

**REPUBLIC OF VANUATU
OFFICE OF THE OMBUDSMAN**

PUBLIC REPORT

ON THE

**ILLEGAL PAYMENTS TO STAFF OF PRIME
MINISTER'S OFFICE AND FINANCE
DEPARTMENT**

16 April 1999

8609/9/05

**PUBLIC REPORT ON THE ILLEGAL COMPENSATION PAYMENTS
TO STAFF OF PRIME MINISTER'S OFFICE AND FINANCE
DEPARTMENT**

TABLE OF CONTENTS

SUMMARY.....	2
1. JURISDICTION.....	2
2. PURPOSE, SCOPE OF INVESTIGATION AND METHODS USED...2	
3. OUTLINE OF EVENTS.....	3
4. RESPONSES FROM THOSE INVOLVED.....	4
5. RELEVANT LAWS AND REGULATIONS.....	6
6. FINDINGS	8
7. RECOMMENDATIONS.....	9
8. LIST OF APPENDIXES.....	10

PREAMBLE

"Ye have ploughed wickedness: ye have reaped iniquity, ye have eaten the fruit of lies..."

Hosea 10 v 13

SUMMARY

Towards the end of 1995 calendar year, the Council of Ministers approved illegal payments to 15 selected public servants in the Prime Ministers Office and the Department of Finance, for their contributory work in preparing the payments of compensation to those qualified under the Compensation Act No. 11 of 1994. The payments were classified as lump sum or 'ad hoc' payment. The money used to finance these payments came from the Compensation Fund. An inquiry was commenced into the matter after receipt of a complaint.

An analysis of the events and procedural activities that contributed towards concluding the payments indicate that the payments were illegal and that relevant laws, regulations and instructions governing payment of monies to public servants were not complied with nor observed.

The Leadership Code was compromised by the then Minister of Finance, Mr Willie Jimmy, who acted contrary to advice given by Attorney General. The Leadership Code was also compromised by the Director-General of Finance, Mr Jeffrey Wilfred, who had a conflict of interest when he failed to advise against the payment as he was one of the beneficiaries.

1. JURISDICTION

- 1.1 The Constitution and the Ombudsman Act allow me to look into the actions of the government and other organisations that the government has interests in. I can also look into defects in the law or the administration of the law, discrimination and breaches of the Leadership Code. This includes conduct of the Finance Department, the Minister of Finance, Director-General of Finance and staff of the Finance Department.

2. PURPOSE, SCOPE OF INVESTIGATION AND METHODS USED

- 2.1 The purpose of this report is to allow publish my findings and recommendations.
- 2.2 The scope of this investigation is to establish the facts about the payment of Christmas bonuses to staff of the Prime Minister's Office and the Finance Department and to determine whether:

the conduct of the Council of Ministers in approving payment to selected public servants was proper;

Hon. Willie Jimmy's action in signing the GPVs was proper;

the conduct of the Director-General of Finance, Jeffrey Wilfred, who was also a beneficiary to the payment, was proper;

the payments were in accordance with the standing Public Service Staff Manual rules;

the payments were in accordance with the Compensation Act of 1994.

- 2.3 Information used in this report was gathered by informal request, letters, interviews and through own research.

3. OUTLINE OF EVENTS

- 3.1 On 2nd November 1995, the Council of Ministers (CoM) approved (Decision No.116) a paper tabled by the Honourable Minister of Finance, Mr Willie Jimmy, for the payment to 15 public servants of a lump sum of VT50,000 each. According to the Finance Department's Internal Audit's report, this decision was made contrary to advice provided by the Attorney General not to use Compensation Funds for this purpose.

- 3.2 On 6th November 1995, the Secretary-General to the Council of Ministers, Mr Charlot Salwai, communicated (**Appendix B**) the CoM's decision to the Honourable Prime Minister, Mr Maxime Carlot as follows, "*The Council of Minister's Meeting No 16 of 2nd November 1995 approved:*

- (1) *The list of claims during the civil disturbances in 1980. The list of Torba, Maewo, Ambae, Pentecost, Ambrym, Paama, Epi, Shepherds, Efate, Futuna and the adjustment list of Santo & Tanna.*
- (2) *To authorise the Honourable Prime Minister to consider on behalf of the Council of Ministers other adjustment lists, to submit them to the Ministry of Finance.*
- (3) *To authorise, on decision of the Prime Minister subject to the Act No. 11 of 1994, the Minister of Finance to pay a substantial amount to all the persons working in the preparation of the payment of these compensations, if there are some funds left (Commission members and administration support staff)".*

There was no evidence of approval of the payments given by the Prime Minister. The First Secretary of the Prime Minister's Office, Ms Yvette Sam, confirmed that funds allocated were exhausted leaving some 40% of claimants not paid.

Although the Council of Ministers' decision was subject to the Compensation Act, the Minister of Finance did not comply with Section 2 of that Act

- 3.3 On 21st December 1995 15 GPV's were raised by the Department of Finance. All beneficiaries to the payments are shown on GPV's as **Appendix A**. Original GPV's from which Jeffrey Wilfred, John Luen and Jack Kallon were paid were missing from the files. Jack Kallon (Administrative and Finance Officer, Prime Minister's Office) and John Louis (Finance Pay Officer) drew up the original list of beneficiaries combining the two lists from Department of Finance and the Prime Minister's Office into one list. This took place at the Prime Minister's Office. According to the two officers mentioned above, the combined list excluded Mr Jeffery Wilfred's name. John Louis took the list to the Department of Finance and gave it to Mr Wilfred for review whilst he waited at Mr Wilfred's office door. Mr Wilfred returned the list to John Louis within a few minutes with his name added to the list in a different ink (See list attached as **Appendix D**). Certified testimonies of those in receipt of the VT50,000 bonus claimed that the handwriting was that of Jeffrey Wilfred, and that he added his own name to the list and had Minister Jimmy authorise his GPV. In his statement under oath, Mr Wilfred repeatedly denied appending his name to the list of beneficiaries. However the name was added and this Office could not establish by whom.
- 3.4 Mr Wilfred stated that the bonus payment he and other staff received was a deserved payment. The VT50,000 payment he received was only for signing cheques late one night. He also stated that he knew that the procedure to pay overtime included the filling of some forms but he and the beneficiaries did not. In terms of the Public Service Rules, the Finance Minister has no powers whatsoever within this legislation to override any such rules even though Mr Wilfred stated "*the Minister of Finance can order even if it contravene the Public Service Staff Manual*".
- 3.5 Actual payment to beneficiaries was made on 28th December 1995. Funds used were derived from the Compensation Fund, account 540-101-09 against advice provided by the Attorney General's Office.

3.6 On 17th January 1996, Internal Audit section of the Department of Finance produced a report (**attached as Appendix C**) on the lump sum payment identifying the irregularities about the payment. The said report was discussed with the Director-General of Finance, Mr Jeffrey Wilfred. The report was addressed to the Minister of Finance, Hon. Willie Jimmy, to enable the minister to consider the Audit's recommendations in recovering the funds paid out and for a proper examination of staff overtime to be carried out in light of the Public Service rules. There is no evidence of action being taken by then Minister of Finance, Mr Willie Jimmy, on the recommendations. The recommendations made by the Internal Audit section of the Finance Department were:

- “(a) It would be wise to seriously reconsider the repayment of the amounts paid to avoid discrediting the Department if the information was passed to other sources.*
- (b) The repayment could be justified on the grounds that the seriousness of their actions having been brought to their attention, jointly involved taking that action.*
- (c) It would appear on the information provided that each and every Public Servant involved would at least be guilty of an offence and liable for disciplinary charges or even possible criminal charges of misappropriation of public monies. It is therefore recommended that very positive action be taken to repay the amounts as soon as possible. A proper examination of the actual hours worked in excess of normal monthly hours could be assessed and appropriate overtime approved for those entitled.*
- (d) The advice from Attorney General's Office that the Compensation Act fund cannot be used for that purpose means that other funds should be used as Salary Heads to reward the staff for their efforts. This is justifiable provided the terms of the Staff Manual section 22 are followed.”*

3.7 The Prime Minister's Office staff who received these illegal payments were Yvette Sam, Jack Kallon, Melda Saiwia, Leichichi Ruru, Belinda Philips and Marie Malere. The beneficiaries from the Finance Department were John Luen, John Louis, Touriman Lilip, Juliet Faerua, Frederick Simeon, Rolline Tavoia, Flora John, Taura Sisi and Jeffery Wilfred.

