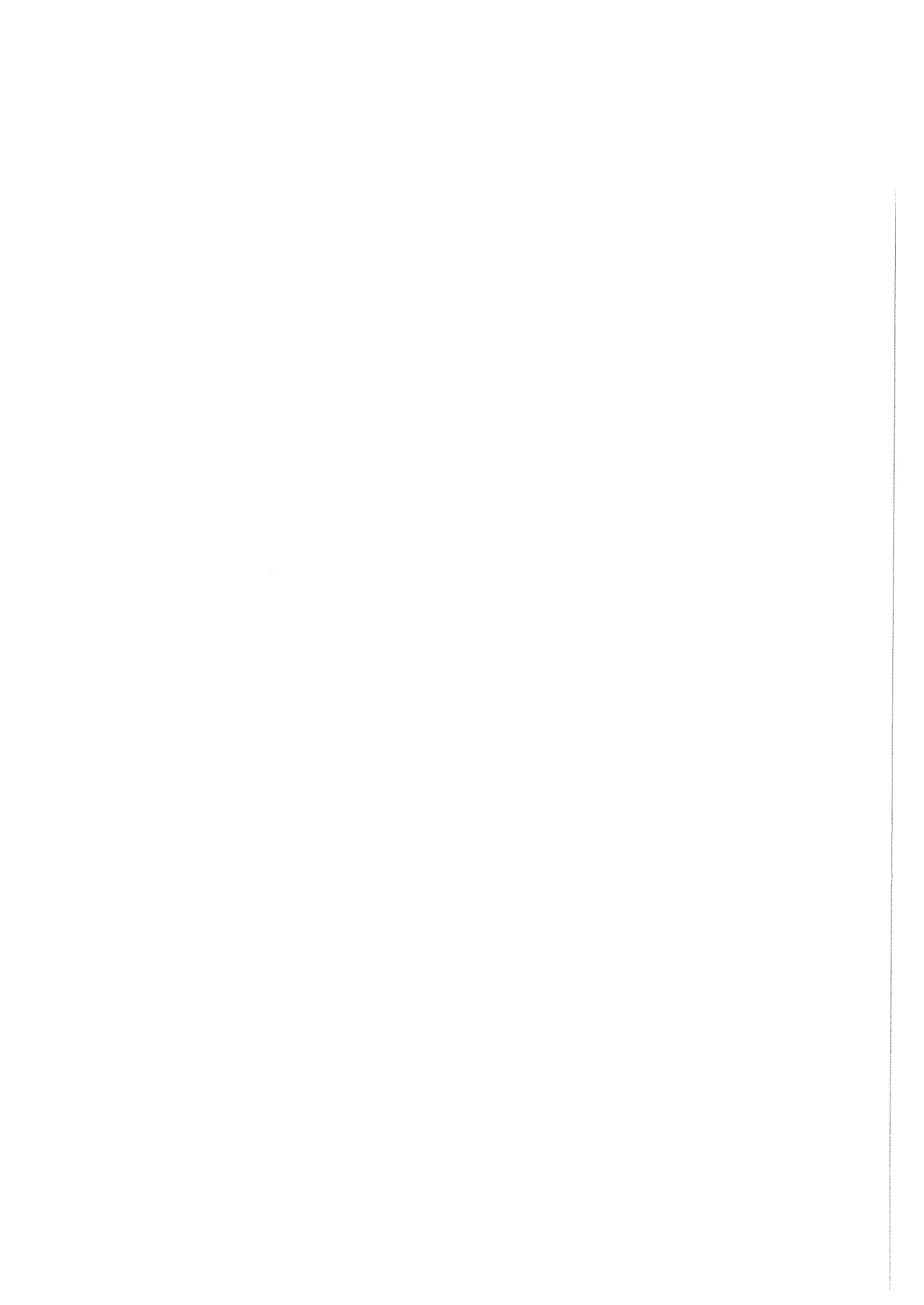




2016 APPROPRIATION BILL 2015

(NO. 4 OF 2015)





2016 APPROPRIATION BILL 2015

(NO. 4 OF 2015)

A

BILL

Entitled

AN ACT TO APPROPRIATE FOUR BILLION, TWO HUNDRED AND SIXTEEN MILLION, NINE HUNDRED AND TWENTY ONE THOUSAND AND SIX HUNDRED AND FIFTY SIX DOLLARS TO THE SERVICE OF THE YEAR ENDING 31ST DECEMBER 2016.

