

National Parliament of Solomon Islands

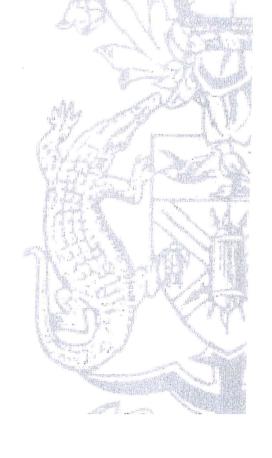
Bills and Legislation Committee

# Committee Report

Report on the Valuers (Amendment) Bill 2016

(No. 5 of 2016)

NP-Paper No. 4 of 2016 Presented on 26 April 2016 National Parliament Office





# **COMMITTEE MEMBERS**

The current members of the Bills and Legislation Committee (10th Parliament) are:

Hon. Connelly Sandakabatu, MP (Chairman)

Hon. Jeremiah Manele, MP

Hon. Dr Derek Sikua, MP

Hon. Rick Houenipwela, MP

Hon. Matthew C. Wale, MP

Hon. Dr CulwickTogamana, MP

Hon. Steve Abana, MP

Hon. Commins A. Mewa, MP

Hon. Peter Tom, MP

Hon. Namson Tran, MP

#### Secretariat:

Wilson Anii Gregory Fineanganofo Vanessa Rodie Marson Lilopeza

#### Contacts

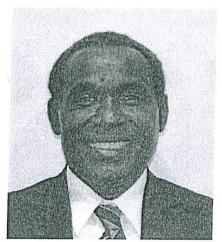
Bills and Legislation Committee National Parliament of Solomon Islands P O Box G19 HONIARA

Website: www.parliament.gov.sb

Telephone: (677) 24323 Facsimile: (677) 23080



# **CHAIR'S FOREWORD**



Hon. Connelly Sandakabatu, MP Chairman

# REPORT OF THE BILLS AND LEGISLATION COMMITTEE

Mr. Speaker,

Pursuant to Standing Orders No. 71 (g) of the National Parliament of Solomon Islands, it is an honour and pleasure for me Sir, to present the Report of the Bills and Legislation Committee on the Inquiry into the Valuers (Amendment) Bill 2016 for laying before Parliament.

Hon.Connelly Sandakabatu

Chairman

Bills and Legislation Committee

26April, 2016



# **COMMITTEE FUNCTIONS**

The Committee is established under *Standing Order*71; an Order made pursuant to the *Constitution*<sup>1</sup> and 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.

<sup>&</sup>lt;sup>1</sup>Section 62, Constitution of Solomon Islands 1978.

## **EXECUTIVE SUMMARY**

The Valuers (Amendment) Bill 2016 was intended to redress some of the deficiencies within the registration and licensing processes of valuers in the Solomon Islands. Since the enactment of the *Valuers Act* in 2009, interpretation of certain legal and administrative provisions within the Act have become somewhat unclear regarding the roles of the Valuers Board and the Council of Association of Valuers respectively. Therefore, the Bill seeks to make adjustments and interpretations to the Act in order to encourage greater veracity to the process.

The Committee welcomes these reforms since the Ministry of Lands, Housing and Survey have been able to identify irregularities within the Act and identify reforms that will make the Act become more consistent. However, the Committee is concerned that some of the proposed amendments are questionable in nature and needs more reviewing. These include the proposed changes to the membership composition of the Board, Ministerial discretion in the appeal process, the regulation process and the appeal process.

The Committee urges that a more holistic consultation with relevant stakeholders is required to facilitate the prescribed amendments to ensure greater integrity to the Act. The amendments must incorporate the views of all those who will be concerned and affected to promote equity when the Bill comes to effect.

The Committee also believes regulations must be drawn up to regulate the valuers' profession and practices within the law. Lines must be drawn to make clear distinctions on professional services and practices of valuers for the benefit of the general public and to eliminate mal-administrative and corrupt practices and promote transparency and accountability.

The Committee also stresses that appeals process needs to be reviewed to lessen and/or avoid disrepute to the registration and licensing process. Registration and licensing of valuers must be equally available and accessible to everyone and not based on pre-conceived agendas that promotes or hinders applicants.

