

National Parliament of Solomon Islands

Public Accounts Committee

Committee Report

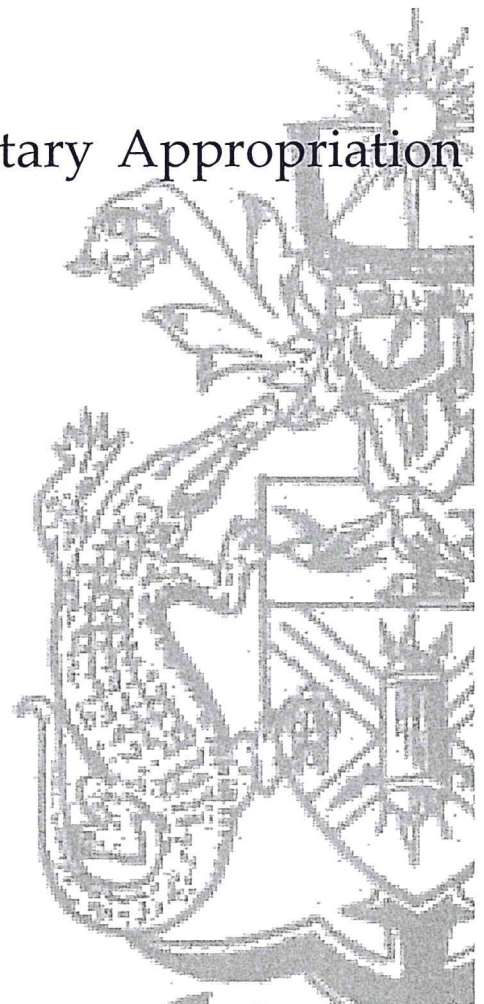
Report on the 2014 Supplementary Appropriation
Bill (No.2) 2014



NP-Paper No. 35/2014

Presented on 1st September 2014

National Parliament Office



COMMITTEE MEMBERSHIP

The current members of the **Public Accounts Committee** (9th Parliament) are:

Hon. Douglas Ete, MP (Chairman)

Hon. Peter Shanel Agovaka, MP

Hon. Matthew C. Wale, MP

Hon. John Maneniaru, MP

Hon. Andrew Manepora'a, MP

Hon. Vika Lusibaea, MP

Secretary: Joyce Mesepitu, Office of the Auditor General

Secretariat

Mrs Jasmine Waleafea

Miss Salome Pilumate

Mr. Marson Lilopeza

Contacts

Public Accounts Committee

National Parliament of Solomon Islands

P O Box G19

HONIARA

Website: www.parliament.gov.sb

Telephone: (677) 24323

Facsimile: (677) 24272

TABLE OF CONTENTS

COMMITTEE MEMBERSHIP	i
COMMITTEE FUNCTIONS	v
CHAIR'S FOREWORD	vii
1.0 BACKGROUND TO REPORT	1
1.1 Introduction	1
1.2 Scope of this Report.....	2
1.3 Methodology	2
2.0 COMMITTEE DELIBERATIONS	3
3.0 DETAILED EXAMINATION.....	5
3.1 Government Accountability Relationship to Parliament through Committees.....	6
3.2 Budget Forecast Performance	6
3.3 Abuse of Contingency Warrants (CW)	7
<i>Continued abuse under the new Public Financial Management Act 2013</i>	7
3.4 Budget Cuts on legal obligation	7
3.5 Impacts of April Flash Flood	8
<i>Gold Ridge Mining Limited (GRML) Closure.....</i>	8
<i>Police and Security/Evacuation and Repatriations</i>	9
3.6 National General Election Preparations.....	9
<i>Biometric Voter Registration (BVR)</i>	9
<i>By-Election</i>	10
3.7 Channelling of Donor funding.....	10
4.0 RECOMMENDATIONS.....	12
5.0 APPENDIX	13
Minutes of Proceedings.....	13

