



**THE 2005 SUPPLEMENTARY
APPROPRIATION BILL 2005**



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BILL 2005**

A

BILL

Entitled

AN ACT TO APPROPRIATE SEVENTY ONE MILLION, ONE HUNDRED AND THIRTY FOUR THOUSAND, AND EIGHTY SEVEN DOLLARS TO THE SERVICE OF THE YEAR ENDING 31ST DECEMBER 2005.

ENACTED by the National Parliament of Solomon Islands.

Short title

1. This Act may be cited as the 2005 Supplementary Appropriation Act 2005.

Authorization of issue from the Consolidated fund \$71,134,087 to the service of 2005.

2. The issue from the Consolidated Fund is hereby authorized of the sum of seventy one million, one hundred and thirty four thousand, and eighty seven dollars to be applied to the service of the year ending 31st December 2005.

Appropriation

3. The sum specified in the preceding section shall be deemed to have been appropriated as from the date of passing this Act for supply of the heads specified and in the amounts respectively specified in relation thereto in the Schedule to this Act.

Contingencies Warrant

4. The total sums authorized by Contingencies warrants issued by the Minister in exercise of his powers under section 15 of the Public Finance and Audit Act (Cap 120) for the Financial year 2005 in respect of Heads of Recurrent Expenditure, shall be five million dollars.

SCHEDULE

(Section 3)

<u>RECURRENT EXPENDITURE</u>	<u>EXPENDITURE AUTHORISED</u>
HEAD	
270 Ministry of Agriculture and Lands	319,334 ✓
272 Ministry of Education and Human Resources	1,473,200 ✓
273 Ministry of Finance, National Reform and Planning	1,911,483 ✓
274 Ministry of Foreign Affairs, Commerce and Tourism	1,377,035 ✓
275 Governor General	117,186 ✓
276 Ministry of Health and Medical Service	2,013,676 ✓
277 Ministry of Infrastructure Development	1,308,992 ✓
279 National Parliament	1,812,761 ✓
280 Ministry of Natural Resources	1,217,450 ✓
281 Office of the Prime Minister, Cabinet and Public Services	7,204,536 ✓
282 Pensions and Gratuity	910,000 ✓
283 Ministry of Police, National Security and Justice	4,535,678 ✓
284 Ministry of Provincial Government, National Reconciliation and and Peace and Home Affairs	13,101,486 ✓
TOTAL RECURRENT EXPENDITURE	37,302,817
<u>DEVELOPMENT EXPENDITURE</u>	<u>EXPENDITURE AUTHORISED</u>
HEAD	
472 Ministry of Education and Human Resources Development	29,000,000 ✓
474 Ministry of Foreign Affairs, Commerce and Tourism	130,000 ✓
477 Ministry of Infrastructure Development	4,701,270 ✓
TOTAL DEVELOPMENT EXPENDITURE	33,831,270
TOTAL RECURRENT AND DEVELOPMENT EXPENDITURE	<u>71,134,087</u>

RECURRENT ESTIMATES

	Original Estimates	This Supplementary Estimates	Revised Estimates
<u>HEAD: 270</u> <u>MINISTRY OF AGRICULTURE AND LANDS</u>			

Estimates of the amount further required in the year ending 31st December 2005 for the services of this head: **\$319,334**

Subhead/Item

0001:2011 →	160,813	225,002	385,815
0001:2013 →	269,578	94,332	363,910
		<u>319,334</u>	

Explanatory Notes

This amount is to supplement funding allocated to pay for utilities which were under-budgeted in the 2005 Budget.

HEAD: 272 **MINISTRY OF EDUCATION**

This amount of the amount further required in the year ending 31st December 2005 for the services of this head: **\$1,473,200**

Subhead/Item

0001:2011	443,700	437,190	880,890
0001:2012	110,000	1,036,010	1,146,010
		<u>1,473,200</u>	

Explanatory Note

This amount is to supplement funding allocated to pay for utilities which were under budgeted in the 2005 Budget.

HEAD: 273 **MINISTRY OF FINANCE, NATIONAL REFORM AND PLANNING**

Estimates of the amount further required in the year ending 31st December 2005 for the services of this head: **\$1,911,483**

Subhead/Item

→ 0001:2011	175,433	→ 703,225	878,658
0001:2012	48,215	18,077	66,292
0001:2013	390,991	80,181	471,172
0001:4088	0	410,000	410,000
0001:3100	772,984	700,000	1,472,984
		<u>1,911,483</u>	

Explanatory Notes

This amount is to supplement funding allocated to pay for utilities which were under-budgeted in the 2005 Budget. This amount is also being used to pay for SIG's contribution to MIGA. The amount used in 0001:3100 is to pay for House Rentals for staff as funding for this has been exhausted.