This Bill is a step forward in initiating reforms to the current *Valuers Act 2009*, and in properly administrating the valuers' profession. The Committee recommends it to the House.



# TABLE OF CONTENTS

CC	DMMITTEE MEMBERSi	
CF	HAIR'S FOREWORD ii	
CC	OMMITTEE FUNCTIONS iii	
	ECUTIVE SUMMARYiv	
1.0	INTRODUCTION1	
	1	
2.0	BACKGROUND INFORMATION2	
	2.1 Membership of Valuers Board2	
	2.2 Registration of Valuers4	
	2.3 Appeal Process4	
	2.4 Application Process and Powers to Issue Practicing License5	
	2.5 Regulations6	
	2.6 External Assistances6	
3.0	ISSUES DISCUSSED8	
	3.1 Composition of Membership of the Valuers Board	
	3.2 Disparities between Valuation rates9	
	3.3 Appeal Process	
3.4 Consultation with relevant Stakeholders 11		
	3.5 Conduct of Valuations by Public Officers	
	3.6 Appeal Process for Temporary Registration	
4.0	RECOMMENDATIONS	
5.0	APPENDICES	
	Appendix 1 Witnesses	
	Appendix 2: Minutes of Proceedings	



1 -

## 1.0 INTRODUCTION

This Report contains the findings and recommendations of the Bills and Legislation Committee ("the Committee") after having reviewed the Valuers (Amendment) Bill 2016 ("the Bill") as required under the Standing Orders of the National Parliament of Solomon Islands ("the Standing Orders").

The Bill was submitted on 30<sup>th</sup> March 2016 to the Speaker through the Clerk to Parliament as required under the *Standing Orders*<sup>2</sup>. The Committee deliberated on 4<sup>th</sup> April 2016 and resolved to conduct an inquiry into the Bill and invited relevant stakeholders<sup>3</sup> to appear before the Committee and make presentations on the contents, policy matters, and intentions of the Bill.

Hearings into the Bill were held on the 13<sup>th</sup> and 14<sup>th</sup> of April 2016 at the National Parliament Building. The List of witnesses that appeared before the Committee and minutes of these proceedings are contained in Appendix 1 and 2 respectively.

<sup>2</sup>Standing Order 44 (1)

<sup>3</sup>See Appendix 1

# 2.0 BACKGROUND INFORMATION

The Valuers (Amendment) Bill 2016 (the "Bill") is brought forth by the Ministry of Lands, Housing and Survey ("the Ministry") and seeks to amend the current Valuers Act 2009 (the "Act"). The principal Act was enacted in 2009 to establish the Valuers Board and provide its functions and powers to register and discipline Valuers, and to regulate their professional standards and practice. The Act also sought to establish the Valuers Association of Solomon Islands and provide its objects and administration. A review of the Act was conducted to improve the administration of the Valuers Board and the Council of the Association of Valuers.

The proposed amendments provide for the clarification of registering and issuing licenses to valuers, as well as defining the roles of the Valuers Board and the Council of Association respectfully.

The major objectives of this Bill are to reform the membership of the Valuers Board, limit registration of valuers to only Solomon Islands citizens, impose additional qualification requirements for temporary registration of valuers, widen the scope for applicants to appeal decisions (or failure to make decisions), and improve the functioning of the Valuers Board.

# 2.1 Membership of Valuers Board

#### Current practice

In the current Act, the membership of the Valuers Board (the "Board") consists of:

- (a) the Valuer General, as the Chairperson;
- (b) three other members who are valuers in private practice nominated by the Council;
- (c) a legal practitioner;
- (d) a civil engineer;
- (e) a chartered accountant; and
- (f) an architect.4

The Board is mandated to approve or refuse an application for registration as a valuer.

. :

#### Proposed amendment

The Bill seeks to amend the current composition to the membership of the Valuers Board to the following;

#### a) Secretary to the Valuers Board

The Bill seeks to include a new membership position to be called the 'Secretary to the Board'. The Secretary will administer and facilitate Board meetings and decisions. This position is to be held by a public officer who is a valuer, and is appointed to the Board by the Valuer General<sup>5</sup> from which the current Act specified that Secretary to the Board is designated by the Permanent Secretary<sup>6</sup>.