COMMITTEE FUNCTIONS

The Committee is established under *Standing Order 69*; an Order made pursuant to the *Constitution*¹ and has the functions, together with the necessary powers to discharge such, to:

- (a) examine the accounts prescribed by Section 33 of the Public Finance and Audit Act 1978, together with the report of the Auditor General thereon, and to report the results of such examination to Parliament;
- (b) establish the causes of any excesses over authorised expenditure and to make recommendations to Parliament on any appropriate measures to cater for such excesses of expenditure;
- (c) examine such other accounts laid before Parliament as the Committee may think fit, together with any auditor's report thereon and to report the results of such examination to Parliament;
- (d) summon any public officer to give information on any explanation, or to produce any records or documents which the Committee may require in the performance of its duties;
- (e) consider in detail the Draft Estimates prepared by the Government in support of the Annual Appropriation Bill;
- (f) summon and examine the Accounting Officers and Technical staff of Ministries and Departments and require the production of background information and explanation in relation to Draft Estimates;
- (g) report to Parliament in such a way that the report may inform Members prior to the Parliamentary debate thereon of the background to the Draft Estimates draw attention to those matters which the Committee feels should be the subject for such Parliamentary debate; and
- (h) make such recommendations as the Committee sees fit and subsequently receive comments and reports on such recommendations from the Government.

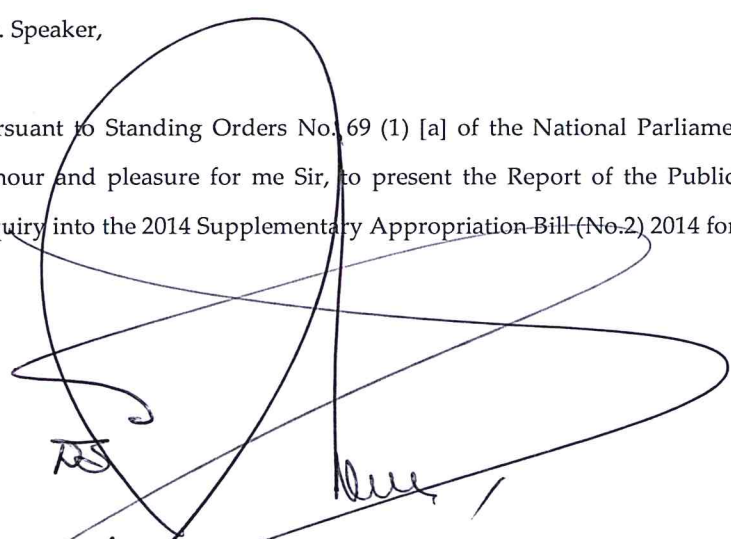
¹ Section 62, *Constitution of Solomon Islands* 1978.

CHAIR'S FOREWORD

REPORT OF THE PUBLIC ACCOUNTS COMMITTEE

Mr. Speaker,

Pursuant to Standing Orders No. 69 (1) [a] of the National Parliament of Solomon Islands, it is an honour and pleasure for me Sir, to present the Report of the Public Accounts Committee of the Inquiry into the 2014 Supplementary Appropriation Bill (No.2) 2014 for laying before Parliament.



Honourable Douglas Ete

Chairman

Public Accounts Committee

September, 2014

1.0 BACKGROUND TO REPORT

1.1 Introduction

The National Parliament is the independent law making arm of government to which the Executive is accountable to. The Parliament is also the only institution vested with the power to authorize the allocation of public monies through the annual appropriation Acts. The Parliament also performs many of its oversight functions through its Standing Committees. The Public Accounts Committee (the "Committee") is one of these Committees and is given the power to examine the annual Draft Estimates including the Supplementary Appropriation budgets prior to their tabling before Parliament.

