

PUBLIC ACCOUNTS COMMITTEE

[Verbatim Report of Meeting]

HELD IN THE

COMMITTEE ROOM (EAST WING)

ON

WEDNESDAY, 21ST MARCH, 2018

VERBATIM NOTES OF MEETING OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS COMMITTEE HELD AT THE COMMITTEE ROOM (WEST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON 21ST MARCH, 2018 AT 9.36 A.M.

Submittee: Ministry of Employment, Productivity and Industrial Relations

In Attendance:

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| 1. | Ms. Salaseini Daunabuna | - | Permanent Secretary |
| 2. | Mr. Vilimone Baledrokadroka | - | Deputy Secretary |
| 3. | Ms. Miriama Raikoti | - | Director, Corporate Services |
| 4. | Mr. Lui Mario | - | Acting Director, OHS |
| 5. | Mr. Viliame Banuve | - | Senior Accounts Officer |
| 6. | Ms. Louise Shackley | - | Quality Assurance Officer |

Office of the Auditor-General

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| 1. | Mr. Moshin Ali | - | Director of Audit |
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Ministry of Economy – Internal Audit

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| 1. | Mr. Emosi Dovibua | - | Head of Internal Audit |
| 2. | Ms. Asinate Taukenikoro | - | Director, FMIS |

DEPUTY CHAIRPERSON.- Honourable Members, representative from the Ministry of Economy (MOE), the Office of the Auditor-General (OAG) and in particular, representatives from the Ministry of Employment, Productivity and Industrial Relations. I welcome you all to the meeting of the Public Accounts Committee (PAC). Before we begin with the proceedings, let me just very briefly introduce the Honourable Members:

(Deputy Chairperson introduced the Honourable Committee Members)

We are here to listen, take notes and ask questions to the Ministry of Employment, Productivity and Industrial Relations Representatives led by, as usual, the Permanent Secretary (PS). We are going to discuss the Audit Report on the General Administration Sector - Volume 2 (Parliamentary Paper No. 100 of 2017) for the 2016 Accounts.

I believe there are not many anomalies but nonetheless, we have got a very extensive submission and written response from the Ministry itself. So, without further ado, I would like to give the opportunity to you, Madam PS, to very briefly introduce your team to us, and then probably from there lead us through your submission that you have provided to the Committee. Thank you.

MS. S. DAUNABUNA.- Thank you, Deputy Chairperson and Honourable Members.

(PS introduced her team members)

We have already submitted our response to the queries raised and, Deputy Chairperson, if you will allow, I will take us through the submission.

Firstly, we had provided the overview of our role and our function in the first page which provides the new Vision and Mission that the Ministry is working under; “Decent work and employment growth.” The total staff we have at the moment is 260.

In terms of the first issue raised the 2016 Audited Accounts for the Ministry which has already been stated in the Report is a qualified Report. We have explained that the main reason that we have received a qualified report was because of the issue that arose regarding the Christmas Island Veterans and their beneficiaries.

Regarding that issue that was a one-off payment that was to be done in 2015, it was budgeted for in the 2015 Financial Year. However, knowing that this was an event that happened 50 years ago, the issue that our team faced on the ground was actually locating the veterans and their beneficiaries. Within that one year we did not have sufficient time to make the necessary locations and to pay out what was budgeted for in that year.

So what the team had done was that, there were cheque that were prepared in case the beneficiaries showed up and we could make those payments. But that was easier said than done because it did not happen that way. We then worked with the MOE to see what was the best way forward.

The advice that we had received was to hold on to the cheques until the beneficiaries contacted us and we could void the cheques and reissue new ones. So that was why at that time our Accounts illustrated that there was a qualified report for our Ministry. That was the main reason regarding that payment which was budgeted for that year but we were not able to make that full payout within that one financial year.

Even as we speak, to date we still have some beneficiaries who are still showing up after that financial year and the latest was just this year, who came in from Australia. The essence for us is that, this is an event that happened and there was a decision that they should be compensated and our duty as well was to make sure that they actually received the entitlements that was owed to them.

DEPUTY CHAIRPERSON.- Whilst we go along, Honourable Members and myself would be asking some important supplementary questions. So before I give the opportunity to Honourable Members, I have one or two questions for myself. I just wanted a brief background as to, what this payment was all about? We are talking about the soldiers?

MS. S. DAUNABUNA.- Deputy Chairperson, if I get my Acting Director to respond because he was actually involved in this work.

DEPUTY CHAIRPERSON.- It is interesting to know that this issue is coming under the Ministry of Employment, Productivity and Industrial Relations. We thought that maybe it will directly come under the MOE or the Ministry of Defence. Perhaps, you can just provide a brief background as to who are the veterans we are talking about and what are the underlying reasons that these issues come under your Ministry? If I can have someone to answer that.

MR. L. MARIO.- Thank you, Deputy Chairperson and Honourable Members. This exercise was the result of a Cabinet decision in 2015, to pay out veterans who went to Christmas Island. The operation at that time was referred to as Operations Grapple.

The Operation Grapple was from 1952 to 1958. There were some cases taken before to claim compensation from the British Government but unfortunately, those claims did not go anywhere. So

Cabinet decided, as part of its responsibility, to sort of compensate those veterans who went to Christmas Island.

There was an estimated 300 veterans who were in the records of the Fiji Military Forces and this was a joint exercise between the Ministry and the Ministry of Defence. The Ministry of Employment only facilitated in the processing of cases but the identification of all the veterans who went to Christmas Island was done by the Ministry of Defence. There was a close consultation on the process that was involved, the identification and verification process was all done by Ministry of Defence in consultation with the Ex-Servicemen Association and other associations that were set up to look after the retired ex-servicemen.

There were two phases that were involved in this Operation. Priority 1 was to pay out the remaining surviving servicemen who went to Christmas Island. There was about a total of 38 who were still alive at that time and were paid out as Priority 1 in 2015. The remaining ones were those who had passed on and this was where the verification process was done by the Ministry of Defence before cases were submitted to the Ministry of Employment for the processing of payment.

In the 2015 Budget, \$2.95 million was allocated for this exercise to cater for those 300 who were estimated to have gone to Christmas Island. Of that under the Priority 1 phase, 38 surviving members were paid a total of \$374,490.

Priority 2 was for the dependants of those veterans who went to Christmas Island. There were 219 whom we were able to identify through the Ministry of Defence and then those cases were lodged with the Ministry for processing.

At the end of 2015, there was a total of \$2.5 million that was paid out and then because there were still some pending cases and also because of the one-off payment, this was why the cheques were prepared so that those dependants do not lose out on the payment once they are identified.