#### b) Legal Practitioner

The Bill allows maintaining the membership of 'a legal practitioner' but seeks to amend it to allow for the member to be nominated by the Valuer General.

#### c) Deletion of 3 positions

The Bill seeks to remove the membership of a civil engineer, a chartered accountant, and an architect from the composition of the Board and replace them with;

#### d) Quantity Surveyor

The Bill seeks to include a person nominated by the Valuer General who has a tertiary qualification in quantity surveying that is approved by the Valuer General.

Hence, the proposed amendment on the composition of members of the Valuers Board is limited to;

- a) The Valuer General as Chairperson
- b) The Secretary to the Board
- c) Three Members who are valuers in private practice
- d) A legal practitioner
- e) A qualified Quantity Surveyor<sup>7</sup>

<sup>&</sup>lt;sup>5</sup>Clause 6, Valuers (Amendment) Bill 2016 (No 5 of 2016)

<sup>6</sup> Schedule 10, Valuers Act 2009

<sup>&</sup>lt;sup>7</sup>Clause 6, Valuers (Amendment) Bill 2016 (No 5 of 2016)

# 2.2 Registration of Valuers

#### **Current Practice**

Section 10 (3) of the principal Act<sup>§</sup> stipulates that the Board may approve application for registration so long as the applicant; possesses the prescribed academic or professional qualification, is of a good character, and is not disqualified for registration. It does not prescribe that the applicant can either be a citizen or non-citizen of Solomon Islands. Only in regards to issuing of 'temporary licences' does the current Acts states that the Board may issue to non-citizens.

#### Proposed Amendment

The Bill seeks to make amendments to the registration process by introducing a requirement that full or permanent registration is only open exclusively for Solomon Islands citizens.9

Furthermore, where the issuing of a 3 month-temporary registration is concerned, proposed amendments are put in place to clarify that non-Solomon Island citizens who intend to apply for registration must have a permit to work in the country, and must have additional qualification requirements such as being a member of a body equivalent to the Association in another country.

The Bill seeks to allow applicants for temporary registration to appeal against the Board's decision (or failure to make one) to refuse the application to the Minister.

# 2.3 Appeal Process

#### **Current Practice**

According to the principal Act, any person may appeal to the Minister within 30 days from the date of the decision of the Board to refuse an application for registry, impose any conditions on the registration or temporary registration, or impose a disciplinary penalty.<sup>10</sup>

In determining the appeal, the Minister may confirm or vary the decision of the Board, make a new decision, or dismiss the appeal. The Minister may only consider appeals regarding the Boards decisions.

<sup>8</sup> Section 10 (3), Valuers Act 2009

Clause 8, Valuers (Amendment) Bill 2016

<sup>10</sup>Section 20, Valuers Act 2009

5

#### Proposed Amendment

The Bill seeks to enhance the Minister's consideration of an appeal to include the decisions of both the Board (regarding registration and temporary registration) and the Council of Valuers Association's decision(s) on issuing of valuers licence.

The Bill provides for an applicant to make an appeal to the Minister against the Valuers Board refusal for registration, or temporary registration, or failure to make decisions within 28 days. On the same note, the Bill also provides for the applicant to make an appeal against the Council of Association's refusal to issue licenses. Appeals can be made to the Minister in accordance with the provisions of this Act applicable to the original decision.<sup>11</sup>

# 2.4 Application Process and Powers to Issue Practicing License

#### **Current Practice**

Registration of valuers by the Board does not allow for the registered valuer to undertake any valuation until the person has an annual practicing license (issued by the Council). A valuer may apply, in the prescribed form with the prescribed fee, to the Council for a practicing licence or the renewal of the practicing licence.

The application shall include; a certified copy of the registration certificate; the name of the company; place of business(s); for renewal, a copy of the existing license; or any other prescribed particulars<sup>12</sup>.

The annual licensing fee shall be paid before the end of February of each year to the Association. Failure to pay the licensing fee before the prescribed date the licensed will be deemed as cancelled. If the valuer continues to performed valuations without renewal of licence then the person is said to commit an offence and is liable on conviction provisions as stated in the Act<sup>13</sup>.