This Report outlines the findings of the Committee's examination of the 2014 Supplementary Appropriation Bill (No.2) 2014. The Bill is required to appropriate monies that have been spent but without appropriation – through Contingencies Warrant Section 58 and Advance Warrants Section 60 of the *Public Financial Management Act 2013* which commenced 1 January 2014.

In compliance with the Standing Orders, this Report has been prepared for the information of Parliament Members to assist them in their debate on the Bill. It aims to draw to the attention of the Members of Parliament those matters, which the Public Accounts Committee has identified through taking evidence by interviews of the Permanent Secretaries (PS) of the Ministry of Police, National Security (MPNSCS), Ministry of Home Affairs (MHA), Ministry of Health and Medical Services (MHMS) and the Ministry of Finance and Treasury (MoFT) who came before the Committee. Accounting officers of the Ministry of Infrastructure Development (MID), Ministry of Public Services (MPS), Ministry of Agriculture and Livestock Development (MAL), Ministry of Foreign Affairs and External Trade (MFAET), Ministry of Culture and Tourism (MCT), Ministry of Fisheries and Marine Resources (MFMR), Ministry of Commerce, Industries, Labour and Immigration (MCILI), Ministry of Education and Human Resources Development (MEHRD), Ministry of Environment, Climate Change, Disaster Management and Meteorology (MECDM), Ministry of Communication and Aviation (MCA), Ministry of Justice and Legal Affairs (MJLA), Office of the Prime Minister and Cabinet (OPM&C) and National Parliament Office (NPO) could not make it to the Committee hearing due to limited time to call all of them and were requested by the Committee to make written submissions on their appropriation. The Committee to date at the printing of this report only received

8 written submissions from the MJLA, MCT, OPM&C, MID, MCA, MFMR, MAL and NPO. The Committee did not receive any submission from the Ministry of Public Services, Ministry of Foreign Affairs and External Trade, Ministry of Commerce, Industries, Labour and Immigration, Ministry of Education and Human Resources Development, and the Ministry of Environment, Climate Change, Disaster Management and Meteorology.

1.2 Scope of this Report

Under Standing Order 69, the Committee is responsible to:

- (f) summon and examine the Accounting Officers and technical staff of Ministries and Departments and require the production of background information and explanation in relation to draft estimates;
 - (g) report to Parliament in such a way that the report may inform Members prior to Parliamentary debate thereon of the background to the Draft Estimates and draw attention to those matters which the Committee feels should be the subject of such Parliamentary debate; and
 - (i) make recommendations as the Committee sees fit and subsequently receive comments and reports on such recommendations from the Government.
- (2) The Auditor General or his nominee shall be the Secretary to the Committee and shall make available to the Committee the services of his staff and other facilities of his Office.

1.3 Methodology

The 2014 Supplementary Appropriation Bill (No.2) 2014 was received by the Speaker of Parliament on Tuesday 26th of August 2014 and was also certified by him on the same day.

In addition to copies of the Bill itself which were made available to members of the Committee, the Committee interviewed and sought the views of the accounting officers and officials from four of the seven Ministries with appropriations in the Bill during the Committee hearing held on Wednesday the 9th of April 2014.

2.0 COMMITTEE DELIBERATIONS

The PAC commenced its deliberation into the SAB on Thursday 28 August 2014. The Bill seeks to appropriate \$187,837,564 with \$7,399,000 previously funded by Contingency Warrants authorised by the Minister, \$88,840,812 of Advance Warrants, \$470,000 of Variations in Appropriations, \$80,199,752 of additional recurrent expenditures, \$530,000 of recurrent supplementary (Budget Support) and \$11,400,000 of additional development supplementary expenditures (Budget Support).

The 2014 Supplementary Appropriation Bill (No.2) 2014 is required to appropriate monies that have been spent or otherwise brought to account earlier this year 2014 but without appropriation – through Contingencies Warrant Section 58 and Advance Warrants Section 60 of the *Public Financial Management Act 2013* which commenced 1 January 2014.