HEAD: 274 MINISTRY OF FOREIGN AFFAIRS, COMMERCE AND TOURISM

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: \$1,377,035

Subhead/Item

0002:2011	60,000	239,905	299,905
0002:2012	33,000	271,723	304,723
0122:3400	0	125,494	125,494
0124:3400	0	72,888	72,888
0127:3400	0	354,898	354,898
0129:3400	0	217,127	217,127
0130:3400	0	95,000	95,000
		<u>1,377,035</u>	

Explanatory Note

This amount is to supplement funding allocated to pay for utilities which were under-budgeted in the 2005 Budget. The amount used in 0123:3400 to 0130:400 is to fund the running costs of our overseas mission in the United Nations, Brussels, Canberra, Republic of China and Papua New Guinea due to insufficient funding in the 2005 budget.

HEAD: 275 GOVERNOR GENERAL

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: \$117,186

Subhead/Item

0000:2011	41,658	91,085	132,743
0000:2012	33,960	18,920	52,880
0000:2013	80,959	7,181	88,140
		<u>117,186</u>	

Explanatory Notes

This amount is to supplement funding allocated to pay for utilities which were under-budgeted in the 2005 Budget.

HEAD: 276 MINISTRY OF HEALTH AND MEDICAL SERVICES

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: \$2,013,676

Subhead/Item

0001:2011	589,212	1,315,105	1,904,317
0001:2012	400,000	198,571	598,571
0390:1010	8,782,060	500,000	9,282,060
		<u>2,013,676</u>	

Explanatory Note

This amount is to supplement funding allocated to pay for utilities which were under-budgeted in the 2005 Budget. It is also used to cover extra costs of payroll due to the Nurses Salary Relevelling Exercise.

HEAD: 277 MINISTRY OF INFRASTRUCTURE DEVELOPMENT

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: **\$1,308,992**

Subhead/Item

0002:2011	124,099	885,667	1,009,766
0002:2012	53,593	213,334	266,927
0002:2013	293,300	209,991	503,292
		<u>1,308,992</u>	

Explanatory Note

This amount is to supplement funding allocated to pay for utilities which were under-budgeted in the 2005 Budget.

HEAD: 279 NATIONAL PARLIAMENT

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: **\$1,812,761**

Subhead/Item

0001:2011	124,103	✓1,209,660	1,333,763
0001:2012	111,401	3,101	114,502
0094:1036	2,000,000	600,000	2,600,000
		<u>1,812,761</u>	

Explanatory Note

This amount will be used to cover the increase in Terminal Grants payable to MPs which was not allocated in the 2005 Budget. An additional amount of \$10,000 has been approved under PER effective as from April 2005. It is also being used to supplement funding allocated to pay for utilises which were under-budgeted in the 2005 Budget.

HEAD: 280 MINISTRY OF NATURAL RESOURCES

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: **\$1,217,450**

Subhead/Item

0001:2011	76,930	357,357	434,287
0001:2013	285,807	193,093	478,900
0004:2091	50,000	167,000	217,000
0279:6067	114,499	500,000	614,499
		<u>1,217,450</u>	

Explanatory Notes

This amount was used to fund the cost of Minister of Mines and official's overseas trip to Singapore and Papua New Guinea and for costs involved in the reopening of the Gold Ridge Mine. It is also being used to supplement funding allocated to pay for utilities which were under-budgeted in the 2005 Budget.

HEAD: 281 MINISTRY OF THE PRIME MINISTER, CABINET AND PUBLIC SERVICE

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: **\$7,204,536**

Subhead/Item

0061:2011	36,050	164,220	200,270
0061:2012	9,270	14,523	23,793
0061:2013	151,500	244,970	396,470
0060:1140	200,000	3,410,927	3,411,127
0060:1169	386,509	1,869,986	2,256,495
0061:2091	2,800,000	1,500,000	4,300,000
		<u>7,204,536</u>	

Explanatory Notes

This amount was used to fund the cost of phase I outstanding payments and the proposed 2005 phase II of the redundancy exercise carried out by the public service as approved by the cabinet in year 2004. The post of these redundant officers have been abolished but they are still on payroll. Funding this redundancy exercise will result in payroll savings. Phase I of the redundancy exercise was funded through the Public Service department, however the 2005 budget was insufficient to carry out the exercise, thus the need for additional funding to cater for both phase I and II of the exercise. It is also being used to supplement funding allocated to pay for utilities which were under-budgeted in the 2005 Budget.

Also included in the above is funding for extra overseas trips to be undertaken by Ministers and government officials in the last quarter of this year.

HEAD: 282 PENSIONS AND GRATUITY

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: **\$910,000**

Subhead/Item

0428:1168	257,500	910,000	1,167,500
		<u>910,000</u>	

Explanatory Notes

This amount will be used to cover the increase in the monthly rates payable to pensioners as approved under PER effective as from April 2005. This amount includes arrears backdated to April 2005, and new monthly rates to the end of the year as they have not been budgeted for under the 2005 appropriations.