#### **Proposed Amendments**

The Bill seeks to make changes to the application process of the Act by keeping unchanged the application process but include in the Act that a person may apply for a practising licence at any time. However, in order to be listed in the published newspapers and in the *Gazette* list of the

<sup>11</sup>Clause 13, Valuers (Amendment) Bill 2016

<sup>12</sup> Section 32 & 33 of the Valuers Act 2009

<sup>13</sup> Ibid.

Council, a person must apply for a practicing licence before the end of the last day of February of the year<sup>14</sup> before their names can appear on the list on 31 March each year.

Additionally, the Bill seeks to repeal the contravention measures on committal of an offence and liability to conviction to a fine or imprisonment on the basis of continuing to undertake valuation without paying for the annual licence fee.

Finally, the Bill seeks to provide for an appeal process where an applicant can appeal to the Minister if the Council does not decide on an application for a practicing licence within 28 days after it is received which is taken to be having been refused<sup>15</sup>.

# 2.5 Regulations

#### **Current Practice**

The current Act provides for the Board to make regulations in effecting the provisions to the Act, with the approval of the Minister<sup>16</sup>.

#### Proposed Amendments

The Bill seeks to amend the Act by allowing only the Minister to make regulations to give effect to the provisions of this Act, and in particular to make regulations prescribing to two new provisions mentioned below<sup>17</sup>;

- a. allowance for members of the Board; and
- b. the way in which valuers must calculate and estimate land valuations.

#### 2.6 External Assistances

#### **Current Practice**

There are no other provisions relating to the Board in the Current Act where the Board may engage external assistance in the performance of its function.

<sup>&</sup>lt;sup>14</sup> Clause 15, Valuers (Amendment) Bill 2016. p.5

<sup>15</sup> Ibid

<sup>16</sup> Section 38, Valuers Act 2009

<sup>17</sup> Clause 16, Valuers (Amendment) Bill 2016.

# Proposed Amendments

The Bill seeks to amend the Act by allowing for the Board to engage any qualified person to provide assistance or advice in the performance of its functions<sup>18</sup>.

18 Clause 17, Valuers (Amendment) Bill 2016.

#### 3.0 ISSUES DISCUSSED

The following are the issues arising, and the Committee's observations regarding the Bill.

# 3.1 Composition of Membership of the Valuers Board

The proposed amendment to the new structure of the Valuers Board is to ensure that the membership of the Board is more relevant to the valuation profession.

In his evidence, the Permanent Secretary of the MLHS stated that some Board member's positions are reserved for provisions that are less relevant and other provisions that are not represented currently. Hence, the Bill proposed to remove the civil engineer, chartered accountant and architect from the Board and introduce a quantity surveyor as a professional with much closer ties to the valuation profession<sup>19</sup>. However, most of the witnesses to the hearing stated that they have not been consulted about the Bill and the suggested recommendations to change the structural composition of the Board's membership.

#### Committee Comments

The Committee is concerned that the removal of the professions of an architect and a civil engineer as part of the Board member, thus making the Board membership comprising of all valuers except for the legal practitioner, may affect the full administration of the Board's roles and functions. The Committee believes that Valuers is a broader profession, depending on areas to be assessed and valued. The current proposed amendment to exclude architects and civil engineers would narrow the roles and function of the Board and would not be adequate in valuing architectural or structural Complexes.

#### Recommendation 1

The Committee believes that Valuers is a broader profession and recommends that the Ministry of Lands, Housing and Survey re-instate Board memberships of an architect and a civil engineer to give wholesome composition of the Board to carry out full administration of it roles and functions.

<sup>19</sup> Mr Stanley Wale, Permanent Secretary, MLHS, Evidence, 13th April 2016, p.2

# 3.2 Disparities between Valuation rates

It was evident from submissions during the hearings that the current *Valuers Act* 2009 and the contents of the amendments to the Act presented in the Bill only seeks to address the profession of Valuers and does not cover standardizing land valuation rates specifically. This, as expressed by the Permanent Secretary of MLHS will be looked at after the Bill is passed.

"...Subject to the passing of this Bill [the] Ministry will start working on suchregulations to provide greater certainty and consistency in land valuation..."<sup>20</sup>

Further to that, valuations fees also depend on residential, commercial and industrial properties. Apart from these forms of valuations fees vary between valuers depending on the percentage they charge and their professionalism and the influence from their clients in retaining commissions for their work.