The amounts being appropriated were as follows:

Contingency Warrants

Head	Ministry	Source	Amount	Purpose
287	Ministry of Culture & Tourism	SIG	2,000,000	SI Participation at 5 th MSG Festival in PNG
299	Ministry of Environment	SIG	399,000 5,000,000	SIG Annual contribution to CTI Disaster relief – April Flash Floods
		Total	7,399,000	

Advance Warrants

Head	Ministry	Source	Amount	Purpose
283	Ministry of Police, National Security and Correctional Services	PNG	4,000,000	Budget Support (BS) to RSIPF and CCSSI – provide assistance towards April Flash Flood Disaster
370	Ministry of Agriculture & Livestock Development	SPC	638,271	Accountable Cash Grants (ACGs) for Resilience to Climate Change in SI Community Project - Land & Vegetation Cover and improving food security
372	Ministry of Education & Human Resources Development	PNG	6,000,000	BS for School rehabilitation – April 2014 floods
373	Ministry of Finance & Treasury	World Bank	1,532,741	ACGs to Establish Extractive Industries Transparency Initiative Secretariat Office
376	Ministry of Health & Medical Services	WHO, SPC, FSM, Fred	11,409,420	BS for Disaster management, Tobacco Control, HIV/STI, Immunization, Specialist Clinical

		Hollows Foundation & London School of Hygiene		Services, and distribution of Azithromycin
383	Ministry of Police, National Security and Correctional Services	Australian Federal Police	5,550,000	ACGs for RSIPF Forensic Facility Project
399	Ministry of Environment	PNG & ROC	7,870,000	ACGs for Emergency relief and repatriation efforts - NDMO
473	Ministry of Finance & Treasury	Australia, NZ & World Bank	16,963,935	ACGs for Transport Management System, Revenue Management System, Household Income and Expenditure Survey, and ASYCUDA Project
474	Ministry of Foreign Affairs and External Trade	WTO	3,876,445	Funding for SI Tourism Inclusive Development Project
477	Ministry of Infrastructure Development	PNG	3,000,000	Funding for Shipping grant initiative program
			28,000,000	Payment of arrears for reconstruction of Munda Airport
		Total	88,840,812	

Variation in Appropriation

Head	Ministry	Source	Amount	Purpose
390	Ministry of Fisheries and Marine Resources	NZ	(530,000)	Revised for efficient use of NZ support of MFMR. Offset above appropriation
		Total	(530,000)	

Additional Supplementary Recurrent Expenditures

Head	Ministry	Source	Amount	Purpose
272	Ministry of Education & Human Resources Development	SIG	4,000,000	Clearing of site at Doma USP Campus
273	Ministry of Finance & Treasury	SIG	8,659,825	Capital Injection to SolAir to purchase twin otter aircraft & for implementation of ASYCUDA project
274	Ministry of Foreign Affairs and External Trade	SIG	1,000,000	Re-opening of Geneva Mission (Brussels)
279	National Parliament	SIG	877,135	Maintenance – plumbing and generator at Paul Tovua
281	Office of the Prime Minister	SIG	4,320,000	Water, Faxes, Telephone, New Police Commissioner remuneration, Overseas subscription, Constitutional Reform program

283	Ministry of Police, National Security and Correctional Services	SIG	13,449,800	Flood assistance & Corrections evacuation of prisoners, logistical support to National General Election
288	Ministry of Commerce, Industries, Labour and Immigration	SIG	1,634,516	On-going and new apprenticeship program student allowances
289	Ministry of Communication and Aviation	SIG	4,000,000	Maintaining Henderson and provincial airports
291	Ministry of Public Service	SIG	7,000,000	Long and Dedicated Services Benefit (LDSB) – public service retirees
292	Ministry of Justice and Legal Affairs	SIG	258,476	Staff accommodation – house rent
293	Ministry of Home Affairs	SIG	35,000,000	National General Election
		<i>Total</i>	<i>80,199,752</i>	