As highlighted by Madam PS, the challenge was in trying to identify the dependants. Most of them are away overseas and some could not even be located, but we are working closely with the Ministry of Defence to ensure that whatever payments had been prepared, those beneficiaries receive whatever has been allocated to them.

That was just a brief background on this exercise. Thank you, Deputy Chairperson.

DEPUTY CHAIRPERSON.- So that means the identification process was done in line with the Ministry of Defence but since it was a compensation matter, it fell under the responsibility of the Ministry of Labour. Honourable Members, any question?

We assume that not everyone has received the compensation, there must still be some who are left out because of reasons that probably they are away overseas or no one is here to claim this compensation.

OAG, until and unless all are paid out, this will still remain an issue which will result in them having a qualified Audit opinion?

AUDIT REP.- Thank you, Deputy Chairperson. I think for them to be paid or not to be paid is not an issue for us but it is just merely the accounting treatment that happened whereby the cheques were written but were yet to be paid. So at the financial year end, it appeared as unrepresented cheques

and they were stale. So, in other words they were six months old cheques. That is the issue but for it to be paid or not to be paid, I think it should not affect the Audit opinion.

DEPUTY CHAIRPERSON.- So, you are not actually pointing out the process, it is just that the cheques were prepared and not given to those beneficiaries so that is why it is still an Audit issue.

AUDIT REP.- Correct.

DEPUTY CHAIRPERSON.- Thank you.

HON. A.M. RADRODRO.- Just a question. Deputy Chairperson, with regard to stale cheques, has all the beneficiaries been given all the necessary amounts that were supposed to be given out after the stale cheques? Have you contacted everyone or there are still some missing?

MR. V. BANUVE.- Thank you. Deputy Chairperson and Honourable Members, the stale cheques that was with us were already paid to the beneficiaries.

DEPUTY CHAIRPERSON.- We can move on to the next issue.

MS. S. DAUNABUNA.- Thank you, Deputy Chairperson.

Part B: Audit Findings. 7.6 – Excessive Annual Leave; the other issue that was raised regarding the Ministry was the issue of excessive annual leave. We had explained that during that year, there were three officers who were identified as being paid out for their excessive annual leave. One of the officers, Mr. Epeli Naresia, had a specialisation in which he was not able to take any leave. He was involved in the Occupational Health and Safety Services of the Ministry, doing non-destructive testing in major heavy metal construction sites. In fact there were incidences when he was also recalled from his leave.

Due to the nature of that work and even as I speak, we have not been able to fill that post and the service is being actually accommodated from outside of the Ministry. This service is now provided by this person outside of the Ministry because we do not have the capacity and we were not able to fill the post as well. Due to that situation, the Officer accumulated his leave and at the end of his service years we had to pay out what the officer was entitled to because he was not able to take his leave.

We also had another officer, Mr. Viliame Cagilaba, who also was not able to take his leave. At that time that he was to take his leave, we were also in the process of rolling out the National Employment Centre (NEC) which was a major Government initiative as well to be able to provide employment resources to the people of Fiji. He was the person identified to lead that Centre. He was the former Director of the NEC so he was also not able to take his leave. And when he ended his services, he had accumulated all the leave that was owed to him and the Ministry also had to pay him out for the leave that he could not take.

Also our Deputy Secretary, Occupational Health and Safety, at that time he was also in an area of the scarce skills. He was leading the Unit of the Occupational Health and Safety so he was not able to take his leave as due to him. When he finished his services with the Ministry and with Government, he had accumulated all that leave which we also had to pay out to him.

Those were the three officers whom were identified but due to the nature of work at that time, they could not get the opportunity to take the leave that was owed to them and because of the accumulation that is why the payment had to be done to those officers.

However, moving forward, we actually have improved our processes. We now have created for the Ministry our leave plan so that everyone is able to take their leave and well in advance. This was something that happened at that time and we do acknowledge that you should take your leave when it is due and this is not a matter that should happen again. The ministry has worked on improving our systems and processes.

One of the things that we have done too is that we are ISO certified, which means that we all have to keep our processes in place and our Corporate Unit has also been certified as of last year to the ISO Standards. So, these are the standards that they have to adhere to and these are the changes that we have made to our system to make sure that this actually does not happen again.

DEPUTY CHAIRPERSON.- Yes, whilst we take note that probably this led to improving in the whole leave management system, nonetheless this is a case whereby you need specialised people and obviously from what we have read and you have discussed, this is a case of the availability of certain people in your Department who are needed nonetheless, they come for needs basis. On that note, I just want to ask; has there been a replacement of those two officers in the Ministry now?

MS. S. DAUNABUNA.- For the post of Epeli Naresia, we have not been able to fill that post. He is actually providing the service outside of the Ministry.

DEPUTY CHAIRPERSON.- So that means it is being outsourced now?

MS. S. DAUNABUNA.- Yes, to an extent because when we receive applications for this sort of testing, the referral is done to this individual because he is the one who is providing this service at the moment.

DEPUTY CHAIRPERSON.- So we take note that until now in this specialised area of work, there is no one available in the Ministry.

MS. S. DAUNABUNA.- It is the same is for the Director NEC which we have just advertised, we have not also filled that post. We are still in the process of filling that post.

DEPUTY CHAIRPERSON.- So it will continue to be outsourced. I am sure that Mr. Naresia must be running a private business...

MS. S. DAUNABUNA.- Yes, he is.

DEPUTY CHAIRPERSON.- ...to continue this work. Since we do not have a specialised person apart from him, the Ministry has no option but to outsource. On that note, is it more expensive to outsource or to rather just employ?

MS. S. DAUNABUNA.- Can I get my Director to respond?

MR. L. MARIO.- Thank you, Deputy Chairperson. With regards to outsourcing, the Ministry's role is sort of regulatory. There is also a need for capacity build people from within to carry out that task. We have identified two within the Service whom we will capacity build to take on those roles later on. At the moment, the outsourcing especially for x-ray of metals, is currently being undertaken by Mr. Naresia but other non-destructive tests are still being carried out internally. But the plan is to capacity build within as part of the Ministry's regulatory role. Thank you.

DEPUTY CHAIRPERSON.- So we in actuality take note that there are two officers being recruited. Honourable Members, any question?

HON. A.M. RADRODRO.- Thank you for the explanation. Just a question; what is the logic of outsourcing when he is already doing the work inside?

MS. S. DAUNABUNA.- Sorry.

HON. A.M. RADRODRO.- What is the logic of outsourcing the work to him when he is already an employee?

MS. S. DAUNABUNA.- No, he has retired. He is no longer in the Service.

