**PUBLIC ACCOUNTS COMMITTEE**

**[Verbatim Report of Meeting]**

**HELD IN THE**

**COMMITTEE ROOM (EAST WING)**

**ON**

**THURSDAY, 16TH MARCH, 2017**

**VERBATIM NOTES OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS COMMITTEE MEETING HELD IN THE COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON THURSDAY 16TH MARCH, 2017 AT 9.30 A.M.**

**Interviewee: Office of the Director of Public Prosecutions (DPP)**

In Attendance:

1. Mr. Christopher Pryde - Director
2. Ms. Charlotte Nambiar - Principal Accountant
3. Ms. Sharon Prasad - Accounts Officer

Office of the Auditor-General

1. Mr. Seremaia Delana - Acting Audit Manager

Ministry of Economy

1. Mr. Atin Chand
2. Mr. Sailosi Sawana

MR. CHAIRMAN.- I welcome you, Director of Public Prosecutions.

Honourable Members, we are now ready to take our first presentation this morning. For that purpose, today we have the Office of the Director of the Public Prosecutions (DPP) before us, headed by the DPP himself, Mr. Christopher Pryde; Ms. Charlotte Nambiar, Principal Accounts Officer; and Ms. Sharon Prasad, the Accounts Officer.

For the information of the Office of the DPP, the Public Accounts Committee (PAC) has been tasked by Government to do a very important task for them, that is, to scrutinise public spending in the past years and for that purpose the Committee has been interviewing the entities and the Ministries that have been audited by the Office of the Auditor-General (OAG). If there are questions and queries that the Honourable Members have for that purpose, we have been inviting entities and Ministries.

We are grateful, in fact, thankful that you have accepted our invitation and have appeared before this Committee. Your submission will be helpful to us in writing our report and in considering our report to Parliament. With that, I welcome you once again and I now invite you to make your submission.

MR. C. PRYDE.- Thank you very much. Good morning, Honourable Members of the Committee. Yes, I am the DPP and I have got my Principal Administrative Assistant, Ms. Nambiar on my left; and the Accounts Officer for the Office, Ms. Prasad, on my right.

We are here because the Committee asked us to come and do some anomalies noted in your letter to us. We have submitted to you our response in the form of a statement and also hopefully, dealing with each of the issues that were raised by the Auditor-General, perhaps I could explain a little bit about my office and then go through the Report if that was what you wanted?

MR. CHAIRMAN.- Of course, yes.

MR. C. PRYDE.- Also, we did bring along our Annual Report for 2014 which we can make available to Honourable Members, if they would like to have a look at that afterwards as well.

MR. CHAIRMAN.- Yes, that will be great.

MR. C. PRYDE.- As you probably know, the Office of the Director of Public Prosecutions is an independent constitutional office and now under the Constitution, Parliament provides a budget for us to operate and it is a first time that is happened. We are responsible for criminal prosecutions in the country on a very narrow basis which is, sufficiency of evidence and public interest, so that is what we do. We prosecute, and as the Constitution puts down the powers, we institute takeover or withdraw prosecutions in the criminal courts of Fiji.

This is a brief introduction to the Office, but in terms of the Report of the Auditor General Volume II, hopefully most of it are fairly self-explanatory. Perhaps, with your lead, Mr. Chairman, you could ask questions or do you want me to take you through?

MR. CHAIRMAN.- It will be beneficial for the Honourable Members and the media if you could just highlight the pertinent points of your submission, obviously a brief introduction and then we will revert to the questions.

MR. C. PRYDE.- We note that the audit opinion from the Auditor-General was an unqualified report, meaning that there were no anomalies for 2014. Something that was highlighted was the revenue that we did get which was $5,494 for that year. That will go down now. What that consisted of was commissions from witness allowances.

Witnesses get paid in allowance when they come to court and we give those witnesses a certain amount of money. What was happening in 2014 and before was through an arrangement with the telecom companies, we would get a 10 percent service fee given back to us when those witness allowances were processed. So that was made up the revenue that was coming back to us, essentially it was being taken off the witness allowances.

We did have a look into that and I could not actually find anywhere where it said that we should be deducting 10 percent from the witness allowances. So after we looked into it, we decided to stop that. So now the full 100 percent of the witness allowance goes to the witness when they appear in court, so we do not expect to have that revenue from now on.

The other thing we get revenue from - disclosure fees, the State has an obligation when it brings a criminal case, to make a full disclosure of its case and we give a copy of that to the accused person and also to the court.

MR. CHAIRMAN.- Is it free of charge on the first instance?

MR. C. PRYDE.- It is free of charge.

MR. CHAIRMAN.- And the second instance, it is $22.50.