3.8 One recipient of the illegal payment, Mrs Rolline Tavoia, on 6 May 1998 reimbursed fully the funds paid to her during which time she was on leave on her island. Mrs Flora Kalsal has arranged for VT5,000 to be deducted from her fortnightly salary towards her receipt of the VT50,000. Staff members, Taura Sisi, John Luen and Touriman Lilip have indicated that they will return the funds paid to them, whilst Juliet Faerua and John Louis were prepared to settle the amounts they received if directed by their Head of Department or the Public Service Commission. Jack Kallon was of the view that the Minister responsible for approving such payment should refund the money while Melda Sawia and Leichichi Ruru indicated that they were presently unemployed and unable to repay. There was no response from others.

3.9 On 8 April 1999 we were made aware that one of the recipients of the illegal payments, Mrs Marie Malere has started refunding the money to the Department of Finance. She has refunded VT5,000.

4. RESPONSES FROM THOSE INVOLVED

4.1 The Working Paper or extracts were sent to the following people for comments and responses:

- Miss Yvette Sam
- * Mr Jack Kallon
- Miss Melda Saiwia
- Mrs Leichichi Ruru
- Mrs Belinda Philips
- Mrs Marie Malere
- * Mr John Louis

- Mrs Touriman Lilip
- Miss Flora John
- * Mr Willie Jimmy
- * Mr Jeffrey Wilfred
- Mr John Luen
- Mr Frederick Simeon
- Mrs Juliet Faerua
- Mr Taura Sisi
- Mrs Roline Tavoia

- 4.2 Responses were received from only those marked with an asterisk (*). The others have not forwarded any comments to our office and we will assume that they agree with the facts and documents set out in my report.

Reponses

- 4.3 Mr Jack Kallon who was former Administrative and Finance Officer in the Prime Minister's Office, stated that in the four (4) years in office political appointees worked many times during weekends, public holidays and into late night, but have not claimed for overtime and unsocial hours. He further stated that if it was a bonus been given by the Minister who authorised the payment of the bonus he (Minister) should refund the money. (**Appendix E**).
- 4.4 Mr John Louis in his reply stated that, since everyone who participated in the preparation and of their dedication in processing the payments they deserved to be paid. He thought that the payments were for additional duties carried out. If something was wrong with the payment it is not their problem because the Council of Ministers has decided so in the first place. He only found out that Mr Jeffery Wilfred's name was included in the list when he started writing up the General Payments Vouchers (GPVs). That according to the Staff Manual Mr Jeffrey is not entitled to such payments but since it was a Council of Ministers' decision, everyone who participated in the preparation of the payments deserved to be paid. (**Appendix E**).
- 4.5 Mr Willie Jimmy who was the former Minister of Finance replied that he was acting on the Council of Ministers decision when he signed the General Payment Vouchers (GPVs); and that the Council of Ministers' decision No.116 of 02.11.95 is self explanatory on the matter. (**Appendix E**).
- 4.6 Mr Jeffery Wilfred the former Director of Finance Department stated in his reply that, Mr John Louis did not confirm that he actually saw him writing his name in the list and that he denied writing his name. Also that there is spelling error on his name. He did not authorise the General Payment Vouchers (GPVs) nor saw the Minister of Finance to sign the GPVs.

As far as he is concerned the GPVs were legally authorised meaning that the accounting officer who signed the GPVs was sure that there was funds available. Also that the GPVs that were signed by the Minister of Finance is proper and is in line with Financial Regulation section 151 since the Council of Ministers has already given approval. Under Section 157(1) the Director of Finance can refuse to make any payment but, the Minister of Finance has the authority and can overrule the director's decision.

Nowhere did he ever state that these were bonus payments. The term "bonus" came only from the internal audit and the Ombudsman.

If the current Minister of Finance decides that the money must be refunded, they will accept that decision. (**Appendix E**).

Comments

- 4.7 The comments made by Mr Kallon about overtime is not founded. Under the Public Service Staff Manual (chapter 4-22) only public servants in categories 1 to 17 of the Public Service Salary Scales' are eligible for overtime payment. However those on categories 10 - 17 are eligible but with prior approval of their respective ministers. Political appointees terms and conditions are set out in the Official Salaries Act. There is no mention of overtime for political appointees.

- 4.8 Under section 4.18 to 4.23 the Public Service Staff Manual, public servants are eligible to claim overtime if they work beyond the normal working times of the Public Service. That is:

7.30 AM - 11.30 AM
1.15 PM - 4.30 PM

In order to get payment for overtime the necessary and appropriate forms has to be completed first by the officers. Those officers who are on category 10 to 17 of the Public Service Salary Grades have to have the prior approval of their Minister (Staff Manual Section 4.22).

In the case of Mr Louis he did not complete an overtime form nor follow the procedures set out in the Public Service Staff Manual.

In his certified testimony with the office of the Ombudsman on 23 October 1998 Mr Louis stated that while waiting he heard Mr Jeffrey Wilfred say that he had included his name in the list. His statement that he only found out Jeffrey's name when he was writing up the GPVs is in contradiction to his statement on 23 October 1998 under oath.

- 4.9 The former Minister of Finance Mr Willie Jimmy stated that he was acting on the Council of Ministers' decision No.116 of 2 November 1995.

The Compensation Act No.11 of 1994 set it out very clearly in Section 2 that:

All monies borrowed under Section 1 shall be paid into a Compensation Fund and sums paid thereout shall be exclusively for the purposes of making ex-gratia payments in circumstance referred to in Section 3 in accordance with the provisions of this Act.

The funds used from the Compensation fund and paid to staff of the office of the Prime Minister and Department of Finance contravenes the Act. The Council of Ministers' decision, in part, *"to pay a substantial amount to all the persons working in the preparation of the payment of these compensations, if there are some funds left (Commission members and administration support Staff)"*, contravenes the Act.

- 4.10 After all the comments from Mr Wilfred this does not alter the fact that he was one of the ones who got paid from the Compensation fund. As a director of a department at the time he should be in a better position to know the Public Service rules governing overtime. Directors of departments are not eligible for overtime as set down in section 4.22 of the Public Service Staff Manual.

5. RELEVANT LAWS AND REGULATIONS

5.1 CONSTITUTION OF THE REPUBLIC OF VANUATU

CONDUCT OF LEADERS

- 66.(1) Any person defined as a leader in Article 67 has a duty to conduct himself in such a way, both in his public and private life, so as not to-
- (a) place himself in a position in which he has or could have a conflict of interests or in which the fair exercise of his public or official duties might be compromised;
 - (b) demean his office or position;
 - (c) allow his integrity to be called into question; or
 - (d) endanger or diminish respect for and confidence in the integrity of the Government of the Republic of Vanuatu.

- (2) In particular, a leader shall not use his office for personal gain or enter into any transaction or engage in any enterprise or activity that might be expected to give rise to doubt in the public mind as to whether he is carrying out or has carried out the duty imposed by subarticle (1).

DEFINITION OF A LEADER

67. For the purposes of this Chapter, a leader means the President of the Republic, the Prime Minister and other Ministers, members of Parliament, and such public servants, officers of Government agencies and other officers as may be prescribed by law.

