

CHAPTER 172

POSTS AND TELECOMMUNICATIONS TRUST ACCOUNT

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Acts Nos. 30 of 1973, 11 of 1984

AN ACT TO ESTABLISH THE POSTS AND TELECOMMUNICATIONS TRUST ACCOUNT AND FOR PURPOSES CONNECTED THEREWITH
[1st January, 1974.]

Short title

1. This Act may be cited as the Posts and Telecommunications Trust Account Act.

Interpretation

2. In this Act, unless the context otherwise requires—
“appointed day” means 1 January 1974;
“Department” means the Department of Posts and Telecommunications;
“financial year” means a period of 12 months ending on 31 December in any year;
“Government's equity” means the amount assessed in accordance with subsection (4) of section 10;
“Permanent Secretary” means the Permanent Secretary for Posts and Telecommunications;
“Trust Account” means the trust account established by this Act.

Establishment of Posts and Telecommunications Trust Account

3. There is hereby established a trust account to be known as the Posts and Telecommunications Trust Account which shall be a trust account within the meaning of section 69 of the Finance Act and shall be administered by the Permanent Secretary.

(Cap. 69.)

Moneys to be paid into the Trust Account

4. Notwithstanding any of the provisions of the Finance Act, there shall be paid from time to time into the Trust Account— *(Cap. 69.)*
- (a) such sums as may be appropriated from general revenue in the annual estimates of the Government to the Department;
 - (b) such other sums as may be approved by the House of Representatives, whether by way of the annual estimates or by resolution, as an advance, loan or grant to the Department;
 - (c) all receipts for or in respect of any works or services performed by the Department;
 - (d) moneys received from the sale, lease or hire or otherwise arising out of any property controlled by the Department which was acquired or produced out of—
 - (i) moneys standing to the credit of the Trust Account; or
 - (ii) moneys appropriated or any direct appropriation before the appointed date for postal and telecommunication services;
 - (e) interest received from the investment of moneys standing to the credit of the Trust Account;
 - (f) moneys received by the Government in respect of any matter incidental to the performance of any functions or the exercise of any powers conferred upon the Department.

Moneys to be paid out of the Trust Account

5. Notwithstanding any of the provisions of the Finance Act, moneys standing to the credit of the Trust Account may be applied by the Permanent Secretary for the following purposes— *(Cap. 69.)*
- (a) in payment of the remuneration of the persons employed by the Government in the Department including contributions to the Fiji National Provident Fund or other schemes approved by the Government in respect of such persons;
 - (b) in payment for the cost of goods and services acquired for the purposes of the Department and for the acquisition of property incidental to the carrying out of its operations;
 - (c) for payment into the Consolidated Revenue Account in respect of:—
 - (i) pensions, gratuities and other allowances granted under the pensions laws to persons employed by the Government in the Department or to their dependants;
 - (ii) interest and other charges and the principal repayments on loans raised and appropriated for the purposes of the Department in accordance with paragraph (b) of section 4;
 - (iii) such interest payments as the Minister shall direct in accordance with subsection (2) of section 8 in respect of Government's equity; and
 - (iv) the reimbursement of any moneys required to satisfy any judgment, decision or award against the Government by any court or tribunal in connection with the operations of the Department;
 - (d) in payment in discharge of any liabilities incurred or accepted by the Government on behalf of or in respect of the Department; and

- (e) payment of any other expenditure properly incurred or accepted by the Department in the exercise of its powers and functions.

Investment

6. Moneys standing to the credit of the Trust Account may be invested in accordance with the provisions of section 12 of the Finance Act. (Cap. 69.)

Financial powers of control exercisable by Minister responsible for finance

7.—(1) The Minister responsible for finance, after consultation with the Minister, shall have the power—

- (a) both before or during a financial year, to determine the maximum amount to be paid out of the Trust Account during that year in respect of the capital works expenditure of the Department; and
(b) to direct that any part or the whole of any money standing to the credit of the Trust Account on 31 December in any year which he considers to be surplus to the requirements of the Department shall be paid out of the Trust Account into the Consolidated Revenue Account.