MR. C. PRYDE.- That is right. We do put a small photocopying charge for the second one. Sometimes people change lawyers, really the disclosure should be passed from the law firm to the next law firm but sometimes it does not happen, sometimes the accused is unrepresented, so we still make the disclosures available. But we do ask for a small photocopying charge and that is that amount so that is the other income that we have.

Moving on to total expenditure, in 2014 we had a total expenditure, as you can see there an increase which is $4,489,094 with the appointment of new staff and we appointed three new Assistant Directors of Public Prosecutions. Along with that, there was an increase in travel and communications for those State Counsels attending the court matters.

Our expenses go up when other people or other organisations such as the courts expand. So now, there are more courts. There is another court in Taveuni and around the country, so then there was a Magistrate sitting, also Legal Aid expense, and when they appear in the Magistrate’s Court they ask for the trial to be set in those courts so then obviously we have to provide Prosecutors as well. So to a degree our costs go up when the number of Magistrates and Courts were established throughout the country, and that was the reason for it.

MR. CHAIRMAN.- On that point, DPP, when there is a separate court, if it is an *ad hoc* court that is established for a special reason in a remote area, when your officers travel do they get paid further allowance for that, if they have to appear?

MR. C. PRYDE.- My officers do not get paid an extra allowance for that, no, but we do reimburse them for their travel. There would travel on boats, et cetera, and extra travel also, we will have to pay for their accommodation overnight in some of the places so we do have that to pay for.

MR. CHAIRMAN.- It is not an audit query but it is just for information. Please, go ahead.

MR. C. PRYDE.- The next one 13.3 - Appropriation Statement, again, that is to do with the savings that we had in 2014. One of the difficulties that my officers had was working out what crimes are going to be committed during the year and, of course, we have to base that on what the crime rate was in the year before to give some idea of what we are going to have look out for in the next year. And we do not really have any control on who commit crimes and who does not. So sometimes we have savings in which case that is given back to the Government, and we had some savings in 2014 as detailed there.

We had a number of vacant positions and as I say again, the reason we had those savings was because of the vacant positions and also the decrease, not necessarily the decrease in crime but perhaps, we were dealing with it a bit more efficiently which means that we did not have to spend the same amount of money as before.

HON. RATU S.V. NANOVO.- Just a question, if those vacant positions of 20 were filled at that point in time, that savings would not have been there?

MR. C. PRYDE.- Yes, but it was not all to do with vacant positions, but most of it would have been taken out if we had filled those positions.

MR. CHAIRMAN.- Thank you, please go ahead.

HON. RATU S.V. NANOVO.- Why were those vacant positions not filled?

MR. C. PRYDE.- Well, it is very difficult to recruit at the middle and high level. We have got very good people at the Legal Officer level and that is never a problem. But because we are Prosecutors and because we have a minimum qualification of 10 years, for example, for a Principal Legal Officer, it is very difficult to get people with that experience because most of the lawyers here would be in practice, they would be doing defence work

Also, when they get to that level, we are competing with the private sector and if you are partner in a law firm with 10 years of experience, you earn quite a lot more money than what we can offer. Also there is the attraction after 10 or 15 years for people to go into the Judiciary either as a Magistrate or a Judge. So, we find that it is always quite a problem. One of the ways we are addressing it is by trying to retain people more so we do offer better incentives in terms of gradual salary increases within the range that we allowed. And we offer variety of trainings and things to incentivise people and try to keep them with the office because that is a better use of funds, to try to keep people that we have rather than trying to get other people to come in, but that is one of the reasons that we have a difficulty in.

HON. RATU S.V. NANOVO.- When you follow that channel, not to recruit people from outside and just give incentives for people within so there should not be any vacant position?

MR. C. PRYDE.- that is correct, but with the best one in the world people still find offers in other law firms. We do have better retention now, I have to say, over the last few years and hopefully that will start to see more of the positions being filled as we go along.

MR. CHAIRMAN.- There are three law schools now operating in Fiji so probably, training our trade is more. You will have to train more lawyers to fill the private sector, leaving the less to be retained by the DPP’s Office, in case.

MR. C. PRYDE.- Certainly, the legal officers, we have got some very good people who are coming out from law schools now, but to get to the Legal Officer or Senior Legal Officer level, the higher one, the Principal Legal Officer level, is very difficult.

The next page was to do with the Trust Fund Accounts Statement of Receipts and Payments. We have two Trust Funds Accounts – Forfeited Assets Fund Account and DPP Trust Account, and we have itemised what the reasons for those ones are. The Forfeited Assets Trust Fund is established under the Proceeds of Crimes Act. In fact, we do not use that money for our office at all, we only administer that account.