HON. A.M. RADRODRO.- So it is the retirement that forced the outsourcing?

MS. S. DAUNABUNA.- Yes, because he has retired after 55, he is actually outside of the Ministry. But he is the individual who is still providing this service because that is his specialised area of work that he was doing in the Ministry.

DEPUTY CHAIRPERSON.- This is a special case and we have cases whereby people who are needed especially, are given extension, was he given an offer to extend his services?

MS. S. DAUNABUNA.- He actually was re-engaged twice after his retirement so now we are just working on doing capacity building so we are also able to do that service internally too.

HON. A.M. RADRODRO.- And the work is being outsourced. There are multiple effects for the Ministry. One is the revenue generation and whether the additional cost is borne by the customers. Has the Ministry taken into consideration that option in that scenario, whether it is feasible to continue the engagement rather than putting him on retirement and he continues the work from outside which has negative impacts on the whole Ministry's operation?

MS. S. DAUNABUNA.- Thank you for that. Of course, we realise that this was a cost that would be borne by the clients who used to access our services which is why we are trying our best to do the capacity building within so that we can also provide the same service.

HON. A.M. RADRODRO.- The plan in the engagement of these services to Mr. Naresia, how long will the Ministry continue to engage him on outsourcing basis? Any timeline?

MS. S. DAUNABUNA.- I think we already begun our exercise of slowly doing capacity building from last year so it may take another year for us to be able to say that we would be able to provide the service internally. But it will also depend on how we will be able to get our people ready in terms of providing that service because it is a specialised training. And it is a training that is not provided locally, if I am correct. So we actually have to send our staff abroad to be able to get the training that is needed.

DEPUTY CHAIRPERSON.- A question on policy matter and probably the MOE can answer this, this is a special case and, of course, we note that there was a leave policy but the officer was not able to take leave because he was called back and he was called back because of the specialised work he was doing. In such cases, it does not necessarily become the fault of the Ministry itself because there

is a demand for the Ministry to provide a certain service and probably that is the reason why he was called back again. So in cases like this, are there any leeway or will it still become an Audit issue?

MOE REP.- Sir, it is the duty of the Auditor-General whether it is internal or external, to identify these issues and indicate them in their report. If it is not there, then they have not completed that part of the report fully well. If you see the last sentence, they are saying that, "The above finding indicates that the Ministry was not able to effectively manage the annual leave of its staff."

The question is, is it proper to use just three examples out of the over 200 staff and to state such a statement or not? Those are the things they should have been looking at. I am not sure whether this was done or not. If there is a need then there is no need to highlight the issue because all they need to do is highlight the need to come up with a policy so such matters are adequately addressed by the Permanent Secretary. Thank you.

HON. A.M. RADRODRO.- A question to the MOE; have you conducted any internal audit on this Ministry?

MOE REP.- We had done one in 2016 and a review.

(Inaudible)

MOE REP.- I will have to come back to you on the exact numbers but I have the report here with me on all the issues and their status.

We also did a review on the Workmen's Compensation in 2017. The Ministry of Labour

HON. A.M. RADRODRO.- Was this issue part of your Audit findings, this excessive leave payment?

MOE REP.- Yes, we advised them on it and the onus is on them whether they do something about it or not. The point I am trying to come up with is, it is the duty of the auditor is to:

1. Is to investigate further when they see such issues; and
2. If they want to make a generalised statement, we need to be cautious and see whether it is proper to use just three examples and make a very negative statement as such.

AUDIT REP.- I think it is quite ironical that our report has been criticised to this extent, but if you really looked at it, the matter of having three examples or not or against the 260 staff, but the point that has now arisen is, the Ministry was having these three officers in and one of those officers has retired and they are not able to get a replacement.

If the Ministry would have an effective leave management policy, would that Officer had been sent on leave and there would have been a succession planning in the organisation. The officer would be understudying at the duration of that officer is on leave. I think the key here is succession planning.

DEPUTY CHAIRPERSON.- But there can be no succession planning because there is no replacement.

AUDIT REP.- Well, that is all about succession planning. You plan, you get someone to come in and understudy and as the Ministry has said that training is not offered locally, so they would have identified an officer, go overseas and then come back and then understudy Mr. Epeli, this situation

would not have arose. As the Honourable Member said, to outsource and the then the cost is borne by the customers. So, it is all a matter of succession planning.

Having excessive leave has a lot of negative effects on the organisation:

1. Compensation has to be paid;
2. monetary compensation when the officer leaves;
3. You are not able to train your officers;
4. There is no segregation of duties;
5. There is no one coming when the officer goes on leave and then someone else gets appointed and see what the officer is doing.

So it is not just about three samples that we have picked, those three sample itself have a \$32,000 implication on the Ministry. Just imagine if we would have increased the sample size, there would have been more bigger financial consequences on the Ministry. I think it is all the matter of planning and replacing officers at the right time.

DEPUTY CHAIRPERSON.- Yes, I totally agree with that. If this was the issue, then there should have been this recruitment or training exercise earlier on rather than the officer leaving the Ministry and then you are training someone.

But in regards to training, these two officers whom the Ministry is recruiting now, who is training them? Is it this officer who has retired because I believe he is the only one we know of?

MS. S. DAUNABUNA.- Deputy Chairperson, if I can respond to that; in terms of the succession planning that was explained by OAG, in fact, we had begun some exercise in terms of succession planning but before the Government Job Evaluation Exercise, in the Occupational Health and Safety Unit, we experienced a very high turnover because there was a lot of demand for these officers outside of the Government services. In fact, the turnover was almost one every three months. So whilst we were able to look at who to train, there was also the issue of how do we retain these officers in the Ministry?

Looking back now, after the Job Evaluation Exercise has been implemented, we have been able to retain these officers and we have sent two, who have gone on the necessary training but the training is done in phases. I think, one went to Malaysia and another to Australia. So it is done in phases, it is not a one-off training and it takes about two years, and you have to get certification and you have to get a licence as well.

During that period while we were trying to get the in-house capacity, the services of Mr. Naresia was available outside of the Ministry which was why we also advised clients that they can also source that service outside, while we are still doing our capacity building inside.

DEPUTY CHAIRPERSON.- Apart from training, how about the salary structure, has that been taken into account for them to retain themselves?

MS. S. DAUNABUNA.- After the Job Evaluation Exercise because that exercise is also an exercise that is benchmarked to the private sector, our staff did experience and they did get salary increases. So we saw that there was a marked increase in terms of the turnover, so they have been motivated to also stay in the Ministry.