In his evidence, the Chief Technical Officer of MLHS pointed out that this is a Valuers Act and not a Valuation Act in which the former is an Act about the provisions of valuers rather than land valuation. However, for the purposes of valuation there are currently no regulations. Thus, fees that are prescribed are not prescribed in regulations. The MLHS is actually working on some regulations that will put into place all of the fees in a proper legal manner.<sup>21</sup>

#### **Committee Comments**

The Committee is concerned on the current practice of valuation rates amongst valuers. The Committee expressed instances where there were disparities on valuation rates between different valuers; and is aware that there is no set guideline valuers' can use to value property.

#### Recommendation 2

The Committee recommends that the Ministry make regulations to the Act subject to the Bill being passed to ensure that detailed regulations on standardizing how properties should be estimated and calculated be made and provided for public knowledge. This is to disallow disparities of valuation rates amongst valuers, and enable greater consistency and certainty on land valuations.

<sup>21</sup> Mr Allan McNeil, Chief Technical Officer, MLHS, Evidence, 13th April 2016, p.8

<sup>&</sup>lt;sup>20</sup>Above, n21

Recommendation 3 (complementary to Rec #2)

Along with recommendation 2 above the Committee recommends that the Ministry of Lands, Housing and Survey on the long term, should consider introducing a *Valuation Act* to Parliament as an approach to standardizing and guiding valuation rates in the country.

3.3 Appeal Process

The Committee understands that clause 13 of the Bill<sup>22</sup> provides an amendment to Section 23 of the current Act by providing an avenue for situations whereby appeals may be made to the Minister on the Boards refusal or failure to make a decision on an application for registration; or the Council's refusal or failure to make a decision on an application for licensing.

In his evidence, the Permanent Secretary of MLHS stated that the Bill introduces for the first time a full range of appeals that allows an applicant to appeal against the Board and the Councils decision (or failure to make one) respectively to the Minister for consideration in accordance with the Act<sup>23</sup>.

In his evidence, Chief Technical Officer of the MLHS stated that during the consultations with valuers, valuers remain indifferent with the current appeal process in the Act<sup>24</sup>.

Committee Comments

The Committee is concerned on the discretional power vested in the Minister regarding the submission of appeals. Whilst the Committee supports the process of the right to appeal on registrations and/or licenses not granted; the Committee is strongly concerned that such discretion would allow for future abuse of such power by the Minister. Furthermore, the Committee is also concerned that there is no requirement in the proposed amendments of the Bill, for the Minister to solicit the advice from another technical body to assist in the decision making process of an applicant's appeal.

Recommendation 4

The Committee recommends that the Ministry of Lands, Housing and Survey consider establishing a *Board of Appeals* to consider appeal applications and will act as a technical-advisory body to the Minister.

<sup>&</sup>lt;sup>22</sup>Clause 13, Valuers (Amendment) Bill 2016

<sup>&</sup>lt;sup>23</sup> Mr Stanley Wale, Permanent Secretary, MLHS, Evidence, 13th April 2016, p.2

<sup>24</sup> Above, n23

# 3.4 Consultation with relevant Stakeholders

The Ministry of Lands, Housing and Survey informed the Committee that the proposed amendments to the *Valuers Act 2009* are in light of extensive consultations with the Valuers Board, the Council of Association of Valuers, and all the licensed valuers within the country to improve the standard of the valuers' profession.<sup>25</sup> The Ministry further clarified that the consultations provided identification of relatively minor issues on the way in which the Valuers Board and the Council of Association operates, to allow for more certainty and consistency. <sup>26</sup>

In his evidence, the Permanent Secretary for the Ministry of Infrastructure and Development (MID) acknowledged the objectives of the Bill. However, the Permanent Secretary stated that his Ministry was not consulted with reference to the proposed amendments to the Board's membership composition, with views that the profession of civil engineer and architect should remain within the Board's membership due largely to MID's direct engagement with the MLHS for valuations relating to engineering and architectural valuations<sup>27</sup>.

Most of the witnesses representing private valuation firms also shared the same sentiments about not being included in the consultations carried out by the MLHS about the Bill and in particular the amendments to the Boards membership<sup>28</sup>.