5.2 COMPENSATION ACT NO. 11 OF 1994

2 PURPOSE OF THE BORROWING

All moneys borrowed under section 1 shall be paid into a Compensation Fund and sums paid thereout shall be exclusively for the purpose of making ex-gratia payments in circumstances referred to in section 3 in accordance with the provisions of this Act.

3 CLAIMS FOR COMPENSATION

Any person or legal personal representatives of any person -

- (a) who was injured or lost his life during the civil disturbances in 1980;
- b) whose property was damaged, requisitioned or acquired during the civil disturbances in 1980;
- (c) who was injured or lost his life during the civil unrest in 1988;
- (d) who was a member of the New Hebrides Defence Force;
- (e) who has been unfairly imprisoned without an order of the court;
- (f) who is a former member of the National Council of Chiefs whose term of office ended on 16th December 1992,

may, subject to the provisions of this Act, apply to be paid compensation from the Compensation Fund in respect of any of the matters referred to in paragraphs (a), (b), (c), (d) (e) and (f) of this subsection.

5.3 STAFF MANUAL OF THE PUBLIC SERVICE (January 1988)

9.GENERAL CONDUCT

- 9.7 All officers are prohibited from receiving gifts or presents in the course, or as a result, of their duties or by virtue of their official position, whether in the shape of money, goods, free services, passages, or other benefits, and are prohibited from giving such gifts and presents. This regulation not only applies to the officer himself, but also to his family, and the officer will be held responsible for its observance by members of his family. This regulation does not apply to cheap promotional goods such as calendars and diaries.
- 4.22 All officers in categories 1 to 17 of the Public Service salary scales, **except for Heads and Deputy Heads of Departments**, shall be eligible for overtime, but in the case of officers in categories 10 to 17 the prior approval of their Minister is required to make the officer eligible. The Minister's approval shall specify the officer by name and title of post, and if appropriate shall specify the type of work which may qualify for

overtime payments and any other restrictions which may apply in any particular case, and a copy shall be sent to the Minister responsible for the Public Service.

6. FINDINGS

6.1 Finding 1: The conduct of then Minister of Finance, Willie Jimmy, in approving the Illegal Compensation payments was contrary to law. The bonus payments did not comply with the conditions of the CoM decision and they were in violation of the Compensation Act of 1994. Further, the payments were contrary to Public Service rules.

6.1.1 Under the Compensation Act No. 11 of 1994, there was no provision of ad hoc payments such as those paid or any other payments other than those covered in the said Act. The Compensation Fund was established exclusively to fund ex-gratia payments. In accordance with section 3 (1) of the Compensation Act, there was no provision to pay government staff to prepare the compensation payments. Further the money allocated to meet claimants' requests was not sufficient so that 40% of them remain unpaid to date. In effect, the money used to pay staff of the Prime Minister's Office and Finance Department were funds established to meet claimants' requests under the Compensation Act and should not have been used.

6.1.2 The Staff Manual of the Public Service (subsection 9.7) prohibits public servants to receive gifts and presents for the services they rendered during the course of delivering their official duties other than their own wages and salaries. In accordance with Section 4.22 of the Staff Manual of the Public Service Mr Wilfred as Finance Head of Department was not eligible for any overtime payment.

6.1.3 The payments did not comply with the conditions of Council of Ministers decision as the Council of Ministers stated that the payments were to be made on decision of the Prime Minister subject to the Act No.11 of 1994.

6.2 Finding 2: Former Director-General of Finance Department, Mr Jeffery Wilfred's conduct amounts to breaches of the Leadership Code.

6.21 Mr Jeffery Wilfred's receipt and acceptance of the payment placed him in a position where he could have a conflict of interest (section 66 (1)(a) of the Constitution) between his position as beneficiary of the payment and his official responsibility as Finance's Director-General to ensure the lawfulness of the payments. Furthermore, by permitting the processing of the illegal payments, he brought his integrity into question (Section 66(1)(c) of the Constitution), particularly since his position requires him to be familiar with or make himself aware of the legality of all government payments.

6.22 Although, Mr Wilfred continuously stated during his interview with me that he deserved the payment I find that his acceptance of the payment was contrary to section 9.7 and 4.22 of the Public Service Manual rules. Heads of Departments are not eligible for overtime.

6.3 Finding 3: The conduct of the then Minister of Finance, Willie Jimmy, was in breach of the Leadership Code.

6.3.1 As Minister of Finance, Hon. Willie Jimmy had direct responsibility for the management of government's assets and liabilities and the supervision, control and direction of all matters relating to the financial affairs of government. His responsibility for the payments which were not properly authorised as required by the Council of Ministers' decision is contrary to law (Compensation Act of 1994) and contrary to public service rules diminish respect for and confidence in the integrity of the Government of the Republic of Vanuatu (section 66(1)(d) of the Constitution).

8. LIST OF APPENDIXES

- A. List of GPVs to be paid.
- B. Letter from Charlot Salwai dated 06.11.95 to Hon. Maxime Carlot Korman
- C. Memorandum from Hon. Willie Jimmy dated 17.01.96
- D. List of names to be paid.
- E. Responses

6.3.2 Mr Jimmy's failure to act upon receipt of the Internal Audit's report is tantamount to negligence to accept criticism and responsibility.

7. RECOMMENDATIONS

7.1 **Recommendation No. 1:** That the Minister of Finance take action to recover the illegal payments totalling VT750,000 from the individuals who received them and from Hon. Willie Jimmy who had overall responsibility for ensuring that the payments were lawful.

Recommendation No. 2: That the Minister of Finance to formally acknowledge and thank those individuals who have taken steps to return the amounts voluntarily and ensure that such acknowledgment is placed in their personal files.

Recommendation No.3: That the Director of Finance Department ensure that the Public Service Rules regarding overtime is complied with in the future.

Recommendation No 4 That the Minister of Finance is to consider asking those in the Department who were involved in the preparation of the compensation payments to complete the required overtime forms and submit them for payment, And that a proper examination of the actual hours worked in excess of normal monthly hours be assessed and appropriate overtime approved for those entitled.

Recommendation No 5 There should be a mandatory requirement for the responsible authority to act on an Internal report of the Finance Department and that either the law or the procedures be amended to ensure that such future reports are not ignored.

Dated the 16th day of April 1999

Marie-Noelle FERRIEUX PATTERSON
OMBUDSMAN OF THE REPUBLIC OF VANUATU

A handwritten signature in black ink, appearing to read 'Marie-Noelle', with a large, stylized flourish above it.

Handwritten signature or scribble.

GENERAL PAYMENT VOUCHER

ORIGINAL : TO TREASURY FOR COMPUTER

Appendix A

NAME Frederic Simeon
 ADDRESS _____
 of _____
 PAYEE _____

COMPUTER INPUT DETAILS

ENTRY TYPE 1
 VOUCHER NUMBER 242312 TREASURY USE ONLY
 DEPT. DOCUMENT REFERENCE _____

DETAILS OF PAYMENT

Duties carried out during - Pol. Compensation

*Duties carried out during
 Political compensation*

ACCOUNT NUMBER	JOB NUMBER
<u>54510109</u>	
GROSS AMOUNT VT	
<u>50000</u>	
LESS DEDUCTIONS VT	
NET AMOUNT VT	
<u>50000</u>	
NUMBER OF PERIODS	

MENT ENTERED IN VOTE BOOK
 Vote Book Page N° _____ Line N° : _____
 Sig re : _____
 Date : _____

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER
 I certify that the above particulars are correct : that the prices charged are fair and reasonable and are in accordance with quotation or contract ; that the expenditure committed has been properly incurred against the budget head or project indicated by the account number(s) shown and is in accordance with government regulations and project specifications ; that funds are available to meet the payment under the Account Number(s) quoted.