HON. A.M. RADRODRO.- Just a question regarding this Audit issue of excessive annual leave. According to the General Orders, no officer shall be allowed to carry forward a maximum of 10

days. Even the compensation of leave according to the PSC Circular, was not allowed to be paid out. But in this instance, it was paid out. Was there any action taken against the staff who was responsible for this payout which was against the General Orders?

MS. S. DAUNABUNA.- If I can get our DCS, she was our Acting Manager Corporate Services at that time, to explain.

MS. M. RAIKOTI.- I confirm with the General Orders, Honourable Member, but the General Orders also states that it is with the approval of the Permanent Secretary in exceptional cases that you can go beyond the 10 days excessive leave.

HON. A.M. RADRODRO.- So this was approved by the Permanent Secretary?

MS. M. RAIKOTI.- Yes, we wrote a submission and then we asked if they can pay or we can call him back. At one point, we had sent Mr. Naresia to go and take his 42 days leave but the service was on hold. So we had to write a submission and asked if he could come back.

HON. A.M. RADRODRO.- So is that part of the General Orders or the Circular?

MS. M. RAIKOTI.- The General Orders. In exceptional cases with the approval of the Permanent Secretary, only in exceptional cases. So we have to make a submission and convince her that it is an exceptional case.

HON. A.M. RADRODRO.- Can that be confirmed by the MOE?

DEPUTY CHAIRPERSON.- Perhaps, you can also highlight what are these exceptional cases, apart from the needs basis?

MOE REP.- Can we send this circular later or the General Orders so that we can really confirm what is written there.

DEPUTY CHAIRPERSON.- Yes, Honourable Lalabalavu.

HON. RATU N.T. LALABALAVU.- Thank you, Deputy Chairperson. Just a question to the PS; Madam, reading this submission here, the succession planning only came about after the retirement of Mr. Naresia because you seem to have a very ambitious one now, sending two abroad at any one time. But what happened before you encountered all these, with only one qualified OHS Specialist? Was it before your time?

MR. V. BALEDROKADROKA.- Through you, Deputy Chairperson, thank you Honourable Member for the question. If I may take us a little bit back, the Ministry of Labour was conducting its Labour Reforms in the last two decades. These were all done internally, we did not engage any consultant in our Reforms.

The seven phases of our Reforms started off with the National OHS Services way back in 1996. We modernised all our legislations, likewise the new institutions that were established - our Corporate Planning Unit was more or less left on the side, while we were doing our major Reforms which is our legislative reforms restructuring.

That was part of our thinking too, to come and put right our Corporate Services which we finally now have our new Director Corporate Services that we had just appointed early this year. We have got the whole systems and processes for the Ministry benchmarked to ISO 9001 on Quality

Management System and to date Sir, seven of the nine Business Units in the Ministry are finally certified to ISO 9001.

This year, with the engagement of external auditors which is going to be the next issue, we are hoping to lift the current standard to the new standard which is ISO 9001 2015 so it is an upgrade too from 2008, Sir.

Because of the Reforms and at the same time, because the current condition then, our people were highly demanded outside. So there was a high turnover of staff. We really could not do much because the private sector was offering well above what we had inside so we were losing a lot of people. So trying to get our succession planning in place, was not really effective because we keep losing our people outside. People were waiting because we keep telling them; "You wait, when the reform is over then you will see the benefits of our reforms." But then, as people are offered three times higher salaries than what we offer inside, people just move.

This particular case, Sir, particularly on Mr. Naresia, these are specialised areas. It takes more than six years to get one to be competent to do this kind of work, to go and do x-rays on heavy metals with the laser and to find out whether there are cracks in the metal. So, it takes a while to get people to be competent in this area.

Although we have sent two already, it is going to take a while for them to be really competent. That is why we still need Mr. Naresia's services at this point in time. So, because of the stages, how we structured our reforms, that is why just like any other intervention we have to prioritise so in this case, we are now finally getting our Corporate Services in order so that they are all in line with our operations.

HON. S.B. VUNIVALU.- Thank you, for your submission and presentation this morning. We know that in all Government institutions and other places of work, even in our homes, villages or settlements, we do have replacement either in the family because time goes on. This is natural and there should be replacements all the time. There are times that they are not being taught. Over time, they learn from experience but in cases such as this, talking about the accumulated leave, my question is, was there any replacement or any assistant, who may have assisted the officer because 30 days of annual? Was there someone assisting him because we have seen that he was not been able to take his leave. Can you just elaborate on this?

DEPUTY CHAIRPERSON.- Yes, I think that is a very good question. Whilst Mr. Naresia was employed, was anyone attached to work with him?

MR. V. BALEDROKADROKA.- Thank you, Deputy Chairperson. The Unit has another two or three officers who work with him all the time, but his services is really needed for the x-ray component of the projects, especially at the time when FSC was doing the rehabilitation of the mills. This was when the x-ray was heavily required to be done on all those machinery that were brought from overseas.

However, other work that require non-destructive testing, the minor works were done by the officers who are attached to him. There were quite a number of staff who were initially engaged as part of the understudy but they also left for greener pastures. There is always a team that worked with him.

DEPUTY CHAIRPERSON.- I think we have taken enough questions on that. Perhaps, we can move on.

HON. A.M. RADRODRO.- The last question, Deputy Chairperson; the answers given by the Ministry stating that the way forward is the implementation of the new system that you have here and the recruitment of Director Corporate Services, with the Leave Management System in place. But you failed to mention about succession planning on this particular area, whether what we have discussed is covered in terms of making sure that there are enough people in-house who will continue to perform the work when one expert is not available. The answers that you gave are basically the management side of things. What about the technical aspects of the employees?

MS. S. DAUNABUNA.- Thank you, Deputy Chairperson. That would also be part of that, especially for the specialised area that we have mentioned. Those are unique situations so for us to be able to also continue to provide that service, we mentioned that we had been able to send two of our staff to, at least, start off with the training that is required. So in this specialised area such as this one, we have identified that, that is something that we need to do, and we have begun that process as well.

HON. A.M. RADRODRO.- Who looks after this particular area?

MS. S. DAUNABUNA.- There are two of the staff who had worked with Mr, Naresia and they are the two that we have sent overseas to, at least, begin the training because the training is done in phases and it is about a two-year training that they have to undertake. Besides that, they also have to show that they are competent and they have to be licenced as well. So, it is a whole area of training that they have to do before they can actually do the work.

HON. A.M. RADRODRO.- In unforeseen circumstances, have you also planned out situations, like a plan where you do not repeat this because of resources offered from outside?

MS. S. DAUNABUNA.- What has been working is the fact that after the Job Evaluation Exercise, there is the issue of the pay, so that has taken care of some aspects of the staff turnover within the Ministry. Now, that we have our Director Corporate Services, we also will work towards having a better plan in place so that we improve our systems and processes.

