

**Hon Snyder Rini
Minister of Finance
Ministry of Finance and Treasury**

**Address to Commemorate 40 Years Anniversary of the Solomon Islands
National Provident Fund**

11 November 2016

(Salutations, need some ordering here or inclusion/or exclusions of these salutations)

Chairman of the SINPF Board

Representative of the Anthony Saru Family

Members of the SINPF Board

General Manager of the SINPF

Management and Staff

Past Chairman of SINPF Boards

Past Members of SINPF Boards

Past General Managers of SINPF

Past Management and Staff of SINPF

Invited Employer Representative Guests

Invited Employee Representative Guests

Current and Past Members of the Fund

Today I am honoured to be part of the formal celebrations of the Solomon Islands National Provident Fund 40th year anniversary that is organised today, to commemorate when the Solomon Islands National Provident Fund (Amendment) ordinance 1976 were brought into operation on 1st October 1976.

It is a positive coincidence for me, both personally and professionally, now speaking today as the Minister of Finance responsible for the SINPF, during this 40th year anniversary commemoration. In separate periods during the past 40 years of the Fund's history, I had been a Trustee, a Chairman of the Board, and Minister responsible for the Fund

40 years ago, I was one of the first trustees to the newly appointed Board representing employers, with Tony Hughes as the 1st Chairman. Other pioneer trustees included Mr. Charles Lesimaoma who I believe is among us today, Thereafter, I represented the employer on the board of trustee for almost 10 years, from 1977 to 1987.

In 1993 to 1995 I returned to the Board as Chairman of the Board whilst I was the Permanent Secretary of the Ministry of Finance and in 2000 and in several years in the last 16 years, I oversee the Fund as the responsible Minister.

I had witnessed and had been part of the process in the growth of the Fund during these years in these various capacities, counting the first initial membership of 18,669 employees as at 30 June 1977 with contributions totalling around \$800,000. Withdrawals in that first year amounted to \$15,263.33, with the bulk of the withdrawals to returning expatriates who had no intention of returning at \$12,119.08. Withdrawals for those attaining age 50 was only \$1,902.14.

The first investment was a \$700,000 term deposit that we placed with the Hong Kong and Shanghai Banking Corporation and that time we were already

contemplating making investments in local properties and government assets such as loans to government and SOEs.

Some of these culminated in the 1980's ionic property investments like the Anthony Saru Building, NPF Plaza, and the NPF Building.

Today as I was advised by the Fund management, the Fund's accumulated membership had reached more than 174,000 registered members with more than 127,000 of these registered members with credit contribution balances worth more than \$2.5 billion, with member withdrawals reaching more than \$200 million in the 2016 financial year.

Investments has expanded and grown in scope and size to reach just under \$3 billion, with investment assets in local and offshore equities, private sector loans and bonds, local and offshore fixed term deposits, local properties, and government securities. The Fund has invested offshore as well, in key economies like the USA, UK, Euro, Australia, and Papua New Guinea.

I acknowledge the presence of past trustees/directors, General Managers, Management, and staff who had contributed positively during their time with the Fund, to the growth and success of the Fund during the past 40 years. I take the opportunity to sincerely thank you all.

The Fund has grown to be the biggest financial institution in the country mobilising members' savings and investing these savings for their retirement.

The bulk of these savings are invested in our economy in various viable business and economic activities or through other licensed financial institutions to fund their loan books and to diversify risk and improve returns, NPF invested part of its investments portfolio offshore.

After 40 years, due to its increasing size and risk in our domestic financial sector, as the responsible Minister I am obliged to ensure that the Fund's

operations and functions are protected under a well defined oversight laws and regulations and to consider some pre-retirement options.

To satisfy this obligation, I will be discussing with the Board the proposed new NPF legislation reform draft before finalising for Cabinet and for tabling to the Parliament.

The government after years of managing and paying down its debts is now in a position to borrow in the local market again, to finance needed new infrastructure projects that are very important for growing our economy and country.

The SINPF as the largest investor in the country can now have the opportunity to convert part of its low yielding cash and term deposits by purchasing some of these government papers with better yields or returns.

My team and the NPF management team are currently negotiating the terms of the first bond issues and hopefully an optimum outcome will be achieved soon, satisfying both parties' expectations and achieving the best deal for who they represent.

To the Chairman, Board, Management, and Staff of the NPF, as we celebrate the past 40 years of the Fund's existence, remember they are now history. You will build on the past successes and avoid the past mistakes of these years.

You should look to the future with confidence as you build up your capacity with new ideas and perspectives, and adopting new technologies to take on new challenges and secure new opportunities.

At the same time you must remain relevant to your core objective of providing adequate retirement benefits to your members during their working life.

In closing I would like us all to pay tribute to the late Honorable Anthony Saru who in 1973 moved and passed a simple motion for the establishment of a retirement fund for workers, mostly private sector workers working in towns and on plantations, after they finished working and return home.

That motion had come a long way and 40 years on, that motion is what the SINPF is now today, a multibillion retirement fund.

God bless SINPF, God bless Solomon Islands

Happy 40 year anniversary