DEDUCTIONS - CREDITS		
ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT

MULTIPLE ALLOCATIONS - DEBITS		
ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT

Signature of Head of Department: _____
 Official Stamp: _____
 Print Name : HON. WILLIE JIMMY
 Date : 21-12-95

ACCOUNTANT GENERAL DEPARTMENT USE

Checked	Approved	Cheque Number	Cheque Date
		<u>5057679</u>	<u>28.12.95</u>

Received from the Government the sum of VT : 50000 00/100
 Signed : _____
 Print Name : Simeon Fredric Date : 28.12.95

GENERAL PAYMENT VOUCHER

ORIGINAL TO TREASURY FOR COMPUTER

Appendix A

NAME JULIET FAERUA
 ADDRESS _____
 of _____
 PAYEE _____

COMPUTER INPUT DETAILS

ENTRY TYPE 1
 VOUCHER NUMBER 242311 TREASURY USE ONLY
 DEPT. DOCUMENT REFERENCE _____

DETAILS OF PAYMENT

DUTIES CARRIED OUT DURING POLITICAL COMPENSATION

*Duties carried out
 During Political
 Compensation*

ACCOUNT NUMBER	54010109
GROSS AMOUNT VT	50 990
LESS DEDUCTIONS VT	
NET AMOUNT VT	50 000
NUMBER OF PERIODS	

MENT ENTERED IN VOTE BOOK
 Vote Book Page No. _____ Line No. : _____
 Signature : _____
 Date : _____

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER
 I certify that the above particulars are correct : that the prices charged are fair and reasonable and are in accordance with quotation or contract : that the expenditure committed has been properly incurred against the budget head or project indicated by the account number(s) shown and is in accordance with government regulations and project specifications : that funds are available to meet this payment under the Account Number(s) quoted.



Signature of Head of Department
 Official Stamp.

Print Name : HON. WILHEM JEMMY
 Date : 21-12-95

DEDUCTIONS - CREDITS		
ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT

MULTIPLE ALLOCATIONS - DEBITS		
ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT

ACCOUNTANT GENERAL DEPARTMENT USE

Checked	Approved	Cheque Number	Cheque Date
		<u>5057678</u>	<u>28.12.95</u>

Received from the Government the sum of VT : 50 000
 Signed : J. FAERUA
 Print Name : J. FAERUA Date : 6/12

**VANUATU GOVERNMENT
GENERAL PAYMENT VOUCHER**

ORIGINAL : To TREASURY FOR COMPUTER INPUT

Appendix A

COMPUTER INPUT DETAILS

ENTRY TYPE

1

VOUCHER NUMBER TREASURY USE ONLY

242317

DEPT. DOCUMENT REFERENCE

NAME

CHECHU RURY

ADDRESS
of
PAYEE

DETAILS OF PAYMENT

Duties Carried out during Political Compensation

Duties carried out during
Political Compensation

ACCOUNT NUMBER	JOB NUMBER
54010168	

GROSS AMOUNT VT
50,000

LESS DEDUCTIONS VT

NET AMOUNT VT
50,000

NUMBER OF PERIODS

PAYMENT ENTERED IN VOTE BOOK

Vote Book Page No. _____ Line No. : _____

Signature : _____

Date : _____

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER

I certify that the above particulars are correct; that the charges are fair and reasonable and are in accordance with quotation or contract; that the expenditure admitted has been properly incurred against the budget and or project indicated by the account number(s) shown; that the expenditure is in accordance with government regulations and project specifications; that funds are available to meet this payment under the Account Number(s) quoted.

[Signature]
MINISTER
OF
FINANCE



Signature of Head of Department.
Official Stamp.

DEDUCTIONS - CREDITS			
ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT	Nº PERIODS

MULTIPLE ALLOCATIONS - DEBITS			
ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT	Nº PERIODS

ACCOUNTANT GENERAL DEPARTMENT USE

Checked	Approved	Cheque Number	Cheque Date
		5057684	28-12-95

Name : HON - WELIE JEMMY

28/12-95

Received from the Government the sum of VT : 50,000

Signed : *[Signature]*

12/28
date 28/12/95

**VANUATU GOVERNMENT
GENERAL PAYMENT VOUCHER**

ORIGINAL : To TREASURY FOR COMPUTER I

Appendix A

NAME

IUETTE SAM

ADDRESS

of
PAYEE

COMPUTER INPUT DETAILS

ENTRY
TYPE

VOUCHER NUMBER TREASURY USE ONLY

242320

DEPT. DOCUMENT REFERENCE

DETAILS OF PAYMENT

Duties Carried out during Pol. Compensation

*Duties carried out during
Political Compensation.*

ACCOUNT NUMBER

510010109

GPCSS AMOUNT VT

50,000

LESS DEDUCTIONS VT

NET AMOUNT VT

50,000

NUMBER OF PERIODS

MENT ENTERED IN VOTE BOOK

Book Page No. _____ Line No. : _____

Signature : _____

Date : _____

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER

certify that the above particulars are correct ; that the prices charged are fair and reasonable and are in accordance with quotation or contract ; that the expenditure committed has been properly incurred against the budget head or project indicated by the account number(s) shown and is in accordance with government regulations and project specifications ; that funds are available to meet this payment under the Account Number(s) quoted.

DEDUCTIONS - CREDITS

ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT

MULTIPLE ALLOCATIONS - DEBITS

ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT

ACCOUNTANT GENERAL DEPARTMENT USE

Checked Approved Cheque Number Date

5057687 28.12.95

Signature of Head of Department.
Official Stamp.

Print Name : *HON - WELLES JEMMY*

Date : *21-12-95*

Received from the Government the sum of VT : _____

Signed : *[Signature]*

Print Name : _____ Date : *31/01/96*

**VANUATU GOVERNMENT
GENERAL PAYMENT VOUCHER**

ORIGINAL : TO TREASURY FOR COMPUTER

Appendix A

NAME

MARIE MALERE

ADDRESS
of
PAYEE

COMPUTER INPUT DETAILS

ENTRY
TYPE
1

VOUCHER NUMBER TREASURY USE ONLY

242321

DEPT. DOCUMENT REFERENCE

DETAILS OF PAYMENT

Duties carried out during Political Compensation

*Duties carried out during
Political Compensation*

ACCOUNT NUMBER 500 10100

GROSS AMOUNT VT 50 000

LESS DEDUCTIONS VT

NET AMOUNT VT 50 000

NUMBER OF PERIODS

MENT ENTERED IN VOTE BOOK

Vote Book Page No. _____ Line No. : _____

Signature : _____

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER

I certify that the above particulars are correct : that the prices charged are fair and reasonable and are in accordance with quotation or contract ; that the expenditure committed has been properly incurred against the budget head or project indicated by the account number(s) shown and is in accordance with government regulations and project specifications ; that funds are available to meet this payment under the Account Number(s) quoted.

Signature of Head of Department.
Official Stamp.

Print Name : HON - WELTIE JEMMY

Date : 21.12.95

DEDUCTIONS - CREDITS

ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT

MULTIPLE ALLOCATIONS - DEBITS

ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT

ACCOUNTANT GENERAL DEPARTMENT USE

Checked _____ Approved _____ Check Number _____

5057688 28.12.95

Received from the Government the sum of VT _____

Signed : [Signature]

Print Name : Marie Malere

Date : 21/12/95

5057688

**VANUATU GOVERNMENT
GENERAL PAYMENT VOUCHER**

12.04.14
ORIGINAL : TO TREASURY FOR COMPUTER IN

Appendix A

NAME

BELENDA PHELETS

ADDRESS
of
PAYEE

COMPUTER INPUT DETAILS

ENTRY
TYPE
1

VOUCHER NUMBER TREASURY USE ONLY
242318

DEPT. DOCUMENT REFERENCE

DETAILS OF PAYMENT

Dates carried out during - Pol - Compensation

*Dates carried out during
Political Compensation*

ACCOUNT NUMBER

50010109

GPCSS AMOUNT VT

50000

LESS DEDUCTIONS VT

NET AMOUNT VT

50000

NUMBER OF PERIODS

PAYMENT ENTERED IN VOTE BOOK

Vote Book Page No. _____ Line No. : _____

Signature : _____

Date : _____

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER

I certify that the above particulars are correct : that the prices charged are fair and reasonable and are in accordance with quotation or contract ; that the expenditure committed has been properly incurred against the budget head or project indicated by the account number(s) shown and is in accordance with government regulations and project specifications ; that funds are available to meet this payment under the Account Number(s) quoted.