DEPUTY CHAIRPERSON.- Thank you, we can move on to the next issue.

MS. S. DAUNABUNA.- 7.6 – Over Expenditure, in the past, the Ministry was involved in the process of issuing advance payment of bills at the end of the financial year. But we have been working with the MOE and we have received the advice that this should not be a practice, that that should be done within the Ministry, so at the end of the 2017 financial year, that practice has been stopped.

In terms of the refund from the Ministry of Civil Service, we may have to also work with the MOE on how we can deal with this but essentially, that was an exercise undertaken in 2016. So now we are two years outside of the close of that financial year so we were not able to actually get a refund of the payment that was done in that case.

Deputy Chairperson, shall I move on or are there any questions?

DEPUTY CHAIRPERSON.- My question to the MOE is, why is advance payment totally not allowed now because in certain cases, you need to pay in advance?

MS. M. RAIKOTI.- Thank you, Deputy Chairperson. I think only for overseas procurement, the Department is allowed for advance payment.

HON. RATU N.T. LALABALAVU.- I seek some clarification, Deputy Chairperson. Madam, PS, could you elaborate a bit on the second sentence here, “financial year this practice was stopped or has stopped”?

MS. S. DAUNABUNA.- In terms of the advance payment of bills, at the end of the 2017 financial year the practice has stopped for us.

HON. RATU N. LALABALAVU.- Has stopped?

MS. S. DAUNABUNA.- Yes. So, it is no longer something that is done.

HON. RATU N.T. LALABALAVU.- I interpret the word “stopped”, that you gave some directives there to stop it, but finally it has come to a stop?

MS. S. DAUNABUNA.- Yes, that practice actually was not supposed to be done so we are not doing that anymore.

DEPUTY CHAIRPERSON.- OAG, I am just interested to know, what were some of the issues arising because of advanced payment? Would you have some examples to share?

AUDIT REP.- Thank you, Deputy Chairperson. I think the risk of making advance payment is, first of all you do not have the invoice with you or you do not have a set committed fund or expenditure from your suppliers that, “this is what we will be charging.” So it becomes very difficult when you make advance payment which tends out to be more than the actual cost of the service, so then to get a refund from the supplier, that becomes very challenging.

Then the other thing is, if you pay less then you can write another cheque to pay the balance but the risk of paying more and then running after the suppliers to refund the the overpaid amount becomes a challenge. Also, if you look at the date at which the payments were made, it is just before the end of the financial year, so that is another risk. So why make the payment at the end of the financial year? Is it just to utilise your savings?

DEPUTY CHAIRPERSON.- The date is an issue also?

AUDIT REP.- Yes, it indicates. The financial year was ending at the end of July and then on the 22nd, you make an estimated payment and the estimated payment is for the mobile usage, telephone, power supply and fuel expenses.

DEPUTY CHAIRPERSON.- These are all operational payments, it could have waited....

MR. M. ALI.- Yes, you wait for the bill to come in. So that is what we view.

If you look at the overpayment, it indicates that the Ministry was utilising the budgetary savings at the end of the financial year end which were for the entire year. So that is our argument on this issue and perhaps, the solution to this would be better management of your cashflow so that it is spread out and then, especially for bills, you pay them when it is due.

DEPUTY CHAIRPERSON.- So the overpayment policy now only applies to overseas procurement. Let us say there is a local company which only provides a particular product that no other company provides and you have to pay them in advance to get those, how about in cases like that?

AUDIT REP.- Deputy Chairperson, just to make a clarification, I think ideally it is mostly for overseas procurement or alternatively if there is a contractual agreement that requires certain upfront payment, mostly for big contracts, things like mobilisation cost. So, as long as it is there in the contract then it should be all right.

DEPUTY CHAIRPERSON.- So there is a leeway.

AUDIT REP.- Yes, there is a leeway.

DEPUTY CHAIRPERSON.- All right, thank you. But issues like payment of phone bills and fuel expenses should not be taken into account as overpayments.

HON. A.M. RADRODRO.- It is not overpayment, it is advance payment.

DEPUTY CHAIRPERSON.- Yes advance payment, I am sorry. Honourable Members any other questions?

HON. A.M. RADRODRO.- (inaudible)...advance payment on fuel, which particular fuel company is this?

MR. V. NAULUDUGUA.- Thank you, Deputy Chairperson and Honourable Member. This advance payment was made because there was some savings in the account at that particular time so we made an advance payment which is \$14,000 to Total, who is the supplier of fuel for all the Government vehicles.

HON. A.M. RADRODRO.- The other one is the Table 7.10, "Payment made on behalf of Ministry of Civil Service from Ministry of Employment, Productivity and Industrial Relations for overdue accounts of electricity usage." Why does the Ministry have to pay on behalf of the Ministry of Civil Service?

MR. V. NAULUDUGUA.- Thank you Deputy Chairperson and Honourable Member. During this time of the year, the Ministry of Employment was doing the corporate service for Ministry of Civil Service until now. So at that point in time there were no one to sign their cheques and the order for disconnection was there to disconnect the bills for Ministry of Civil Service since it was not paid from February, March and April. I think for some months it was not paid so we made a cheque to clear that but it was not refunded during the same financial year, to be refunded to the Ministry of Employment.

(Inaudible)

MR. V. NAULUDUGUA.- At this point in time, we are still looking after the Ministry of Civil Service.

(Inaudible)

MS. S. DAUNABUNA.- Deputy Chairperson, on that issue, we have an arrangement with the Ministry of Civil Service under shared services arrangement. I think it is the only one that is existing in Government at the moment because of their small number when they began as the Ministry of Civil Service and we are in the same building so we provide them with the corporate, the financials and as well as IT services. Those are the support services that we provide from our end under an arrangement that we have with the Ministry.

HON. S.B. VUNIVALU.- Deputy Chairperson, just a clarification on the Table, we know that payment was made towards the end of the financial year in 2016 but on the fourth line, there is a difference of two days. Can you just explain or clarify to this Committee in regards to the date, the last date is 27th and the others are 22nd?

DEPUTY CHAIRPERSON.- Is it 27th or 20th? You mean Table 7.9?

HON. S.B. VUNIVALU.- Yes.

DEPUTY CHAIRPERSON.- Yes, I think the Honourable Member is interested to know that when those advance payments were made, how come all is 22nd and one is standing out on 20th?

