



**NATIONAL PARLIAMENT OF SOLOMON ISLANDS
BILLS AND LEGISLATION COMMITTEE**

**Report on the Business Names
Bill 2014 (No.11 of 2014)**

National Parliament Paper No.14 of 2014

Presented on 12th May 2014

National Parliament Office



CONTENTS

EXECUTIVE SUMMARY2

1. INTRODUCTION3

 1.1 Functions of the Committee.....3

 1.2 Term of Reference3

 1.3 Membership4

2 BACKGROUND5

3 THE BILL5

4 OBSERVATIONS6

 4.1 Exposure of business information.....6

 4.2 Filing of returns.....6

 4.3 Online payments6

5 RECOMMENDATIONS7

 Recommendation 17

 Recommendation 27

 Recommendation 37

 Recommendation 47

5 APPENDICES8

 APPENDIX 1: MINUTES.....8

 APPENDIX 2: WITNESSES..... 10

EXECUTIVE SUMMARY

The Business Name Bill 2014 (the Bill) is proposed as part of the Government's ongoing program of reforming business laws to bring them into line with modern best practice and the conditions of business in Solomon Islands. It modernises the regulatory process concerning registration of business names. It ensures business efficiency and enhances compliance requirements.

The Committee acknowledges and appreciates the Asian Development Bank, New Zealand Aid, and Australian Aid for facilitating these ongoing reforms to the business laws in this country.

In addition, the Committee encourages the Solomon Islands Government to proactively approach such reforms by offering a complete package to aid donors so that reformation to other relevant regime or framework is carried out simultaneously without the need to approach the reforms on a piecemeal basis.

The Committee recommends this Bill to the House.

1. INTRODUCTION

The Bills and Legislation Committee (“the Committee”) reviewed the **Business Names Bill 2014 (No.11 of 2014)** on the 7th May 2014. The Bill was submitted on the 30th April 2014 to the Speaker of the National Parliament, through the Clerk to Parliament, as required under the *Standing Orders*¹.

The Committee deliberated on Friday 2nd May and resolved to invite relevant stakeholders² to appear before the Committee and make presentations on the contents, policy matters, and intentions of the Bill. The hearing was held on the 7th May 2014. The minutes of these proceedings are in Appendix 1.

1.1 Functions of the Committee

The Bills and Legislation Committee is established under the *Standing Orders*³. The Order made pursuant to the *Constitution*⁴ has the functions together with the necessary powers to discharge such, to:

- (a) *examine such matters as may be referred to it by Parliament or the Government;*
- (b) *review all draft legislation prepared for introduction into Parliament;*
- (c) *examine all subsidiary legislation made under any Act so as to ensure compliance with the Acts under which they are made;*
- (d) *monitor all motions adopted by Parliament which require legislative action;*
- (e) *review current or proposed legislative measures to the extent it deems necessary;*
- (f) *examine such other matters in relation to legislation that, in the opinion of the Committee require examination; and*
- (g) *make a written report to each Meeting of Parliament containing the observations and recommendations arising from the Committee’s deliberations.*

1.2 Term of Reference

Pursuant to its mandate under the *Standing Orders*⁵, the terms of reference of the Committee in this instance is to review the Bill and to report its observations and recommendations on the Bill to Parliament.

¹*Standing Order 44 (1)*

²*See Appendix 2*

³*Standing Order 71*

⁴*Section 62, Constitution of Solomon Islands 1978*

1.3 Membership

The current members of the Bills and Legislation Committee (9thParliament) are:

Hon. Manasseh D. Sogavare, MP (Chairman)

Hon. Dr Derek Sikua, MP

Hon. Milner Tozaka, MP

Hon. Matthew Cooper Wale, MP

Hon. John Maneniaru, MP

Hon. James Tora, MP

Hon. Douglas Ete, MP

Hon. Sam Iduri, MP

⁵Above, n3.

2 BACKGROUND

The Bill is designed to repeal and replace the *Registration of Business Names Act* [Cap.178] (the Act). It will regulate the application for, issuance and recording of business names as well as provide for appropriate penalties for non-compliance.

Currently, the Act regulates the registration of firms, individuals, and corporations carrying on business under a business name. It was enacted on the 1st July 1971 and adopted in 1978. It is archaic and is becoming ineffective.

3 THE BILL

The Bill ensures that, if an entity carries on a business under a business name, those who engage or propose to engage with that business can identify and contact the entity. It also ensures that business names that are the same or almost the same as other business names, or the registered names of companies, charitable trusts or co-operative societies, are not used where that would confuse or mislead the public. Finally, the Bill ensures that business names that should not be used, including because they are misleading, deceptive or offensive to the public, are not used.

The Bill requires individuals, bodies corporate, bodies politic, partnerships and unincorporated association or bodies of person to register business names if they are using a business name. It specifies the information to be kept on the Register. It prohibits certain names from being registered except in specific circumstances. The Bill outlines the obligations that come with having a registered business name. It provides the Registrar with better powers to maintain the Register. It outlines offences and associated penalties.

An innovative feature of the Bill is that the responsible Ministry will be able to upgrade the existing paper-based Business Names Registry to an electronic database.

4 OBSERVATIONS

The following are the Committee's observations regarding the Bill.

4.1 Exposure of business information

The Committee is concerned that, given the lack of an internet security policy, on-line registrations of business names exposes business information and is prone to cyber intrusions.