[Signature]

MINISTER
OF
FINANCE



Signature of Head of Department.
Official Stamp.

Print Name :

HON - WELTIE JEMMY

21-12-92

DEDUCTIONS - CREDITS

ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT

MULTIPLE ALLOCATIONS - DEBITS

ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT

ACCOUNTANT GENERAL DEPARTMENT USE

Checked	Approved	Check Number	Check Date
		<i>5057685</i>	<i>28.12.92</i>

Received from the Government the sum of VT : _____

Signed : *[Signature]*

Print Name : _____ Date : *3/01/93*

VANUATU GOVERNMENT
GENERAL PAYMENT VOUCHER

Appendix A

ORIGINAL : To TREASURY FOR COMPUTER

NAME Flora John
ADDRESS of PAYEE _____

COMPUTER INPUT DETAILS

ENTRY TYPE 1

VOUCHER NUMBER 242314 TREASURY USE ONLY

DEPT. DOCUMENT REFERENCE _____

DETAILS OF PAYMENT
Duties carried out during - Pol - Compensation

Duties carried out during - Political Compensation.

ACCOUNT NUMBER 54010109

GROSS AMOUNT VT 50,000

LESS DEDUCTIONS VT _____

NET AMOUNT VT 50,000

NUMBER OF PERIODS _____

PAYMENT ENTERED IN VOTE BOOK
Vote Book Page N° _____ Line N° : _____
Signature : _____
Date : _____

DEDUCTIONS - CREDITS		
ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT

MULTIPLE ALLOCATIONS - DEBITS		
ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER

I certify that the above particulars are correct : that the prices charged are fair and reasonable and are in accordance with quotation or contract : that the expenditure committed has been properly incurred against the budget head or project indicated by the account number(s) shown and is in accordance with government regulations and project specifications : that funds are available to meet this payment under the Account Number(s) quoted.

MA



Signature of Head of Department.
Official Stamp.

Print Name : HEN' WELIE JIMMY
Date : 21-12-95

ACCOUNTANT GENERAL DEPARTMENT USE

Checked	Approved	Cheque Number	Check Date
		<u>5057681</u>	<u>28.12.95</u>

Received from the Government the sum of VT : 50,000

Signed : TAIRA Date : 21/12/95

Appendix A

NAME: ROLLENE TAVOA
 ADDRESS of PAYEE: _____

COMPUTER INPUT DETAILS

ENTRY TYPE: 1
 VOUCHER NUMBER: 242313 TREASURY USE ONLY
 DEPT. DOCUMENT REFERENCE: _____

DETAILS OF PAYMENT

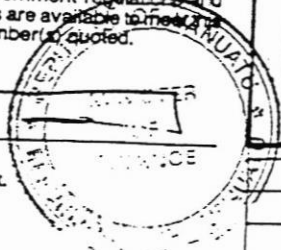
Duties Carried out during - Pol. Compensation.

Duties Carried out during Political Compensation.

ACCOUNT NUMBER	JOB NUMBER
<u>54010109</u>	
GROSS AMOUNT VT	
<u>50000</u>	
LESS DEDUCTIONS VT	
NET AMOUNT VT	
<u>50000</u>	
NUMBER OF PERIODS	

ENTERED IN VOTE BOOK
 Book Page N°: _____ Line N°: _____
 Nature: _____

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER
 I certify that the above particulars are correct: that the charges are fair and reasonable and are in accordance with quotation or contract; that the expenditure has been properly incurred against the budget or project indicated by the account number(s) shown in accordance with government regulations and specifications; that funds are available to meet the amount under the Account Number(s) quoted.



DEDUCTIONS - CREDITS			
ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT	N° PERIODS

MULTIPLE ALLOCATIONS - DEBITS			
ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT	N° PERIODS

Signature of Head of Department: _____
 Stamp: _____
 Name: HON. WELLES JEMMY
21-12-95

ACCOUNTANT GENERAL DEPARTMENT USE			
Checked	Approved	Cheque Number	Cheque Date
		<u>5057680</u>	<u>28.12.95</u>

Received from the Government the sum of VT: _____
 Signed: DEPOSIT TO N.C.V 50-140498/31
 Print Name: TALIMANA CLERK Date: 28/12/95

GENERAL PAYMENT VOUCHER

ORIGINAL : To TREASURY FOR COMPUTER

Appendix A

NAME

Melita Sawia

ADDRESS
of
PAYEE

COMPUTER INPUT DETAILS

ENTRY
TYPE
1

VOUCHER NUMBER 242316
TREASURY USE ONLY

DEPT. DOCUMENT REFERENCE

DETAILS OF PAYMENT

Duties carried out during - Pbl - Compensation

*Duties carried out
during - Pbl - IICAL
Compensation.*

ACCOUNT NUMBER
50010108

GROSS AMOUNT VT
50,000

LESS DEDUCTIONS VT

NET AMOUNT VT
50,000

NUMBER OF PERIODS

PAYMENT ENTERED IN VOTE BOOK

Vote Book Page No. _____ Line No. : _____

Signature : _____

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER

I certify that the above particulars are correct : that the charges are fair and reasonable and are in accordance with quotation or contract : that the expenditure committed has been properly incurred against the budget or project indicated by the account number(s) shown and is in accordance with government regulations and exact specifications : that funds are available to meet this commitment under the Account Number(s) quoted.

[Signature]
[Stamp: BUREAU DE TRAVAIL - FINANCE]

Signature of Head of Department.
Official Stamp.

DEDUCTIONS - CREDITS		
ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT

MULTIPLE ALLOCATIONS - DEBITS		
ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT

ACCOUNTANT GENERAL DEPARTMENT USE

Checked _____ Approved _____ Cheque Number *5057683* Date *28.12.95*

Received from the Government the sum of VT : _____

Signed : *[Signature]*
Print Name : *MELITA SAWIA*

Date : *28/12/95*

Name : *HON - WILLIE JIMMY*

21-12-95

**VANUATU GOVERNMENT
GENERAL PAYMENT VOUCHER**

CP141

ORIGINAL : To TREASURY FOR COMPUTER INPUT

Appendix A

NAME: TAURA SESE
 ADDRESS of PAYEE: _____

COMPUTER INPUT DETAILS

ENTRY TYPE: 11
 VOUCHER NUMBER: 242315 TREASURY USE ONLY
 DEPT. DOCUMENT REFERENCE: _____

DETAILS OF PAYMENT

Duties carried out during - POL Compensation

*Duties carried out during
Political Compensation*

ACCOUNT NUMBER	JOB NUMBER
<u>54010109</u>	
GROSS AMOUNT VT	
<u>50 000</u>	
LESS DEDUCTIONS VT	
NET AMOUNT VT	
<u>50 000</u>	
NUMBER OF PERIODS	

MENT ENTERED IN VOTE BOOK
 Book Page No. _____ Line No. : _____
 Date: _____

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER
 I certify that the above particulars are correct; that the charges are fair and reasonable and are in accordance with quotation or contract; that the expenditure incurred has been properly incurred against the budget or project indicated by the account number(s) shown; that the expenditure is in accordance with government regulations and contract specifications; that funds are available to meet this payment under the Account Number(s) quoted.



DEDUCTIONS - CREDITS			
ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT	N° PERIODS

MULTIPLE ALLOCATIONS - DEBITS			
ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT	N° PERIODS

Signature of Head of Department. _____
 Official Stamp.