MR. V. NAULUDUGUA.-Thank you Deputy Chairperson and Honourable Member. This is in regards to when the cheque was printed, all the other cheques were printed on the 22nd and the fuel cheque was printed on the 20th. One of the reasons is that, everyday the limit is \$50,000 so we have to find if there are some days that cheques that are printed are not over \$50,000 so that must be one of the reasons that we prepared the fuel on 20th July. And the other reason, may be the fuel has plenty of funding left so we decided to prepare our estimated fuel first and the rest we prepared later. Thank you.

HON. S.B. VUNIVALU. - Deputy Chairperson, from my calculations the Ministry made payments of \$44,901.75. My question has not been answered. If the two days were also included, it could have been over paid by \$44,000. That is my question.

AUDIT REP.- Thank you, Honourable Member. Deputy Chairperson, could I just make a comment on that; yes, there could be, in between, more payments made, it could have been an advance payment or could have been a normal payment on invoice, but as far as OAG is concerned, just for the information of the Committee, we do not check each and every voucher, we do a sampling of the payments that had been made. Perhaps, these four payments were picked out in our sample and we chose to highlight it in the Table.

Yes, I totally agree that in between the 20th and the 22nd there would have been more payments made, but I am not in the position to confirm whether those payments were advance payments or just a normal regular payments.

DEPUTY CHAIRPERSON.- So the whole process of audit is, in reality, you cannot go over each and every document - vouchers, invoices, et cetera. It is a very stringent and a long process and they have a timeline as well, so they have taken few samples and had indicated that as per the issue that is related there.

We will move on to the next issue.

MS. S. DAUNABUNA.- Thank you, Deputy Chairperson.

7.7 - Anomalies in the Engagement of ISO Auditor; the ISO Auditors are Malaysian-based Auditors. They were first engaged with the Ministry in 2013 under the Asian Productivity Organisation (APO) which Fiji is a member of. We did the ISO training in 2013 and after that initial training, the intent was to engage the external auditors to audit our internal systems and processes. A tender process was undertaken and the external auditors were engaged from Malaysia.

For the Ministry's work on pursuing ISO Certification 9001 2008, we currently are still working to locate the tender documents but we will provide this accordingly because this was a matter that took

place about five years ago in 2013. But as it is, we have been able to get our systems and processes certified to ISO. We have had to stagger the process of getting the systems in place because we have nine strategic business Units to undergo that process and as at July 2017, seven of the nine Units have been certified and the target this year is to move to the 9001 2015 Certification.

DEPUTY CHAIRPERSON.- Just a general question, Madam PS; a few years back there used to be an ISO training by UNDP. They were, sort of, trying to train the local on OHS, Food Technologists, et cetera. Was the Ministry of Employment, Productivity and Industrial Relations involved?

It is just a general question because that was a very good training, I believe, the international training being held here.

MR. V. BALEDROKADRO.- Deputy Chairperson, if I remember correctly, no, because we were more involved with the APO. The Ministry is actually the host for Fiji in terms of our relationship with the APO, we are the only member in the Pacific.

DEPUTY CHAIRPERSON.- So maybe that was only for the involvement of people from the private sector not from the public sector.

My next question is; why only Asia? Is it because of trade reasons?

MR. V. BALEDRODROKA.- Thank you, Deputy Chairperson. Actually, this company is based in Malaysia but it is a UK subsidiary, so we engage UKAS which is the European certifying body and they are subsidiary of UKAS but based in Malaysia.

DEPUTY CHAIRPERSON.- Honourable Members, we will take a small break and we will continue after 20 minutes. Thank you.

The Committee adjourned at 10.40 a.m.

The Committee resumed at 11.09 a.m.

DEPUTY CHAIRPERSON.- Honourable Members we will continue with the next issue. Thank you.

MS. M. DAUNABUNA.- Thank you, Deputy Chairperson.

We were discussing the issue on the ISO Auditor engagement, we also had a discussion ourselves and we have a correction in our submission on page 3. In fact, our staff had confirmed that it was not a tender process but was an Expression of Interest that was published locally. We did not get any response, so at that time the Permanent Secretary did the headhunting overseas for institutions that were able to do the certification of ISO, which is why this was the organisation that was chosen and a three-year contract is in place. This is the final year of the contract in which we have to certify the other two services that are yet to be certified by the Ministry.

HON. A.M. RADRODRO.- A question out of interest; the need for the Ministry to be certified to this Standard, why is it necessary for the Ministry to be certified to this Standard?

MR. V. BALEDROKADROKA.- Through you, Deputy Chairperson, thank you Honourable Member for the question. I had alluded to earlier the seven phases of the Reforms that we have been undertaking inside the Ministry. The final phase was our Operational Management Reform that started in 2013. This was where we developed our systems and processes, so after researching globally, Sir, then we found that we should benchmark to a standard that is internationally recognised not locally or regionally recognised, so we adopted the ISO 90001.

When it first came through, it was meant for the manufacturing industries. Then we searched forth and found that ISO 90001 2008 can be adopted in service organisations. That is why we decided that we go for ISO 90001, given that it is an international best practice. So we benchmarked our systems and processes to ISO 90001.

Deputy Chairperson, it is also mandated in one of our legislations, the National Employment Centre Act 2009, so the ISO 90001 is mandatory in that Act for the Centre to be ISO certified.

DEPUTY CHAIRPERSON.- Speaking about ISO, you have mentioned that, that applies to the service sector as well. Did the Ministry tried to carry this out in other Government Ministries?

MR. V. BALEDROKADROKA.- Thank you, Deputy Chairperson, it is a very good question. The Ministry under its productivity portfolio under the Employment Relations (Amendment) Act 2016 (latest revision), the Ministry is to ensure the establishment of Labour Management Consultation Committees (LMCCs) in all workplaces, which is really the vehicle where productivity promotion is to be undertaken by industries. It is something that in our new five-year operational plan, one of the strategic areas too that our new Productivity Unit will be really focusing on is on the promotion of productivity, where the productivity tools are supposed to be discussed inside the organisation.

However, first, you have to establish the LMCC. Under the Employment Relations (Amendment) Act 2016, it is stated that there are 12 productivity tools altogether, only one of them is ISO 9001. So it is really under the LMCC inside each organisation where productivity arrangement or productivity improvements are supposed to be talked about, 5 'S' and other basic productivity tools.

DEPUTY CHAIRPERSON.- Whilst we are on the issue of productivity, we do get to hear a lot of issues about certain Departments within the Civil Service and one is the Ministry of Health's doctor

to patient ratio. Are there any strategies in place whereby the Ministry of Labour tries to look into such issues?

There are a lot of complaints that the doctors have to see a lot of patients and in one particular shift, it can become very straining for them. It becomes a productivity issue as well, they get tired, et cetera. So these are the ongoing issues, very much relevant and pertaining to our nation as well. Is the Ministry assisting the Departments in such scenario?