#### Committee Comments

The Committee acknowledges the plight of the Ministry of Lands, Housing and Survey; in taking the initiative to continuously review and provide amendments to improve the procession of the valuation profession; and it is seen through the provision of the amendments provided in the Bill.

However, the Committee is concerned that during the course of the Committee hearing, a number of relevant Government Ministries and practicing valuers from private real estate firms informed the Committee that they were not consulted on the matter which brings into question the extensiveness of the consultations carried out by the MLHSover the issue of the proposed changes to the Board's membership structure to suggest that the proposed changes will contribute to the effectiveness and efficiency of the Board and whether the proposed changes to the membership should also include representatives of other stakeholders.

<sup>&</sup>lt;sup>25</sup>Mr Stanley Wale, Permanent Secretary, Ministry of Lands, Housing and Survey, Evidence, 13 April 2016 <sup>26</sup>Mr McNeil, Chief Technical Advisor, Ministry of Lands, Housing and Survey/SPC, Evidence, 13 April 2016

<sup>&</sup>lt;sup>27</sup>Mr Henry Murray, Permanent Secretary, Ministry of Infrastructure Development, Evidence, 13 April 2016

<sup>&</sup>lt;sup>28</sup>Witnesses, Private Firms, Premier Real Estate and Property Management and Pacific Architect Limited, Evidence, 13th and 14th April 2016

#### Recommendation 5

The Committee recommends that the Ministry of Lands, Housing and Survey conduct a wider consultation with other relevant stakeholders who are directly linked to the Ministry within the valuation profession regarding the proposed amendment on the composition of the Board of valuers. This is to ensure that the proposed removal of other professions in the Board membership composition warrants effectiveness and efficiency to the Boards roles and functions and provides equity to all stakeholders.

# 3.5 Conduct of Valuations by Public Officers

The Ministry informed the Committee that public officers who are licensed and practising valuers are expected to not be engaged in conducting valuations for personal gain.<sup>29</sup> The Permanent Secretary informed the Committee that public officers who are licensed valuers are expected to maintain their professional conduct and not be engaged in private valuations.

#### Committee Comments

The Committee acknowledges the Ministry's plight in formalizing the valuation profession. However, the Committee is concerned that it is unclear in terms of valuers, that a public officer who is a registered and licensed valuer can also performs private valuations. The Committee is mindful on the likely cause of a conflict of interest with regards to the public officer's professional conduct as an employee of the Public Service and as a professional valuer conducting private tasks.

### Recommendation 6

The Committee recommends that the Ministry of Lands, Housing and Survey formulate regulations on the Act to clarify the conduct of public officers who are registered and licensed valuers and the requirements for them to maintain professional standards and integrity during the course of their work.

<sup>&</sup>lt;sup>29</sup>Mr Stanley Wale, Permanent Secretary, Ministry of Lands, Housing and Survey, 13 April 2016

# 3.6 Appeal Process for Temporary Registration

Clause 13 of the Bill<sup>30</sup> provides an amendment to Section 23 of the current Act by providing an avenue for situations whereby appeals may be made to the Minister on the Boards refusal or failure to make a decision on an application for temporary registration. The Ministry informed the Committee, that there are no provisions in Act nor the current proposed amendments in the Bill to cater for an instance whereby the Board fails to meet within the 28 lapse of considering an application for temporary registration due to quorum issues.<sup>31</sup> However the Ministry also informed the Committee that the current Act has provisions for the Chairman to call the Board to a special meeting as requested, and also provisions for the Board to meet at least once every two months.<sup>32</sup>

#### Committee Comments

The Committee is aware that there are no stated amendments in the proposed Bill to provide for re-consideration of a temporary application due to a Board's failure to meet within the 28 days lapse due to quorum issues. The Committee is concerned that the absence of such provision does not provide fairness to the applicant during the application process to be registered and/or licensed as a valuer.

#### Recommendation 7

The Committee recommends that the Ministry consider amending Clause 10 (7) of the Bill to ensure that the Board informs an applicant within 28 days whether or not the Board has decided on an application for temporary registration to allow for fairness in the application process.