ACCOUNTANT GENERAL DEPARTMENT USE

Checked	Approved	Cheque Number	Cheque Date
		<u>5057682</u>	<u>28/12/10</u>

Received from the Government the sum of VT: 50,000 VT
 Signed: _____

Name: HON. WILHEE JIMMY

TACIREMAN LELIF

Appendix A

DEPT. DOC. NO.

DETAILS OF PAYMENT

DUTIES CARRIED OUT DURING POL. COMPENSATION

Duties Carried out During Political Compensation.

ACCOUNT NUMBER	JOB NUMBER
540 10/09	

GROSS AMOUNT VT
50 000

LESS DEDUCTIONS VT

NET AMOUNT VT
50 000

NUMBER OF PERIODS

ENTERED IN VOTE BOOK
 Page No. _____ Line No. _____

BY HEAD OF DEPT. OR AUTHORISED OFFICER
 The above particulars are correct: that the expenditure is fair and reasonable and are in accordance with the contract; that the expenditure is properly incurred against the budget indicated by the account number(s) shown above; that the expenditure is in accordance with government regulations and that funds are available to meet this Account Number indicated.



DEDUCTIONS - CREDITS			
ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT	N° PERIODS

MULTIPLE ALLOCATIONS - DEBITS			
ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT	N° PERIODS

ACCOUNTANT GENERAL DEPARTMENT USE

Checked	Approved	Cheque Number	Cheque Date
		5057677	28.12.95

Received from the Government the sum of VT: 50,000

Signed: *[Signature]* T.UMP

Print Name: _____ Date 28/12/95

WELLEE JEMMY
 28.12.95

1870

GOVERNMENT PAYMENT VOUCHER

Appendix A

ORIGINAL : To TREASURY FOR COMPUTER

JOHN LUI

COMPUTER INPUT DETAILS

ENTRY TYPE

1

VOUCHER NUMBER TREASURY USE ONLY

242309

DEPT. DOCUMENT REFERENCE

DETAILS OF PAYMENT

DUTIES CARRIED OUT DURING POLITICAL COMPENSATION

Duties carried out during Political Compensation.

ACCOUNT NUMBER

540 10/109

GROSS AMOUNT VT

50 000

LESS DEDUCTIONS VT

NET AMOUNT VT

50 000

NUMBER OF PERIODS

MENT ENTERED IN VOTE BOOK

Vote Book Page No. Line No.

Signature

Date

CERTIFICATION BY HEAD OF DEPT. OR AUTHORISED OFFICER

I certify that the above particulars are correct; that the prices charged are fair and reasonable and are in accordance with quotation or contract; that the expenditure committed has been properly incurred against the budget head or project indicated by the account number(s) shown and is in accordance with government regulations and project specifications; that funds are available to meet this payment under the Account Number(s) quoted.



Signature of Head of Department

Print Name: HON. WILLIE JAMES

Date: 21-12-95

DEDUCTIONS - CREDITS

ACCOUNT NUMBER	JOB NUMBER	CREDIT AMOUNT VT

MULTIPLE ALLOCATIONS - DEBITS

ACCOUNT NUMBER	JOB NUMBER	DEBIT AMOUNT VT

ACCOUNTANT GENERAL DEPARTMENT USE

Checked	Approved	Cheque Number	Cheque Date
		5057676	28.12.95

Received from the Government the sum of VT: 50 000 VT

Signed: John Lui

Print Name: John Lui Date: 28-12-95

1900



LE SECRÉTAIRE GÉNÉRAL

SECRETARY-GENERAL

CM/DC/13/116/CS/mp/95

6th November 1995

Hon. Maxime CARLOT KORMAN
Prime Minister
Prime Minister's Office
Vanuatu Government
PORT VILA

Dear Hon. Prime Minister,


RE : Decision No. 116 of the Council of Ministers' meeting
No. 16/02/11/95

- Claims for compensations following the events of 1980 on Torba, Maewo, Ambae, Pentecost, Ambrym, Paama, Epi, Shepherds, Futuna, Efate, Tanna and Santo Adjustment lists.

The Council of Ministers' meeting No. 16 of November 2nd 1995 approved :

- (1) The list of claims during the civil disturbances in 1980. The list of Torba, Maewo, Ambae, Pentecost, Ambrym, Paama, Epi, Shepherds, Efate, Futuna and the adjustment list of Santo & Tanna.
- (2) To authorise the Hon. Prime Minister to consider on behalf of the Council of Ministers other adjustment lists, to submit them to the Ministry of Finance.
- (3) To authorise, on decision of the Prime Minister subject to the Act No. 11 of 1994, the Minister of Finance to pay a substantial amount to all the persons working in the preparation of the payment of these compensations, if there are some funds left (Commission members and administration support staffs).

Yours faithfully,


REPUBLIC OF VANUATU
SECRETARY
GENERAL
SECRETARIE
GENERAL
REPUBLIC OF VANUATU
Chariot SALWA
Secretary General, Council of Ministers

cc : Hon. Minister of Finance
: Director, Finance Department
: Attorney General

Fax: (678) 23142

Telephone: 23117

P.M.B. - 053

Handwritten text at the top of the page, possibly a title or header, which is mostly illegible due to blurring and fading. Some characters appear to be "A" and "B".

Appendix C

MEMORANDUM INTERNAL AUDIT

Private Mail Bag 031.
Port Vila, Vanuatu.
17th January 1996

Hon Willy Jimmy,
Minister of Finance,
Port Vila.
cc. Auditor General, Office of Auditor General.

Lump Sum Payments to Public Servants. - Compensation Fund -

Following several enquiries from staff in the Department of Finance, the Internal Audit section conducted an investigation into alleged lump sum payments to selected staff of the Office of the Prime Minister and the Department of Finance.

I herewith submit my report, findings and basic recommendations. These have been discussed at a senior staff level with the Director General of Finance and Exchequer Manager. My memo is directed to you in accordance with Reg.22 (4) of the Financial Regulations.

Background:

Public Service Regulations (Staff Manual) specifically set out in Chapter 22, the terms and conditions for overtime or extra pay for hours worked. there are no other provisions covering "Ad Hoc " payments especially where the work required to be done was part of the basic duties and responsibilities of those Officers. In other words it was not a special abnormal duty required of the officer outside their normal duties.. The Staff Manual sets out the entitlements of specific personnel to overtime and the calculation of overtime and the applicable rates.

Payment of Ad Hoc compensation to Public Servants. :

Throughout 1995 staff from the office of the Prime Minister and the Department of Finance completed the formalities for paying awards of compensation to members of the general public in accordance with the Compensation Act. The procedures followed were standard and ordinary except that there were a few instances where a large number of vouchers had to be prepared, checked and input. According to the documents submitted there were 6 officers from the Office of the Prime Minister and 9 officers from the Department of Finance selected for ad hoc payments of compensation for work undertaken irrespective of other staff involved ; hours actually worked, quantity of work undertaken and responsibility involved.

Appendix C

The payment of the compensation to the public servants was undertaken on the authority of a Council of Minister's Decision No 116. The Council of Ministers Decision was made in November, dated 6th November 1995, and approved the following (3) To authorise, on decision of the Prime Minister subject to the Act No. 11 of 1994, the Minister of Finance to pay a substantial amount to all the persons working in the preparation of the payment of these compensations, if there are some funds left (Commission members and Administration Support staffs)."

Payment vouchers for the 15 persons were drawn up on the 21st December 1995 and payment was made on the 28th December 1995 following authorisation by the Hon Minister of Finance.