HEAD: 283 MINISTRY OF POLICE, NATIONAL SECURITY AND JUSTICE

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: \$4,535,678

Subhead/Item

0001:2011	451,924	1,807,473	2,259,397
0001:2012	384,233	557,956	942,189
0001:2013	1,200,000	670,250	1,870,250
0151:1010	4,452,439	1,500,000	5,952,439
		<u>4,535,678</u>	

Explanatory Notes

The amount used in 0151:1010 is to pay for the scheme of service for the Solomon Islands Prison Service and the re-levelling of the salaries of Prison Officers under the scheme.

HEAD: 284 MINISTRY OF PROVINCIAL GOVERNMENT, RECONCILIATION AND PEACE, AND HOME AFFAIRS

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: \$13,101,486

Subhead/Item

0001:2011	211,300	231,898	443,198
0003:1080	2,202,140	2,200,000	4,402,140
0300:4090	0	500,000	500,000
0300:4120	400,000	500,000	900,000
0304:4137	51,500	3,500,400	3,551,900
0304:4138	250,000	1,000,000	1,250,000
0305:2168	99,910	1,489,188	1,589,098
0308:6216	3,300,000	2,500,000	5,800,000
0481:6005	0	1,180,000	1,180,000
		<u>13,101,486</u>	

Explanatory Notes

The amount used in 0001:2011 is to supplement funding allocated to pay for electricity which was under-budgeted in the 2005 Budget.

The amount used in 0003:1080 is to pay for provincial members salary increase.

The amount used in 0300:4090 is the Solomon Islands Government assistance to Red Cross for the tsunami victims in South East Asia.

The amount used in 0300:4120 is to pay for food relief supplies for the people of Temotu Province due to food shortage in the province.

The amount used in 0304:4137 is the cost of sending the Solomon Islands Contingent to the recent South Pacific Games in Palau and the cost of preparing a bid document to host the 2011 South Pacific Games. Solomon Islands lost the bid to New Caledonia.

The amount used in 0304:4138 is the government's support to Solomon Islands Football Federation to enable its preparation and participation at the 2005 World Cup playoffs in Honiara.

The amount used in 0305:2168 is to be used to maintain the CYP Headquarters building which heads urgent and major repairs and renovations. Budget allocation for 2005 is not sufficient.

The amount used in 0308:6216 has been approved by Cabinet for necessary costs that will be incurred in 2005 for registration of voters for the upcoming national general election in 2006, as the allocation for this in the 2005 budget is insufficient.

The amount used in 0481:6005 is to enable members of Parliament to go to their respective Constituencies and consult their people on the draft Constitution.

DEVELOPMENT ESTIMATES

	Original Estimates	This Supplementary Estimates	Revised Estimates
<u>HEAD: 472</u>	<u>MINISTRY OF EDUCATION & HUMAN RESOURCES</u>		
	<u>DEVELOPMENT</u>		

Estimates of the amount further required in the year ending 31st December 2005 for the services of this head: **\$29,000,000**

Subhead/Item

0370:4008	11,000,000	29,000,000 <u>29,000,000</u>	40,000,000
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Explanatory Notes

This amount is used by the Solomon Islands Government to pay for tuition fees and related allowances for SIG sponsored students studying at the University of the South Pacific and other Tertiary Institutions both locally and in the region. Allocation for Tertiary Support in the 2005 Budget has been insufficient to cater for all expenses due to the substantial increase in the number of students in 2005.

HEAD: 474 **MINISTRY OF FOREIGN AFFAIRS, COMMERCE AND TOURISM**

Estimates of the amount further required in the year ending 31st December 2005 for the services of this head: **\$130,000**

Subhead/Item

0127:6708	0	130,000 <u>130,000</u>	130,000
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Explanatory Notes

This amount is used to purchase a piece of land in Canberra for the SIG Chancery.

HEAD: 477 **MINISTRY OF INFRASTRUCTURE DEVELOPMENT**

Estimates of the amount further required in the year ending 31st December 2005 for the service of this head: **\$4,701,270**

Subhead/Item

0242:2164	0	1,786,270	1,786,270
0247:6160	0	2,915,000 <u>4,701,270</u>	2,915,000

Explanatory Notes

The amount used in 0242:2164 is used to repair Ngalimbiu Bridge on a temporary basis until Kumagai Company builds a new one under the PECRP programme.

The amount used in 0247:6160 is for the final part payment of a two million dollar assistance given to Renbel Province to enable them to purchase a ship and to meet the cost of a new ship for the Shortland Islands.

THE 2005 SUPPLEMENTARY APPROPRIATION BILL 2005

Objects and Reasons

The object of this Bill is to authorise supplementary expenditure of seventy one million, one hundred and thirty four thousand, and eighty seven dollars authorised under the 2005 Appropriation Act 2004 for the service of the year ending 31st December 2005.

This Supplementary Appropriation is to supplement expenditure incurred by the issue of Contingency Warrants during the year in respect of the heads specified in the Schedule. It is also to supplement additional pressures incurred during the year.



MINISTER OF FINANCE