Repayment of advances and loans, and interest on Government's equity

8.—(1) The repayment of principal and interest on advances or loans made to the Department under the provisions of paragraph (b) of section 4 shall be in accordance with terms and conditions to be approved by the House of Representatives.

(2) The Minister responsible for finance may direct the payment at such times as he shall specify out of the Trust Account into the Consolidated Revenue Account of interest at such rate or rates as he may from time to time determine on Government's equity.

Financial policy

9. The Permanent Secretary shall pursue a policy directed towards achieving in respect of each financial year, such financial results as are determined by the Minister after consultation with the Minister responsible for finance.

Commercial accounts

10.—(1) Notwithstanding the provisions of the Finance Act, the books and accounts of the Department shall be kept in accordance with accepted commercial accounting principles and practices and the Permanent Secretary shall, after consultation with the Permanent Secretary of the Ministry responsible for finance, issue directions and instructions as to the manner in which they shall be kept and the form in which the statements of accounts shall be submitted for audit.

(Cap. 69.)

(2) All the assets and liabilities of the Government in the Department as at the appointed day shall be evaluated and incorporated into the accounts of the department and the net worth thereof shall be treated as funds of the Government deemed to be invested in the Department on the appointed day.

(3) The funds of the Government deemed to be invested in the Department on the appointed day in accordance with subsection (2) shall be divided for the purpose of inclusion in the opening balance sheet of the Department on the appointed day so as to show separately—

- (a) the aggregate amount assessed representing the net balance of sums disbursed to the Department by way of annual appropriations from general revenue immediately prior to the appointed day; and

- (b) the balance in respect of any advances and loans including interest or other charges thereon deemed to have been made or treated as having been made by the Government to the Department prior to the appointed day and net repaid as at that date.
- (4) The amount determined in accordance with paragraph (a) of subsection (3) shall together with such further amounts as are paid into the Trust Account from general revenue by way of appropriation each year, represent the Government's equity from time to time in the Department.

Funding and estimates

11. Each year the Permanent Secretary shall submit through the Minister to the Minister responsible for finance the estimated income and expenditure statements on the operations of the postal and telecommunication services in respect of the next succeeding financial year, together with the total cash requirements for capital works and operating expenditure required to be incurred in respect of each of those services during that financial year and the sources from which the moneys to be expended are proposed to be obtained and, in support of these statements the Permanent Secretary shall submit details of the capital works programme which the Department proposes to undertake in the next succeeding financial year and such other matters relating to the Department as he may consider to be appropriate.

Minister's report to Parliament

12. The Minister shall cause to be laid before the House of Representatives before the commencement of each financial year a statement of the estimated financial results which he expects the Department to achieve during that financial year together with details of the proposed capital works programmed for that financial year and of the sources from which the programme will be financed.

Audit

13.—(1) The accounts of the Department shall be audited annually by the Auditor-General.

(2) The Permanent Secretary shall, by not later than 31 May in the following financial year or by such later date as the Minister responsible for finance shall direct, transmit to the Auditor-General the financial statements of the accounts for a financial year which shall consist of the balance sheet, statement of the profit and loss account and such other supporting statements as may be required by the Auditor-General.

(3) The Auditor-General shall within 2 months, or within such longer period as the Minister responsible for finance shall approve, of receipt from the Permanent Secretary of the financial statements referred to in subsection (2), submit them, together with his certificate of audit, to the Minister who shall cause them to be laid before the House of Representatives within 1 month or, if there shall be no current sitting of the House at the end of the said period of 1 month and the accounts have not by then been laid before it, at the next sitting of the House after that period. (*Amended by Act 11 of 1984.*)

Saving

14. Save as otherwise provided in this Act, the provisions of the Finance Act shall govern and apply to the financial management of the Department.

(Cap. 69.)

Controlled by Ministry of Communications, Transport and Works

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SECTION 4—RESOLUTION BY THE HOUSE OF REPRESENTATIVES

Legal Notice No. 56 of 1979

On 26 February 1979, the House of Representatives resolved that there be paid into the Post and Telecommunications Trust Account—

- (a) a grant of \$1,950,000; and
- (b) a loan of \$2,550,000 repayable over a period of 20 years at an interest rate of 4% per annum.

Controlled by Ministry of Communications, Transport and Works