ENACTED by the National Parliament of Solomon Islands.

2016 APPROPRIATION BILL 2015

Short title and commencement

1. This Act may be cited as the 2016 Appropriation Act 2015.

Authorisation of \$4,216,921,656

2. The issue from the Consolidated Fund is hereby authorised of a sum of four billion, two hundred and sixteen million, nine hundred and twenty one thousand and six hundred and fifty six dollars, to be applied to the service of the year ending 31st December 2016.

Appropriation

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

Short Term Discount Securities

4. (1) The Government may, at any time or times not later than 31st December 2016, borrow by way of short-term discount securities, issued within Solomon Islands, any sum not exceeding in the whole one hundred million dollars on such terms and conditions as the Minister of Finance may deem expedient.

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

Government borrowing

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

(2) No amounts may be borrowed under subsection (1) except in accordance with an agreement under that subsection entered into on or before 31st December 2016.

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

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

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

Debt Servicing Account

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

Government's domestically sourced revenue earned in 2015 in the Government's Debt Servicing Account.

7. The total sums authorised by advance warrants issued by the Minister in exercise of his powers under section 60 of the *Public Financial Management Act 2013* for the financial year 2016 shall not at any one time exceed one hundred and fifty million dollars.

Advance
warrants

8. The total sums authorised by contingencies warrants issued by the Minister under section 58 of the *Public Financial Management Act 2013* for the financial year ending 31st December 2016 shall not exceed seventy five million for recurrent and development heads of expenditure.

Contingencies
warrants

FIRST SCHEDULE

(Section 3)

PART 1 - RECURRENT EXPENDITURE

HEAD	EXPENDITURE AUTHORISED (\$)	
270	Ministry of Agriculture and Livestock Development	32,595,545
271	Office of the Auditor-General	7,317,865
272	Ministry of Education and Human Resources	871,552,569
273	Ministry of Finance and Treasury	102,291,429
274	Ministry of Foreign Affairs and External Trade	45,831,865
275	Office of the Governor-General	8,724,916
276	Ministry of Health and Medical Services	334,583,288
277	Ministry of Infrastructure Development	70,143,411
278	National Debt Servicing (Non-Statutory component)	25,000,000
279	National Parliament	75,026,192
280	Ministry of Forestry	23,816,360
281	Office of the Prime Minister and Cabinet	109,282,519
282	Pensions and Gratuities	8,326,651
283	Ministry of Police, National Security and Correctional Services	256,911,116
284	Ministry of Provincial Government and Institutional Strengthening	109,760,369
285	Ministry of Lands, Housing and Survey	18,557,590
286	Ministry of Development Planning and Aid Coordination	7,974,112
287	Ministry of Culture and Tourism	24,011,837
288	Ministry of Commerce, Industries, Labour and Immigration	37,405,859
289	Ministry of Communication and Aviation	49,221,934
290	Ministry of Fisheries and Marine Resources	17,285,688
291	Ministry of Public Service	29,900,951
292	Ministry of Justice and Legal Affairs	28,332,761

293	Ministry of Home Affairs	29,316,277
294	Ministry of National Unity, Reconciliation and Peace	14,845,952
295	Ministry of Mines, Energy and Rural Electrification	16,685,786
296	National Judiciary	22,278,311
297	Ministry of Women, Youth, Children's and Family Affairs	11,590,202
298	Ministry of Rural Development	15,985,776
299	Ministry of Environment, Climate Change, Disaster Management and Meteorology	35,348,686
	TOTAL RECURRENT ESTIMATES	2,439,905,818