MR. M. BALEDROKADROKA.- Basically, Deputy Chairperson, that is really through the various trainings that we do undertake in the Ministry, the mandatory ones in particular on Occupational Health and Safety, as well as on the Employment Relations Promulgation, on the work conditions inside respective Ministries, particularly the mandatory requirements for employers, including us in Government that we must ensure that it is there for the general protection of workers and visitors inside the premises, likewise on the productivity tools available.

HON. A.M. RADRODRO.- Just on the ISO 90001 2008 2015 what does those numbers represent?

MR. V. BALEDROKADROKA.- Thank you Deputy Chairperson, ISO because it has a governing body as well, every now and again there is a review of these International Standards, given the global changes. So, the latest version under which the Ministry came in for certification was the 2008 version. But last year it has changed because there were some changes in the requirements, so it is now the 2015 version. For example, in the Ministry when we started the certification in 2016, it was still 2008 Standard so we were adopting the 2008 Standard but in 2016, the new Standard came in place and we were given two years to upgrade. As an organisation, we have to get to the 2015 certification this year.

HON. A.M. RADRODRO.- ISO?

MR. V. BALEDROKADROKA.- International Standards Organisation.

HON. A.M. RADRODRO.- In terms of your certification level, now it has been upgraded to 90001 2015, what sorts of benefits does the Ministry get out of being a certified ISO Standard?

MR. V. BALEDROKADROKA.- Thank you very much, Deputy Chairperson, and thank you Honourable Member for that very important question.

We, in the Ministry, are beginning to see the benefits of this International Certification. The issues that we have been talking about, these audit issues that we are having, because before our systems and processes were more or less not standardised.

This is an example, when I first joined the Ministry, if I go to Lautoka Office, they are using a different standard according to the boss there in Lautoka Office. When I go to the Nadi Office, it is a different operational style altogether, all according to the boss. But what ISO does is, it standardises all these processes and we control the systems and processes.

Every officer have to be trained first on his/her operational system before he/she operates on the ground. While it sets the guideline for the officer, at the same time it protects the officer because the officer has to work according to that standard. Even if a new boss comes in, he/she cannot just come and change that standard. So we control the standard from Headquarters, to ensure that everyone follows the same standard.

ISO is all about customers, so of the standards is the customer services that we provide. So we are beginning to see the reactions from our customers, given that we are now ISO certified. Our turnaround time has really improved through the processes but it is like any other processes, it is a continuous improvement process that we continue to improve. We empower our people so that they can also add value to these systems and processes through their operations on the ground, through the experience that they gain. We need to change these processes because this can reduce our turnaround time and the ISO allows for that so there is really a lot of benefits.

Deputy Chairperson, for your information, ISO 9001 is also seen as an international language for trade. For example, before when the Chinese used to dump their products all over the world, customers complained because of the poor quality of the products but now firms in China and likewise everywhere in the world, have to adopt this Standard so that their goods and services are trusted, so it builds an organisation's reputation, for example.

Sir, because we are also a member of the International Labour Organisation (ILO), when we go for international conferences and training with other ILO member nations and we mention that we are ISO certified, there is really a lot of respect in there for our service delivery.

DEPUTY CHAIRPERSON.- How about the contemporary awareness campaigns, for example, climate change that Fiji has taken responsibility of, and obviously there are ISO issues related with that as well and one of it is waste disposal. How is the Ministry assisting in regards to these issues that we, as a nation, are focussing on at the moment?

MR. V. BALEDROKADROKA.- For that, there is also an international standard, a specific one on environment. I just do not have the right name for the environment certification. There is an international standard for hygiene, for health and safety so there are certain standards. ISO, because it is a general one, we thought we will start off with that. Our intent too is specifically on OHS, we need to be certified to the international standard on health and safety. That one being particular is the 45001 Standard on OHS but there is one on environment and Information Technology (IT) and many other areas for that matter. But in our next five year plan, really our drive through our Productivity Unit is to promote the awareness of these productivity tools throughout organisations.

DEPUTY CHAIRPERSON.- An issue in regards to this ISO Standards, especially in the western side is the lack of Labour Officers. I do not know to what extent this is true but people do tend to bring this issue that there are very few people available, who can come and conduct these types of standards. What is the Ministry's stance on that, are there enough officers to carry out this responsibility or there needs to be more?

MS. S. DAUNABUNA.- Thank you, Deputy Chairperson. Just to answer that question, actually in this current financial year, we received funding for additional staff and some of these staff are with our Labour Standards Unit. We have just advertised and filled the positions that we received the budget for. It was about 14 extra staff that we also received for that Unit and we also are in the process of filling the positions in our OHS Unit because we also received additional funding for that.

We recognised that if we are talking about employers who are registered with our system, we have 10,000 employers in our system but our reach was only to 4,000, so we did not cover even half of the employers. We identified that there was a gap in our service delivery so we did all the appropriate submissions to see that, at least, we could get in some more staff so that we could extend our reach as well. That is the process we now have in place.

Last month, we appointed the additional staff because of the process of advertising and recruitment that we had to go through, but that is now in place and we hope to be able to change the dynamics on the ground so that we have a much further reach to our clients and customers. In fact, we are also pursuing a system where we can create paperless inspection within the Ministry. We undertook a study visit to Sri Lanka where they are actually practicing this system for their labour inspectors. So it gives us a quick turnaround but also it ensures that we have a quicker system and a further reach to the clients.

DEPUTY CHAIRPERSON.- Actually it is becoming a very lucrative field nowadays because of the standard requirements. Speaking on that note, how about the salary benchmark, has there been reforms done to retain in terms of the salary that will be provided to these officers?

MS. S. DAUNABUNA.- I had explained previously about the OHS and the Job Evaluation Exercise that was undertaken for Government, the same is applicable for our officers also in the Labour Standards. So they also were able to get benchmarked to the private sector and to receive the pay rise under that system as well.

DEPUTY CHAIRPERSON.- Honourable Members, any other questions on that?

Since there are none, we can move on to the next one.

MS. S.DAUNABUNA.- 7.8 - Misallocation of Expenditure; just to advise the Committee that we have actually changed the requisition forms where the Director Corporate who has been appointed, will have the oversight in terms of endorsing the requisition forms before it comes up to my office. Also, we will abide by the recommendation in the Auditor's Report that the expenses are to be recorded in the correct journal ledger.