<sup>30</sup>Clause 13, Valuers (Amendment) Bill 2016

<sup>&</sup>lt;sup>31</sup>Clause 10 (7), Valuers (Amendment) Bill 2016

<sup>32</sup>S.6;(1) and (2) of the Schedule, Valuers Bill 2009

## 4.0 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 strongly believes that Valuers is a broader profession and recommends that the Ministry of Lands, Housing and Survey re-instate Board memberships of an architect and a civil engineer to give wholesome composition of the Board to carry out full administration of it roles and functions.

#### Recommendation 2

The Committee recommends that the Ministry make regulations to the Act subject to the Bill being passed to ensure that detailed regulations on standardizing how properties should be estimated and calculated be made and provided for public knowledge. This is to disallow disparities of valuation rates amongst valuers, and enable greater consistency and certainty on land valuations.

#### Recommendation 3 (complementary to Rec #2)

Along with recommendation 2 above the Committee recommends that the Ministry of Lands, Housing and Survey on the long term, should consider introducing a *Valuation Act* to Parliament as an approach to standardizing and guiding valuation rates in the country.

#### Recommendation 4

The Committee recommends that the Ministry of Lands, Housing and Survey consider establishing a *Board of Appeals* to consider appeal applications and will act as a technical-advisory body to the Minister.

#### Recommendation 5

The Committee recommends that the Ministry of Lands, Housing and Survey conduct a wider consultation with other relevant stakeholders who are directly linked to the Ministry within the valuation profession regarding the proposed amendment on the composition of the Board of

valuers. This is to ensure that the proposed removal of other professions in the Board membership composition warrants effectiveness and efficiency to the Boards roles and functions and provides equity to all stakeholders.

#### Recommendation 6

The Committee recommends that the Ministry of Lands, Housing and Survey formulate regulations on the Act- to clarify the conduct of public officers who are registered and licensed valuers; and the requirements for them to maintain professional standards and integrity during the course of their work.

#### Recommendation 7

The Committee recommends that the Ministry consider amending Clause 10 (7) of the Bill to ensure that the Board informs an applicant within 28 days whether or not the Board has decided on an application for temporary registration to allow for fairness in the application process.

END OF REPORT

# 5.0 APPENDICES

# Appendix 1: Witnesses

Date	Name	Position & Organisation	
Wed13April	Mr Stanley Waleanesia,	Permanent Secretary, Ministry of Lands, Housing and	
2016		Survey	
	Mr Allan McNeil,	Chief Technical Advisor, Ministry of Lands, Housing	
		and Survey/ SPC	
9.00 am	Ms Catriona Steele,	Acting Legal Draftsman, Attorney General's Chambers	
7.00 unt	Mr Bronwyn Oloni,	Valuer General Supervising, Ministry of Lands,	
		Housing and Survey	
	Mr Nelson Narapu,	Commissioner of Lands, Ministry of Lands, Housing	
		and Survey	
	Mr Henry Murray	Permanent Secretary, Ministry of Infrastructure	
11.30am		Development	
	Mr Patteson Fokarau	Director- ABMID, Ministry of Infrastructure	
		Development	
	Mr Jimmy Nuake	US- Tech, Ministry of Infrastructure Development	
1.43pm	Mr Don Boykin	GM, Pacific Architect Ltd	
Thur14April	Mrs Julie Haro	Managing Director, Premier Real Estate & Property	
2016		Management	
	Ms Patricia Gegeu	Rental Manager, Premier Real Estate & Property	
9.30am		Management	
9.50am	Mr Geoffrey Samuel	Chief Executive Officer, Solomon Islands Home Finance	
		Corporation	
	Jessie Tewa'ani	Valuer, Solomon Islands Home Finance Corporation	

# Appendix 2: Minutes of Proceedings



# NATIONAL PARLIAMENT OF SOLOMON ISLANDS

P.O. Box G19, Honiara. Tel: 28520/23424.

Fax: 24272

# BILLS AND LEGISLATION COMMITTEE

Minutes of Proceedings Committee Hearing into the Valuers (Amendment) Bill 2016

Day 1/Wednesday 13th April 2016, CR II, Parliament House 9:00am.