PART 2 - BUDGET SUPPORT EXPENDITURE

HEAD		EXPENDITURE AUTHORISED (\$)
372	Ministry of Education and Human Resources	90,000,000
373	Ministry of Finance and Treasury	20,466,164
374	Ministry of Foreign Affairs and External Trade	5,133,876
376	Ministry of Health and Medical Services	130,606,674
378	National Debt Servicing	341,735,250
390	Ministry of Fisheries and Marine Resources	8,888,945
392	Ministry of Justice and Legal Affairs	1,676,047
396	National Judiciary	641,745
	TOTAL BUDGET SUPPORT ESTIMATES	599,148,701

PART 3 - DEVELOPMENT EXPENDITURE

HEAD		EXPENDITURE AUTHORISED (\$)
470	Ministry of Agriculture and Livestock Development	39,356,945
471	Office of the Auditor General	2,230,000
472	Ministry of Education and Human Resources	77,000,000
473	Ministry of Finance and Treasury	50,000,000
474	Ministry of Foreign Affairs and External Trade	3,000,000
475	Office of the Governor General	1,000,000
476	Ministry of Health and Medical Services	31,478,992
477	Ministry of Infrastructure Development	288,917,000
479	National Parliament	10,000,000
480	Ministry of Forestry	25,808,200
481	Office of the Prime Minister and Cabinet	20,500,000
483	Ministry of Police, National Security and Correctional Services	16,500,000
484	Ministry of Provincial Government and Institutional Strengthening	60,000,000
485	Ministry of Lands, Housing and Survey	19,343,000
486	Ministry of Development Planning and Aid Coordination	2,550,000
487	Ministry of Culture and Tourism	28,800,000
488	Ministry of Commerce, Industries, Labour and Immigration	14,630,000
489	Ministry of Communication and Aviation	26,410,000
490	Ministry of Fisheries and Marine Resources	31,090,000
491	Ministry of Public Service	3,200,000
492	Ministry of Justice and Legal Affairs	6,500,000
493	Ministry of Home Affairs	3,331,000
494	Ministry of National Unity, Reconciliation and Peace	8,640,000
495	Ministry of Mines, Energy and Rural Electrification	32,277,000
496	National Judiciary	4,000,000
497	Ministry of Women, Youth, Children's and Family Affairs	4,510,000

498	Ministry of Rural Development	350,000,000
499	Ministry of Environment, Climate Change, Disaster Management and Meteorology	16,795,000
	TOTAL SIG FUNDED DEVELOPMENT ESTIMATES	1,177,867,137

TOTAL EXPENDITURE \$4,216,921,656

NOTE: In addition to this Appropriation Bill a further \$84,230,915 is forecast to be expended through statutory power, including the \$73,122,871 to be expended on National Debt Repayments. These Statutory Appropriations are explained in the Budget Strategy and Outlook (Budget Paper 1) and the Recurrent Estimates Document (Budget Paper 2) and are appropriated by existing legislation and/or the Constitution.

SECOND SCHEDULE

(Section 5)

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

\$300,000,000

To include:

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

2016 APPROPRIATION BILL 2015

OBJECTS AND REASONS

The object of this Bill is to authorise expenditure of four billion, two hundred and sixteen million, nine hundred and twenty one thousand and six hundred and fifty six dollars for the services of the Government in respect of the year 2016.

There will be no net domestic borrowing in 2016, unless Short-Term Discount Securities are issued in accordance with section 71(4) of the *Public Financial Management Act 2013* to deal with exceptional circumstances like a major economic shock or natural disaster.