Further Development Budget Estimates

Head	Ministry	Source	Amount	Purpose
483	Ministry of Police, National Security and Correctional Services	PNG	10,000,000	Police infrastructure – Lofang & Babanakira
490	Ministry of Fisheries and Marine Resources	PNG	1,400,000	Support expansion of Community Fisheries Livelihood program
		<i>Total</i>	<i>11,400,000</i>	

Recurrent Supplementation [Budget Support]

Head	Ministry	Source	Amount	Purpose
390	Ministry of Fisheries and Marine Resources	SIG	530,000	6 Staff Recruitment (offset reduction in NZ Support)
		<i>Total</i>	<i>530,000</i>	

3.0 DETAILED EXAMINATION

As mentioned in Section 1.1, the PAC selected 4 of the Ministries out of the 17 seeking funding under the SAB and they were requested to appear before the PAC to discuss their bids. The PAC commenced hearings on 28 August 2014. Whilst the full details of the hearings are in Hansard and the Parliamentary website, the following is a summary of the more significant matters that arose during these hearings under each Ministry for the Contingency Warrant, Recurrent and Development bids.

3.1 Government Accountability Relationship to Parliament through Committees

The Committee finds it unacceptable that when accounting officers were requested to provide submissions explaining the reasons for the budget requests to furnish the Committee with, the same information as in the Bill were submitted by many without providing additional detailed explanations to them. This is not helpful especially when the Committee could not hear from all line Ministries affected by the budget.

3.2 Budget Forecast Performance

In the first Supplementary Appropriation Budget earlier this year (April) the Committee queried how well expected revenue for 2014 was performing. The PS of the Ministry of Finance and Treasury then advised that his Ministry is currently remodelling forecast revenue as part of an International Monetary Fund (IMF) review of its three year program in Solomon Islands whereby the government's performance is measured against various benchmarks – both in terms of activities and in meeting deadlines.

The PS of the Ministry of Finance and Treasury (MoFT) advised that the two risky income elements in the 2014 Budget related to revenue arising from the mining and logging industries; and the current closure of the Gold Ridge mine is expected to have an impact on revenue and expenditure appropriated in the 2014 Budget, and that cuts to expenditure may be expected. This impact was further echoed by the speech delivered to Parliament by the Minister of Finance and Treasury during his Second Reading Speech of the 2014 Supplementary Appropriation Bill (No.2) 2014². According to the Minister, the Country's economy is not looking good. As a result of the April Flash Flood, and consequently the closure of Gold Ridge Mining Limited, the 4 % Gross Domestic Product (GDP) rate forecasted for 2014 was substantially revised to around 0 %. Furthermore, inflation rate was also further revised upward to around 6 % from the original 5.5 % for 2014.

² Hon. Rick Hou, Minister of Finance and Treasury, Evidence, 27th August, 2014.

3.3 Abuse of Contingency Warrants (CW)

Continued abuse under the new Public Financial Management Act 2013

As pointed out in Committee's Report NP No 2 of 2014 on the 2013 Supplementary Appropriation Bill 2014, the misuse of CW for budget items that are foreseeable has already commenced under the new Public Financial Management Act 2013. This is despite assurances from the PS Ministry of Finance and Treasury which were reported in the Committee's Report NP No 2, that such abuse would be more difficult under the new Act. In the Committee Report NP No 5 of 2014 on the 2014 Supplementary Appropriation Bill 2014 the Director of Budget Unit in the Ministry of Finance and Treasury expanded as to why the budget shortfalls and subsequent use of CWs remained an inherent weakness in the Budget Cycle. This he advised that line ministries did not properly plan for their activities³. The Director claimed that his Unit did undertake a number of consultations with line ministries and reminded them to bid well in advance with clear explanations for the resources they need.