The training needs for the National OHS Officers are endorsed by the National OHS Advisory Board at the beginning of the financial year and this is to avoid a repetition of what has been identified in the Report. What we have now is the list of trainings earlier identified and put through the National OHS Advisory Board for endorsement so that we actually know what the needs area are and what is the funding that we will commit well in advance for the trainings that are to be undertaken.

DEPUTY CHAIRPERSON.- Honourable Members, any question on that?.

None, we will move on to the next one.

MS. S. DAUNABUNA.- The next issue, Deputy Chairperson, is linked to the first submission that I made regarding the Christmas Island veterans.

DEPUTY CHAIRPERSON.- No, I think we have covered that very extensively.

The final one is the anomalies.

MS. S. DAUNABUNA.- 7.10 - Anomalies noted in the Main Trust Fund Account; in fact, we have validated and reconciled the credit balances for the two Trust Accounts. The variances decreased from \$30,921 in 2016 until this month, which is now \$16,524.06.

For the Workmen's Compensation and Wages Disputes accounts, we have now implemented a system of payment through the Electronic Fund Transfer (EFT) so we can see that the money now goes

directly into the workers' accounts - Workmen's Compensation and Wages Dispute in terms of the Labour Standards Services.

HON. A.M. RADRODRO.- Deputy Chairperson, on the Workmen's Compensation cover, what sort of work arrangements are covered under this? For example, are bus drivers and public service drivers also covered?

MR. L. MARIO.- Thank you, Deputy Chairperson and Honourable Member. The Workmen's Compensation covers everyone in employment under a contract of service. Any worker that is under a contract of service is covered under the Act, including the bus drivers.

With the No-Fault Compensation Scheme for the motor vehicle accidents, this is where the drivers will be covered under the Motor Vehicle Accident Compensation, if accidents happen while or during the course of employment, but for other cases they are all covered under the Workmen's Compensation.

DEPUTY CHAIRPERSON.- How about the ones who are not on formal employment, let us say if I hire a carpenter and he is not on formal employment and if he gets hurt, is he entitled to compensation?

MR. L. MARIO.- Deputy Chairperson, in those cases, if the Ministry could prove the elements as required under the legislation like where I have stated, whether there is a contract of service or how did that worker get injured, if the Ministry can prove that the worker did get injured during and in the course of his or her employment, the Ministry could pursue those cases. The only challenge is, if there may be an agreement of contract for service that is quite challenging for the Ministry to pursue the matter.

DEPUTY CHAIRPERSON.- There needs to be some documented evidence?

MR. L. MARIO.- Yes, also if there are witnesses to prove that the accident did occur to that particular worker. Thank you.

HON. A.M. RADRODRO.- There is a case in point where a school teacher in Kalabu, in the process of saving students in a bus, he got paralysed. He has now engaged a private solicitor. So in situations like that, is he covered under the Workmen's Compensation or it is not part of his duty but because of his profession as a teacher, he wanted to save the children in the bus incident?

MR. L. MARIO.- Thank you, Honourable Member. That case, after seeking legal action and because of the nature of the work of the teacher at that particular time, that teacher is also covered under the Workmen's Compensation Act and the Ministry went to the extent of getting the final medical reports done. Even the claim was sent to Ministry of Education for consent. When we reached that stage and the claim was about to be processed, the worker opted to go for common law so in that case, the Ministry closed the case.

HON. A.M. RADRODRO.- Is he covered for employees or is the employer responsible?

MR. L. MARIO.- For all workers, yes.

It is the duty of the employer. But in this case because of maybe the amount payable under the legislation is less than what could be gained from going through civil or common law, this is where the worker opted for common law and this is where the Ministry closed the case that we currently handled.

HON. A.M. RADRODRO.- What is the maximum amount that is legislated and can be paid out?

MR. L. MARIO.- Currently under the legislation, the maximum for death is \$50,000 but for those who need constant or regular assistance, the maximum is \$67,000.

DEPUTY CHAIRPERSON.- Honourable Members, any more questions?

(There we no other questions)

I thank the team for a rather very extensive session and the answers were very well addressed. We do understand the challenges and we do hope that the issues that have been highlighted in the Auditor-General's Report are addressed as soon as possible.

We also take note of some of the structural changes that the Ministry has undertaken, especially in terms of recruitment and getting new staff on board, to look into the audit issues and address that and we acknowledge the Ministry for that. There is always room for improvement and we are sure and hopeful that with your continued guidance, Madam PS, things will further improve for the Ministry. On this note, I thank you once again.

I think we have one more question.

HON. A.M. RADRODRO.- I am requesting an update on one audit issue that we raised last year regarding the rental charges that were levied to the driver of the North Pole rental. You were supposed to get back to us on the status of the rental driver.

DEPUTY CHAIRPERSON.- Have we received it?

MS. S. DAUNABUNA.- We had provided a submission but we can also provide a follow up on that issue. That was an issue raise when we last appeared before the Committee. We can provide that, together with the clarifications on the General Orders as well as the Expression of Interest on the ISO.

DEPUTY CHAIRPERSON.- Thank you.

(Inaudible)

It is a democracy now, it is very hard to fire employees these days.

(Inaudible)

MS S. DAUNABUNA.- Yes, in terms of the Regulations, so we have now refined the Regulations to be able to match what the practice is on the ground. We will be taking it to the National Employment Centre Board, in fact, the appointment has lapsed and we are in the process of doing the appointments for the Board. The papers will go through the Board, before it goes through ERAB and Cabinet, and then we can publish it as the Regulations.

The Board numbers remain but because we have to consult the members in terms of the appointment process, so that took us some months out but now we are ready to make the appointments and to have the Board sit.

(Inaudible)

MS S. DAUNABUNA.- Our database? Yes, our database is now going through the last two weeks of finalising the numbers in there. We had a record of about 50,000 registered applicants but unofficially, because we have not reached the deadline for our two weeks for clients to come and update their records, we have a number of about 8,000 at the moment. So the records went down from 50,000 to 8,000 which we are looking at placements in the employment field.

In terms of the ID cards that were identified, we have ordered the machines for that. We will also move from issuing a letter to actually getting them a card for purposes of safekeeping as well.

DEPUTY CHAIRPERSON.- Thank you. Can we have final comments from Madam PS before we conclude the session?

MS. S. DAUNABUNA.- My final comments, Deputy Chairperson and Honourable Members, thank you very much for this opportunity. I also take this opportunity to thank the MOE, the OAG, as well as my team who are here today. As always, we will try to strive towards an improvement of our systems and processes. There are gaps that have been identified, but it is good to identify those gaps because everything is a learning process and we go through learning curves now and then, but it helps us to improve our system and for the betterment of service to the public, that is what we are here for so thank you for this opportunity.

The Committee adjourned at 11.39 a.m.