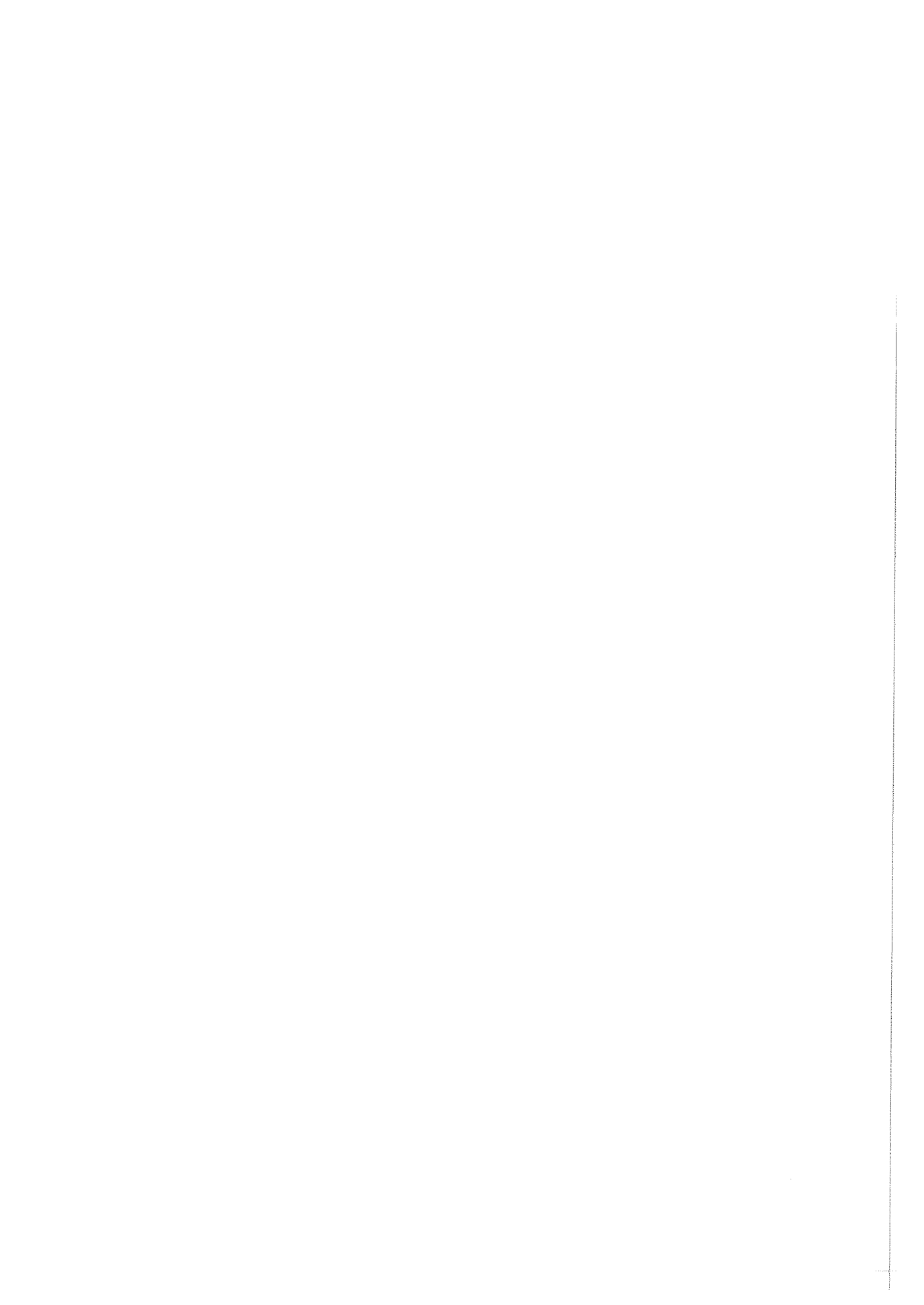
This Bill sets an annual limit on new Government borrowing, as defined in section 63 of the *Public Financial Management Act 2013*. The Bill authorises new Government borrowing, up to the specified annual limit amount, for rehabilitation and development purposes.

Provisions relating to the issue by the Ministry of Finance and Treasury of Advance Warrants and Contingencies Warrants during 2016 are also included.

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

The Bill provides authority for a General Warrant to be issued by the Minister for Finance and Treasury up to four billion, two hundred and sixteen million, nine hundred and twenty one thousand and six hundred and fifty six dollars to the Permanent Secretary of Finance and Treasury. This further allows the issue of Accounting Warrants by the Permanent Secretary in accordance with Sections 56 and 57 of the *Public Financial Management Act 2013*. The accounting warrants to be issued are outlined in Budget Paper 2: Recurrent Budget Estimates and Budget Paper 3: Development Budget Estimates.

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MINISTER OF FINANCE AND TREASURY



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