The Committee observed that there appeared to be a conflict in some of the evidence whereby the Budget Unit alleged that the line ministries were not submitting quality bids on time whilst the line ministries claimed that they putting in essential bids that were then being cut by the Budget Unit. This complaint by ministries was noted on submissions to the Committee into the 2014 Supplementary Appropriation Bill (No.2) 2014.

3.4 Budget Cuts on legal obligation

Some Ministries raised the issue of their requests being cut from their original bid. An example is the case for National Parliament and the Ministry of Communication and Aviation. In their written submission⁴, the National Parliament expressed their concern on why their bid for the contractual obligations not factored in this Supplementary Appropriation. This is an obligation where the Government has to expend on the security of the National Parliament Building under the contractual agreement with the Vision System of New Zealand. Now that there is no funding available for such obligation, payments will be dragged which in turn will incur extra costs through additional charges due to breach of agreement. The MCA also raised a similar disappointment through their written

³ Mr. Norman Hiropuhi, Director of Budget Unit, Evidence, 9th April, 2014.

⁴ Submission No.8, National Parliament Office.

submission⁵ expressing that they were only given 16 % of their supplementary request. The \$4 million additional funding approved will only cater for costs of general upkeep and maintenance of Henderson airport from April to June 2014 period, excluding all provincial airports. As expressed in the MCA submission⁶, maintenance of all airports is an essential contractual obligation of the SIG as demanded by ICAO safety and security provision.

There were other Ministries that raised similar concerns on reduction or omission to their bid request. As result many of the outstanding payments due to budget cut will likely brought forward in 2015. MID for example has several outstanding contractual payments which are likely to carry forward to 2015⁷.

The Committee recommend that the Budget Unit of MoFT should have a proper consultation with line Ministries on legal obligations so that funds can be diverted or raised for such expenditures without being omitted altogether.

3.5 Impacts of April Flash Flood

The recent flash flood that affected Honiara, parts of Guadalcanal and other provinces had huge impact on the country's economy. These are briefly outlined below.

Gold Ridge Mining Limited (GRML) Closure

Mining activities was halted during and after the April disaster. The April Flash Flood and the sub-sequential effect on the GRML suspending its production at the mines have impacted on the economy and the 2014 Budget. Government revenue dropped which resulted in budget deficit. The Committee heard from the PS of MoFT during his submissions to the Committee that the suspension of the mining production, along with downscaling of other economic activities has reduced the GDP to almost 0 % as mentioned above by the Minister of Finance and Treasury.

⁵ Submission No.5, Ministry of Communication and Aviation.

⁶ *Ibid.*

⁷ Submission No.4, Ministry of Infrastructure Development.

Police and Security/Evacuation and Repatriations

The April Flash Flood also dragged security into it. Thus extra money was requested by the Ministry of Police, National Security and Correctional Services (MPNSCS) to cover for operations in Honiara to support the National Disaster and Management Office (NDMO) during the flash flood crisis including the security issue at Gold Ridge. Police personal from the Royal Solomon Islands Police Force (RSIPF) including support of the Correctional Services had to be put initially to maintain security over the company's assets and mine site. However, due to the current impasse over GRML operation, RSIPF personals are still assisting in trying to stabilize the mine for any further operations in the future.⁸

3.6 National General Election Preparations

The Committee raised a number of issues in regard to the Biometric Voter Registration (BVR), By-Election of the two vacant sits in Parliament and small budget requested in preparation for the upcoming National General Election (NGE) towards the end of the year.

Biometric Voter Registration (BVR)

The Committee commended the Ministry of Home Affairs (MHA) on the current progress and efficient system of the BVR. The Committee raised a number of issues that had arisen in preparation of voters for the upcoming NGE.