Enquiry Findings :

- (1) A standard payment of 50,000 vatu was paid to each of the 15 officer's and appointee's.
- (2) The payment of the lump sum was made from the Compensation Fund.
- (3) The Attorney General's Office advise that the Compensation Act does not provide for or authorise such payments to be made. It would therefore seem that the Decision 116 (3) by the Council of Ministers was not in accordance with the Act.
- (4) The payments were made irrespective of hours worked, quality or quantity of work done and without recognition of appropriate rates of payment.
- (5) The amounts were not paid in respect of overtime but as a bonus or "ad hoc" payment.
- (6) The conditions of Section 22 of the Financial Regulations (Staff Working Conditions) were not adhered too.
- (7) The Public service Act and its Regulations do not permit for "ad hoc" payments or any payments other than those covered in the Act and Regulations. Any such payments as made in this case are contrary to clause 9.7 of the Public Service Staff Manual and Officer's receiving such payments are liable to disciplinary charges.
- (8) The time sheets of the respective officers from the Department of Finance were examined and the extra hours involved were very minimal and only a little above standard monthly totals of hours due by each officer.
- (9) There were two Officer's who actually owed the Government hours of work , because they had not met the standard hourly rates per month at the time of the so called critical work load. They were paid the same amount irrespective of that situation.
- (10) A calculation of the number of vouchers produced and related to the number of personnel involved shows a very different picture and would not justify anything but a bare minimum of overtime. For example , the largest input in any one period was 519 vouchers prepared by the Prime Ministers office staff over 3 days and equates to 173 vouchers per day divided by the 6 staff is equivalent to 29 vouchers per person per day. Not a substantial number and less than two and a quarter hours work.

Handwritten text at the top of the page, possibly a title or header, which is mostly illegible due to fading and blurring.

Appendix C

In the payments section seven staff including the Director General of Finance can easily examine and account for 1 voucher every two minutes at a maximum of two and a half hours to complete the 519 vouchers in one day.

In the computer section each officer can easily input 150 vouchers in one hour for a total of 1 hour and 45 mins work.

None of the above situations warrant nor in anyway justify a lump sum payment of 50,000 vatu.

An examination of the staff time sheets shows that the above assessments to be quite reasonable and possibly conservative.

(11) The examination of the vouchers in payments would normally raise queries of the following nature:

(a) The use of the fund for payment of the vouchers... is it a valid account and are such payments permissible from it?

(b) The amount being paid is it reasonable ?

(c) Is there adequate supporting documentation to justify the payments ? In cases of this nature, the basis of calculation for the amount payable and its relationship to the prescribed entitlements under the Public Service Act and the supporting Regulations.

In each case, the documents were accepted without question and at face value..

The public image of the integrity and honesty of the Department must be maintained and although specific rewards through overtime can be made , the lump sum payment cannot be justified.

Recommendations:

(a) It would be wise to seriously reconsider the repayment of the amounts paid to avoid discrediting the Department if the information was passed to other sources.

(b) The repayment could be justified on the grounds that the seriousness of their actions having been brought to their attention, jointly involved taking that action.

(c) It would appear on the information provided that each and every Public Servant involved would at least be guilty of an offence and liable for disciplinary charges or even possible criminal charges of misappropriation of public monies. It is therefore recommended that very positive action be taken to repay the amounts as soon as possible. A proper examination of the actual hours worked in excess of normal monthly hours could be assessed and appropriate overtime approved for those entitled.

(d) The advice from the Attorney General's Office that the Compensation Act fund cannot be used for that purpose means that other funds should be used such as Salary Heads to reward the staff for their efforts. This is justifiable provided the terms of the staff manual section 22 are followed.

Appendix C

My report is submitted in good faith and with due respect for the Department; its integrity and public image. I am obliged under the Financial Regulations to investigate and report on any matter raised that can show substantial breakdown in the control over and use of Public Monies.

The contents of the report have been discussed with the Director General of Finance and my report is respectfully submitted for your information and further consideration in accordance with Regulation 22 (4) of the Financial Regulations.

David Schupp
Internal Audit, and Systems Development.

Appendix D

A :
TO :

Department of Finance

*Avec les Compliments du Bureau du Premier Ministre
de la République de Vanuatu*

*With the Compliments of the Office of Prime Minister
of the Republic of Vanuatu*

Pour Information For Information	
Pour traitement S.V.P. For action, please	✓
Veillez me tenir au courant Please keep me informed of progress	
Veillez me soumettre réponse pour signature Please submit draft reply for my signature	
Veillez m'adresser copie de la réponse Please copy your reply to me	
Me consulter Please discuss with me	
<p><i>Please proceed with the payment for the attached list of officers being for the duties carried out during unoffical hours to prepare the political compensation.</i></p>	

Signé
Signed

J. H. H. H.

Nos Réf :
Our Ref :

Date :

21/12/95

Approved 22/12/95



APPENDIX D

JOHN. LUEN — 50.000 U.
JOHN LUE — 50.000 U.
TAUREMAN LELUP — 50.000 U.
JULIET FAERVA — 50.000 U.
FREDERIC SEMEEN — 50.000 U.
ROLLINE TAVOA — 50.000 U.
FLORA JOHN — 50.000 U.
TAURA SESE — 50.000 U.
- MELTA SASWETA — 50.000 U.
LHECHE RURU — 50.000 U.
BELINDA PHELIPS — 50.000 U.
JACK KALLON — 50.000 U.
EUNETTE SAM — 50.000 U.
MARIE MALERE — 50.000 U.
JEFFREY WILFRED 50,000

Appendix E

MNFP

ERAKOR VILLAGE

20 FEBRUARY 1999.

MRS MARIE-NOELLE FERRIEUX PATTERSON,
OMBUDSMAN BLONG REPUBLIC BLONG VANUATU,
OFIS BLONG OMBUDSMAN
PORT VILA.

Dia Madame,

RE: WORKING PEPA - PAYMENT BLONG CHRISTMAS BONUSES.

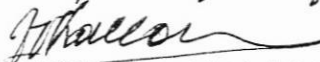
Mi stap saet blong ansa long leta blong yu REF: 1169/8609/-
LO1/JK - dated 15 february 1999.

Mi wantem mekem correction long PARA. 3.3 mo comment
long PARA. 3.8.

Correction PARA. 3.3 :- Position blong mi long taem ia
hemi no "THIRD SECRETARY" - HEMI "ADMINISTRATIVE AND
FINANCE OFFICER".

Comment PARA. 3.8 :- Mi bin stat wok long Office long
Praem Minista long 1993, mo long 4 yia ia mifala
i bin stap wok plante taem long weekends, Public
Holidays mo plante taem leit long naet, be mifala
ol political appointees imo stap claim overtime
mo unsocial hours. From mi luk nomo ol permanent
civil servants nomo oli bin mentioned be imo mentionem
political appointees - long Public Service Staff Manual.
So supos hemi wau bonus we Minista i givin long
mifala be imo folem law, mi still stand long view
blong mi se Minista we i authorisem nao i refundem.

Yours faithfully


JACK H. KALLOW.

John Louis
IT Department
MOFEM
PMB 031
Port Vila

Mrs Marie-Noelle Ferrieux Patterson
Office of the Ombudsman
P.M.Bag 081
Port Vila

Date: 25/02/99

Dear Madam,

WORKING PAPER ON PAYMENT OF CHRISTMAS BONUSES TO STAFF OF THE PRIME MINISTER'S OFFICE AND FINANCE DEPARTMENT

I have received the extract of the working papers that you have sent me. As you were asking us for further comments before the final report, here are some that I would like to say:

1 – Cover page (Christmas Bonuses):

I thought that we had already discussed these terms. Madam, according to the attached copies of GPV's, I found out that I did not write Christmas Bonuses, except Duties Carried Out. I suggested that it is better to use other words rather than Christmas Bonuses. How about responsibility payments?

2 – List of Appendixes page 8.

2.1 Appendix C: This appendix is attached backwards.

Mr David Shupp did not carry out his investigation properly and he did not receive any answers from the Minister before he wrote his report.

* Payment process:

- As from paragraph (10), I remembered that the Finance Department and the Prime Minister's office staffs wrote all the vouchers within the same night of payment and I think David Schupp's estimations were wrong. Further more it was not true that each computer staff can easily input 150 vouchers in one hour and according to his estimation, 1 hour and 45 minutes work to input 519 vouchers into computer. His calculation is erroneous.