What happens is, if we make an application for proceeds of crime, for example, someone has been dealing in money laundering, we can make a civil application to restrain and to seize their assets and when those assets are sold or liquidated, that money goes into the Forfeited Assets Trust Fund. But we do not control the spending of that, we just administer it and the spending is controlled by the Anti-Money Laundering Council and that consists of a number of stakeholders, who then make recommendations for spending which goes to the Prime Minister’s Office and the Prime Minister makes the decision.

The typical thing is would be for the Police that makes submissions in the past for extra computers and those requests would go to the Anti-Money Laundering Committee and they would make a decision to recommend or not to recommend, and then the final decision is made by the Prime Minister. When that has been made, then we administratively simply release the funds. So, those funds are not used for the DPP’s Office at all.

The other account is the DPP Trust Account. We have some money that goes into that for different things there on the next page. We have got the two General Ledger Accounts, one bank account, for holding workshops and courses, and just the general administration of the office.

The Forfeited Assets Trust Fund only had $693 in 2014. It has gone up a lot, now we have been a lot more proactive in terms of making applications to court to have restraining orders put on property that is used for criminal activity, and the Police are also more active and their superiors as well in the Anti-Money Laundering Unit. So the money that is in the Forfeited Assets Trust Fund now is increasing quite a bit, which I bet was circled really because this money that we are getting from you got in gains, proceeds of crime, it comes into the Government coffers and then that is given back out to law enforcement agencies to help increasing those sorts of things.

HON. A.M. RADRODRO.- …. (inaudible)… previously where these monies are collected and given to law enforcement agencies?

MR. C. PRYDE.- Yes.

Mr. Chairman and Honourable Members, I think that is all I had to say in terms of going through, and am ready to answer any questions.

MR. CHAIRMAN.- Thank you, DPP, for your submission. I, myself, noted that there is hardly any audit issues in here and that makes the submission more difficult, but we are happy with the background that you gave, and that has given some insights in the accounts of the DPP. We will ask Honourable O’Connor, if he has any questions.

(Silence)

MR. CHAIRMAN.- No question from the Honourable Member. He was in charge of asking questions of you. Any further questions from Honourable Members?

Mr. Pryde, if I may just ask one question on 13.4 - Statement of Losses, the audit notes that, I quote:

“The Office of the Director of Public Prosecutions did not report any loss of money or assets during the financial year ending 31/12/14.”

There was no loss or the loss was not reported?

MR. C. PRYDE.- I would have to just say by what we have said, no loss of money or assets. We do have a board of survey and each year, we go around and we check all the assets that we have against the master list of assets and if there were any ones missing, then we would record that. And if we had stated that there is no loss of assets, then that would be because it matches out with the master list.

MR. CHAIRMAN.- Again, it is not an audit issue but just for my information, at Table 13.5, you have explained Forfeited Assets Trust Fund, one is under the head of Receipts and the other one is under the head of Payments. In both those sections, from 2013 to 2014 there has been a significant reduction in Forfeited Assets Trust Fund, you explained something along that line. Just to be clear, in 2013 the balance at the Forfeited Assets Trust Fund was $100,384 and in 2014, it went to $694 and in Payments - Forfeited Assets Trust Fund from $89,038 in 2013, has gone to $1.60. Can you elaborate a bit more on that?

MR. C. PRYDE.- I do not have the exact details but with the Forfeited Assets Trust Fund during the year, there would be some agencies that would request funds. am not sure if it was this year or another year but one of the years, the Police put an application in for computers for their Anti-Money Laundering Unit and if that was accepted by the Anti-Money Laundering Council which was not, I am sure that that was the case, any recommendation goes to the Prime Minister, who then clarifies it, who then agrees to that and then the money would certainly come out so that is why the balance would come down to $1.60.

MR. CHAIRMAN.- Well, again, that was not an audit query, just for information purposes.

Once again, I would like to thank the Office of the Director of Public Prosecutions for your appearance this morning. Noted that there was no audit queries, it is commendable, you are one of the two entities that we have grilled so far that have got no audit issues. The other one was the Solicitor General’s office, which is a good sign that the accounts of the DPP Office which rightfully so, you are the office that is responsible for prosecuting people who embezzles assets or money and your office is clear of all those audit queries. We hope that other entities also follow suit.

With that, thank you once again for turning up this morning. Do you have any final comments before we can close the session?

MR. C. PRYDE.- No. Thank you very much for the opportunity to present to you this morning.

MR. CHAIRMAN.- Thank you. I will now adjourn the meeting for 15 minutes, and invite you to join us for tea. Thank you very much, Honourable Members.

The Committee adjourned at 9.49 a.m.