It was noted that when the provisional list of registered voters was released, there were many names highlighted yellow which the Committee seek clarification from the Electoral Commission. Media reports mentioned various sorts of penalties on those with yellow highlights. However, the Committee was assured by the Chief Electoral Officer (CEO) of the Electoral Commission Office that there will not be any imprisonment punishment or disqualifying to vote by the perpetrators. The Committee was informed that the first registration will be the one provided in the final list before the election. However, the practice of registering more than once or those intending to abuse the system or registration process will be handed over to the police in the future for further action.

⁸ Mr. Edmond Sikua, PS - MPNSCS, Evidence, 28th August, 2014.

A concern was also raised by the Committee on some registered voters in the provinces that were not appeared in the provisional list. The CEO of Electoral Commission Office explained that the misplacement was due to some technical errors in the system. However, these missing names should be sorted out when the final list is put up and verification can also be done before the NGE.

The Committee also heard evidences from the MHA that the further requests were made for the BVR due to increase in rural accommodation compared to 2010 preparations. Concern was raised that many accommodations in the village were almost the same as those motels in town which is not considered in the Ministry's initial bid. Furthermore, increase in costing was due to advertisement in media since the system is new. Also, since it is a new system it also incurred new cost.

By-Election

The Committee commend support by SIG towards the NGE. The Committee also enquired if there is any possibility of having by-elections on the two vacant sits in Parliament for Ngella Constituency and Temotu Pele Constituency before the NGE. However, the Ministry confirmed that due to very short time before the NGE, and the new Voter Registration (VR) in progress this will not be possible and that no budget was made in the current Supplementary.

3.7 Channelling of Donor funding

The Committee acknowledged donor partners through their funding assistances in addressing health needs of Solomon Islands. The Sector Wide Approach Program (SWAP) of the Ministry of Health and Medical Services (MHMS) in 2009 suggested that MHMS would take the lead in health development programs. This is to prevent various donors from funding two similar programs simultaneously. The Committee questioned the PS of MHMS whether such arrangement is still in place and that whether the current practise is making it easier for the MHMS. In response to the Committee the PS of MHMS explained that although the SWAP was agreed so that various funding are channelled through one bucket as appropriated budget passed in parliament, only Australian Aid (AusAid) is currently assisting the Ministry through such arrangements. Other development partners are still functioning outside. As a result it is sometimes difficult to predict how much the Ministry will receive and what will be going in for the planned program. Furthermore, some of the donors have different financial calendars which do not fit in well with the national programs. The current challenge now for MHMS

is to ensure that more of the budgets come as budget support so that it will be easier for the MHMS to make clear predictions on how much it can expend within a given time frame.

4.0 RECOMMENDATIONS

1. The Committee understands that the Ministry of Finance and Treasury has requested all government ministries to have a Budget Committee. The Committee recommends all line ministries who do not have a Budget Committee as yet to set up one so that proper and complete oversight of preparation of bids in a ministerial budget can be used to reduce and rectify any errors or omissions in the annual Budget preparation cycle.
2. The Committee recommends that the Budget Unit of MoFT should have a proper consultation with line Ministries on contractual legal obligations by SIG so that funds can be diverted or raised for such expenditures without being omitted altogether.
3. The Committee recommends that line Ministries provide detailed submissions to the Committee when requested for written submissions rather than the submitting the same brief explanatory information as provided in the Appropriation Bill or Supplementary Appropriation Bill.
4. The Committee recommends that the Ministry of Finance and Treasury further improve the timing of preparation of the Appropriation and Supplementary Appropriation Bills in order to allow PAC to conduct proper scrutiny of the Bill and provide a meaningful report to Parliament for the guidance of Members of Parliament and to facilitate robust debate in the House

5.0 APPENDIX

Minutes of Proceedings



PUBLIC ACCOUNTS COMMITTEE

NATIONAL PARLIAMENT OF SOLOMON ISLANDS

Minutes of Proceedings Committee Hearing

Hearing 14/2014

Thursday 28th August CR II, Parliament House 2:30 pm

1. Members Present

Hon. Douglas Ete, Chairman
Hon. Peter Shanel Agovaka, MP
Hon. Andrew Manepora'a, MP
Hon. John Maneniaru, MP