4.2 Filing of returns

The Committee noted that the Act requires an entity to furnish the Registrar of changes to an entity's particulars twenty-eight days within twenty-eight days of the change(s). The Bill requires an entity to file a return every two years in relation to the registration.

The Committee is adamant that filing of returns can be done on-line as well.

4.3 Online payments

The Committee is concerned of the option available to make online payments of the prescribed fees under the Bill.

5 RECOMMENDATIONS

At the conclusion of the hearing and based on the evidences collected at the hearing, the Committee makes the following recommendations –

Recommendation 1

The Committee recommends that the Government expedites its business laws reform program to ensure ease of doing business in Solomon Islands.

Recommendation 2

The Committee recommends that the Government formulates and implements an internet security policy to safeguard business information.

Recommendation 3

The Committee recommends that customers are given the option to make or file returns electronically.

Recommendation 4

The Committee recommends that customers are given the option to make payment of prescribed fees electronically.

Hon. Matthew Wale

Chairman (Ag)

Bills and Legislation Committee

5 APPENDICES

APPENDIX 1: MINUTES



BILLS AND LEGISLATION COMMITTEE

NATIONAL PARLIAMENT OF SOLOMON ISLANDS

Minutes

Deliberative meeting on the Business Name Bill 2014.

Held: Friday 2nd May 2014

Venue: Parliament Conference Room 2

Time: 12:30pm

1. Members Present

Hon. Manasseh D. Sogavare (Chairman)

Hon. Dr. Derek Sikua

Hon. John Maneniaru

Hon. Matthew Wale

Secretariat

Jefferson Hallu

Salome Pilumate

2. Chair's Opening Remarks

The Chair calls the Committee to order and introduced the Bill.

3. Committees resolution

The Chair invited members to suggest witnesses to be invited to appear before the Committee and suggest date for the inquiry to commence. The Committee resolved to invite the following:

- Ministry of Commerce, Industry, Labour, and Immigration
- Legal Draftsman, Attorney General's Chambers, Ministry of Justice and Legal Affairs

4. Close

Closing prayer by Secretary.

Minutes of Proceedings

Inquiry into the Business Names Bill 2014

Date: Wednesday 7th May, 2014

Venue: Parliament Conference Room 2,

Time: 10:30am – 3:16pm

Members Present

Hon. Manasseh Sogavare, MP (Chair)

Hon. Dr. Derek Sikua, Member

Hon. James Tora, Member

Hon. Matthew Wale, Member

Hon. John Maneniaru, Member
Hon. Douglas Ete, Member
Hon. Milner Tozaka, Member

Stakeholders (Witnesses)

Hence Vaekesa – Permanent Secretary, MCILI
Edwin Suramo – Registrar of Companies, MCILI
James Apato – Under Secretary (Technical), MCILI
Catriona Steele – Legislative Drafting Advisor, Attorney General’s Chamber
Joana Kenilorea Hanu – Crown Counsel, Attorney General’s Chamber
Jarrod Harrington – Advisor/Consultant to SIG business law reform program, ADB
Aaron Levine – Advisor/Consultant to SIG business law reform program

Jerry Tengamoana – CEO, SICCI
Michael Daly – Business Advocacy and Communication Officer, SICCI

Secretariat

Mr Jefferson Hallu
Salome Pilumate

1. **Welcome and Opening Prayer**
 - Chair brought the hearing to order.
 - Hon. James Tora said the prayer.
 2. **Opening Statement**
 - Chairman acknowledges and thanked the stakeholders for their commitment to appear before the committee for the public hearing into the Bill.
 3. **Hearing into the Bill**
 - Chairman made welcome remarks and gave an overview of the order of the hearing.
 - Chairman reminded the witnesses on parliament privileges.
 - Panel of witnesses introduced themselves to the Committee.
 - The PS MCILI made his opening statement on the Bill.
 - Discussions, questions and answers ensued.
 - Committee suspends at 12:45pm
 - Committee resumes at 2:50pm
 - Chairman made closing remarks.
 - Hearing concludes.
 4. **Closing**
 - Hearing ends at 3:16pm
 - Closing prayer by Hon. John Maneniaru
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APPENDIX 2: WITNESSES

The following witnesses appeared before the Bills and Legislation Committee;

Date of appearance	Name	Ministry/Institution represented	Position/Job title
Wednesday 7 th May 2014 10:30am – 12:45pm	Hence Vaekesa	Ministry of Commerce, Industry, Labour, and Immigration	Permanent Secretary
	Edwin Saramo	Ministry of Commerce, Industry, Labour, and Immigration	Registrar of Companies
	James Apato	Ministry of Commerce, Industry, Labour, and Immigration	Under Secretary (Technical)
	Catriona Steele	Attorney Generals Office	Legislative Drafting Advisor
	Joana K. Hanu	Attorney Generals Office	Crown Counsel
	Aron Levine	Asian Development Bank	Advisor/Consultant to SIG business law reform program
	Jarrod Harrington	Asian Development Bank	Advisor/Consultant to SIG business law reform program
2:50pm – 3:16pm	Jerry Tengemoana	Solomon Islands Chamber of Commerce and Industry	Chief Executive Officer
	Michael Daly	Solomon Islands Chamber of Commerce and Industry	Business Advocacy and Communication Officer