

**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**

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## **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.