Secretary: Joyce Mesepitu - Office of the Auditor General

Absent

Hon. Martin Kealoe, MP
Hon. Mathew Wale, MP
Hon. Vika Lusibaea, MP

Secretariat

Mrs Jasmine Waleafea
Miss Salome Pilumate
Mr. Marson Lilopeza
Mr. Whitmon Tabiru- Hansard Reporter
Mr. Sanjay Dhari- ICT
Mr. Moffet Maenao - ICT
Mr. Philemon Loe - Camera

Witnesses

Mr. Edmond Sikua - Permanent Secretary, Ministry of Police, National Security & Correctional Services (MPNSCS)
Mr. Stephen Maesiola - US (MPNSCS)
Mrs. Juanita Matanga - Commissioner of Police (Ag)
Mr. Mactus Forau - Acting Commissioner (CSSI)
Mr. Steven J
Mr. Paul Kapakeni

2. Prayer- Hon. John Maneniaru said the opening prayer.

3. Committee Hearing into the 2014 Supplementary Appropriation Bill (No.2) 2014

Ministry of Police and National Security & Correctional Services

The Chairman welcomed members of the Committee and witnesses to the hearing. The Chairman made a brief opening statement on the hearing and invited the PS of MPNSCS to make his statement.

The PS of MPNSCS made his presentation on the 2014 Supplementary Appropriation Bill (No.2) 2014 before the Committee.

The PS explained that the budget bid under Advance Warrant of \$4,000,000 under the budget support was for the April 2014 Flash Flood disaster relief, the extra money is to cater for operations in Honiara to support the NDMO during the flash flood crisis including issues at the Gold Ridge

The Committee questioned the PS and his officials regarding the Ministry's Supplementary Budget.

Evidence concluded.

3. Suspension: The Committee suspended hearing at 3:10 pm

The Committee resumes hearing at 3:30 pm

1. Witnesses

Mr. Fred Fakarii- PS, Ministry of Home Affairs (MHA)
Mr. Clyde Funusui - Financial Controller, MHA
Mr. Polycarp Haununu – CEO (Electoral Commission Office)

2. Committee Hearing into the 2014 Supplementary Appropriation Bill (No.2) 2014

Ministry of Home Affairs

The Chairman welcomed the PS of the Ministry of Home Affairs and his team and asked him to make his presentation on the expenditure of his Ministry in the Bill.

The PS made his brief presentation before the Committee.

The Committee questioned the PS on his Ministry.

Evidence concluded.

3. Suspension: The Committee suspends hearing at 4:10 pm

The Committee resumes hearing at 4:20 pm

1. Witnesses

Dr. Lester Ross - Permanent Secretary, Ministry of Health and Medical Services (MHMS).

2. Committee Hearing into the 2014 Supplementary Appropriation Bill (No.2) 2014

Ministry of Health and Medical Services

The Chairman welcomed the PS of the MHMS and asked him to make his presentation on the expenditure of his Ministry in the Bill.

The Committee questioned the PS on the expenditure heads.

Evidence concluded.

3. Suspension: The Committee suspends hearing at 5:20 pm

The Committee resumes hearing at 5:30 pm

1. Witnesses

Mr. Shadrach Fanega - PS Ministry of Ministry of Finance and Treasury (MoFT)
Brendan Nerdal – Senior Budget Advisor (Budget Unit), MoFT

2. Committee Hearing into the 2014 Supplementary Appropriation Bill (No.2) 2014

Ministry of Finance and Treasury

The Chairman welcomed the PS of the MoFT and his official and asked him to brief the Committee on the expenditures in the Bill.

The PS informed the Committee on the purpose of the funds in the Bill.

The Committee questioned the PS regarding the funds.

Evidence concluded.

3. Adjournment: The Committee adjourned hearing at 6:07 pm