#### 1. Members Present

Hon ConnelleySandakabatu, Chairman Hon Jeremiah Manele, MP Hon Dr Derek Sikua, MP Hon Matthew Wale, MP Hon Dr CulwickTogamana, MP Hon Commins Aston Mewa, MP

#### Committee Secretariat

Mr Wilson Anii Mr Gregory Fineanganofo Ms Vanessa Rodie

#### 2. Welcome and Opening Remarks

The Chairman made opening remarks and welcomes the Permanent Secretary (PS) and other officials from the Ministry of Lands, Housing and Survey (MLHS), and the Attorney Generals Chamber. He then invited the PS to introduce his group and make his presentation.

# 3. Committee hearing into the Valuers (Amendment) Bill 2016

The Hearing proper commenced and the following witnesses were admitted:

#### Hearing 1 Witnesses

Mr Stanley Waleanesia,	Permanent Secretary, Ministry of Lands, Housing and Survey
Mr Allan McNeil,	Chief Technical Advisor, Ministry of Lands, Housing and Survey/SPC
Ms Catriona Steele,	Acting Legal Draftsman, Attorney General's Chambers
Mr Bronwyn Oloni,	Valuer General Supervising, Ministry of Lands, Housing and Survey
Mr Nelson Narapu,	Commissioner of Lands, Ministry of Lands, Housing and Survey

The PS with assistance from the AG Chambers made their presentation before the committee. The Committee questioned the PS, other MLHS officials and the Legal Draftsman on the contents of the Bill.

The PS and his officials answered, made clarification and commented on the Bill. Evidence concluded and the Chair thanks the witnesses for their attendance and contribution on the Bill.

Hearing suspended.

The Hearing resumed at 11:30am and the following witnesses from the Ministry of Infrastructure Development were admitted;

#### Hearing 2 Witnesses

Mr Henry Murray Permanent Secretary, Ministry of Infrastructure Development
Mr Patteson Fokarau Director- ABMID, Ministry of Infrastructure Development
Mr Jimmy Nuake US- Tech, Ministry of Infrastructure Development

The Chairman made opening remarks and welcomed representatives from the Ministry of Infrastructure Development to introduce the team and make their presentations. Members of the Committee then questioned the representatives on their presentations. Evidence concluded and the Chair thanks the witnesses for their attendance and contribution on the Bill.

#### Hearing suspended.

(\*Apologies from Ministry of Commerce, Industries and Labour; will hand in a written submission later, Committee proceeds on with next witnesses on the schedule)

The Hearing resumed at 1:46pm and the following witness from Pacific Architect Ltd was admitted:

#### Hearing 3 Witnesses

Mr Don Boykin GM, Pacific Architect Ltd

The Chairman made opening remarks and welcomes the representative from Pacific Line Architect to introduce himself and make his presentation.

Evidence concluded and the Chair thanks the witness for his attendance and contribution on the Bill.

#### 4. Adjournment

Chair made closing remarks.

The Committee hearing ended at 2:00pm

Day 2/ Thursday 14 April 2016, CR II, Parliament House 10:05am

#### 1. Members Present

Hon. Connelly Sandakabatu, MP (Chairman)

Hon. Jeremiah Manele, MP

Hon. Mathew Cooper Wale

Hon. Dr CulwickTogamana, MP

#### Secretariat

Mr Wilson Anii Mr Gregory Fineanganofo Ms Salome Pilumate

#### 2. Welcome and Opening Remarks

The Chairman made opening remarks and welcomed representatives from the Premiere Group of Companies, and the Solomon Islands Home Finance to make their presentation.

# 3. Committee hearing into the Valuers (Amendment) Bill 2016

The Hearing proper commenced and the following witnesses were admitted:

Hearing 4 Witness

Mrs Julie Haro, Ms Patricia Gegeu,

Managing Director, Premier Real Estate & Property Management

Rental Manager, Premier Real Estate & Property Management

Mr Geoffrey Samuel,

Chief Executive Officer, Solomon Islands Home Finance

Corporation

Jessie Tewa'ani,

Valuer, Solomon Islands Home Finance Corporation

The Managing Director of Premier Real Estate and Property Management and the Chief Executive Officer of Solomon Islands home Finance Corporation made their presentation before the

Members of the Committee then questioned the representatives from the Premiere Group of Companies and Solomon Islands Home Finance based on their presentation.

Witnesses answered and commented on the Bill.

Evidence concluded and the Chair thanks the witness for their attendance and contribution on the

# 4. Adjournment

Chair made closing remarks.

The Committee hearing ended at 10:45am