- In David Schupp's report, he did not included previous compensation payment that we were made.

2-2 Paragraph 11: a) Refer to **Appendix B** paragraph (3):

It stated: to authorize, on decision of the Prime Minister subject to the Act No. 11 of 1994, the Minister of Finance to pay a substantial amount to all the persons working in the preparation of the payment of these compensations, if there are some funds left (commission members and administration support staffs). So I thought that we were working and we deserved to get payment although we were public servants staffs but if there is something wrong according to your investigation and view, this is not our problem because this was the Council of Minister's Decision in the first place.

2 – Jurisdiction, 3. Outline of events, page 3, paragraph 3.3 :

It was true that I went to see Mr Wilfred, Director General of Finance but I am not really sure because it was a longtime ago, that he wrote his name. I found out that his name was included when I started to write GPV's. I think it's not important to accused him for this, as he stated in paragraph 3.4, " I did some work, so I deserved to be paid". According to the Public Service Staff Manual he is not entitled but the decisions was made by the Council of Ministers and approved by the Minister of Finance, so everyone who participated in the preparations of these payments were deserved to get paid and so Mr Wilfred.

2 - Conclusion:

I have given all my hard work doing these payments and I truly think that I deserve as well as the others staff of Finance Department to receive a cheque for our dedication and hard work towards our Government. The Prime Minister's office after Council of Ministers decision stated that the money of compensation left can be paid to the staff that help during all these compensation payments such as Prime Minister's office staff and Finance Department's staff. I feel very sorry and hurtful that your report being titled as the Christmas bonuses payments to PM's and DOF staff because it does not reflect that way. If you have any further investigation to make please check whether the Council of Ministers Decision is lawful or null and void but to blame us the working people in the middle doing all the payments under political pressure is unfair and hurtful. Madam with all the respect I owe you, I would like to say that why should we be paying for all the troubles that State Ministers have done? I am a civil servant and I was asked by my superior to do a certain jobs and I have done it Madam.

Please make note of my recommendations and thank you for giving me time to explain myself. I remain yours truly and faithfully servant.

Yours truly,



John Louis
Information Technology Department
Ministry of Finance and Economic Management

GOUVERNEMENT
DE LA
REPUBLIQUE DE VANUATU

BUREAU DU
VICE PREMIER MINISTRE
MINISTRE DU COMMERCE
ET DU
DEVELOPPEMENT DES ENTREPRISES



GOVERNMENT
OF THE
REPUBLIC OF VANUATU

OFFICE OF THE
DEPUTY PRIME MINISTER
MINISTER OF TRADE
AND
BUSINESS DEVELOPMENT

Our ref: MTTBD/201/5/WJ/jn

18th February, 1999

The Ombudsman,
Private Mail Bag 081,
PORT VILA.

Dear Ombudsman,

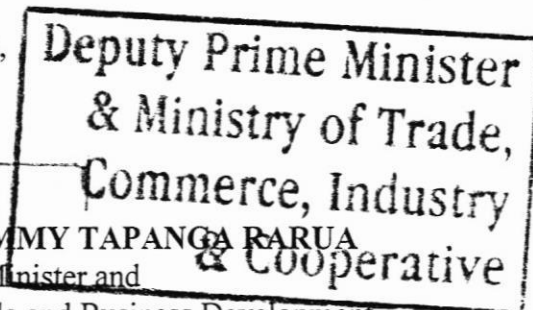
**Re: Payment of Christmas Bonuses to Staff of Prime Minister's
Office for Working Overtime (Longer Hours)**

The Council of Ministers decision No. 116 of meeting No. 16/2/11/95 paragraph (3) is self-explanatory. I was acting in accordance with the Council of Minister's decision when I sign those GPVs.

No further comments.

Yours faithfully,

Hon. Willie JIMMY TAPANGA RARUA
Deputy Prime Minister and
Minister of Trade and Business Development



34. 11/18/1902

Appendix E

11 March 1999

From: Jeffery Wilfred
C/o Ministry of Finance
PMB 58
PORT VILA

To: Ombudsman
Ombudsman's office
PMB 081
PORT VILA

Dear Ombudsman

WORKING PAPER ON THE PAYMENT OF CHRISTMAS BONUSES

Follem leta blong yu dated 15 February 1999 wetem working paper Konsenem payment of Christmas Bonuses to staff of the Prime Minister's office and Finance Department mi wantem mekem sam komen long various seksens blong working paper ia.

Fes samting mi wantem talem se kasem naoia mi no kasem eni leta we I kam long ofis blong Ombujman abaot kes ia. Taem we mi kam long own inisiative blong mi blong faenem moa abaot wanem we offis blong yu I stap lukluk long hem, mi then kasem wan summon long that taem.

In fact mi olsem Director of Finance at the time mi bin mit wetem internal audit head we emi David Schupp mo advisem hem se folem Financial Regulation Section 22 (4) se in exceptional circumstances internal audit I save report I ko long Minista of Finance or Auditor General blong mekem decision long matter ia from we I effektem mi. Mi livim wetem internal audit blong tekem up wetem Minista. From there on mi nomo harem eni samting until we issue ia Ombudsman I resem.

Section 3.3. Long seksen ia mi wantem talem se mi dinaem se John Louis I bin tekem list I kam mo kivim long mi mo emi wait outside long ofis door blong mi. Mo afta emi luk nem blong mi long list. Policy blong mi se office blong mi emi open, staff oli save kam insaed mo sit daon be ino blong oli stanap mo wait long door. Wan narafala samting se John Louis ino aktualia lukem mi se mi raetem nem blong mi long list ia. Wanem we I stap long ripot se John Louis emi aktualia luk mi taem mi stap aktualia raetem nem blong mi long list, emia John Louis ino konfemem.

Mi wantem talem se spelling blong nem blong mi I kat misspelling long hem. Emia nao mi stap dinaem se mi no raetem or addem up nem blong mi long list.

Mi no authoraesem GPV mo mi no iven lukem Minista blong saenem GPV blong mi.

Section 3.4. As far as mi konsen GPV oli likeli authorised I minim se I kat wan akaotin offisa I saenem emi ensure se I kat mane I available bifo emi

Appendix E

saenem GPV. No where we mi ever stetem se emia emi ol bonus peimen. Term ia bonus emi derive or kamaot long ofis blong internal audit mo Ombujman.

Mi bin rimemba stret se Minista of Finance Mr Willie Jimmy emi bin kam personally long haos blong mi after working hours mo talem long mi se Praem Minista Mr Maxim Carlot Korman emi instraktem hem se ol cheques blong ol kompensesen oli mas redi long next dei from se bambae long morning Prime Minister bambae I tekem ol cheque ia I ko long Malekula blong distributem. Olgeta we I blong ol difren ples tu bambae oli distributem.

Wanem mi minim se peimen emi likeli authorised emia se ol GPV taem Minista of Finance I saenem emi stret folem loa blong Finance Regulation f(Reg. 151) from long Council of Minista decision oli authoraesem Minista finis. Blong emfesaesem long sentences ia we mi talem se 'When the Minister says you pay, you pay' mi wantem talem se Director blong Finance I save refusem blong mekem eni peimen but Minista emi kat authority under Finance Regulation 157 (1) blong ova rulem desisen blong Director.

Blong konklusen, mi wantem talem nomo se ol peimen we Council of Minista I authorisem Finance Minista blong pem long thinking blong mi volume of work we mifala I mekem emi bigwan. Mifala ino haetem wan samting emi wan open samting.

Bakeken mi wantem talem se emi no wan bonus peimen. Sipos current Minista of Finance long thinking blong hem se mifala I mas rifundem mane ia, emi olraet nomo bambae mifala I akseptem decision ia.

Yours faithfully

J Wilfred