

**SAMOA LAND CORPORATION  
LIMITED**

**ANNUAL REPORT  
2006 – 2007**

## **VISION**

*"To become one of the major financial contributors to the Government's Developments"*

## **MISSION**

*"To promote social equality and economic development opportunities for the people of Samoa, through the efficient and sustainable use of all Corporations' assets"*

**STATEMENT TO PARLIAMENT**

The Reconstruction of WSTEC in 1990 resulted in Government settling all of WSTEC's debt of \$23,286,762.00, and the Government took control of about 24,000 acres of WSTEC land. Samoa Land Corporation Ltd (SLC) was then set up by Government in the same year under the Companies Act 1955. SLC was mandated to divest the 24,000 acres, and repay Government the amount of \$21,286,762.00, with \$2million to be repaid to WSTEC.

The \$2m due to WSTEC had been fully paid, and at the end of this reporting period, a total of \$15.2million is still owed to Government.

The Public Bodies (Performance and Accountability) ACT 2001 requires Annual Reports to be tabled with Parliament, so that the public is informed on the operations of this Corporation. This Annual Report is in compliance with that legislative requirement.

The Corporation's **Vision** is; *"To become one of the major financial contributors to the Government's Developments."* The **Mission** to realize that Vision is; *"To promote social equality and economic development opportunities for the people of Samoa, through the efficient and sustainable use of all Corporations' assets."*

The overall goal of the Corporation is to divest its assets on a commercial basis, to assist with the promotion of socio-economic development for the people of Samoa.

This Annual Report summarizes the overall performance of the Corporation for the period 2006/2007, the future outlook as in relation to its Corporate Plan, as well as the Audited Accounts for the same year.

## CHAIRMAN'S REPORT

Samoa Land Corporation's core function is to commercially divest all assets under its management.

For years, this task has been complicated by unresolved disputes with traditional villages in the vicinity of a significant portion of land.

It is a challenge for me and the Board of Directors to free these assets from the many encumbrances, so that they can be efficiently utilized to further Government's long-term development goals for the betterment of its people.

Consultations with the District of Alataua i Sisifo that included the villages of Falelima, Neiafu, Tufutafoe and part of Si'uvao at the District of Salega, have resulted in an amicable determination of legal boundaries of the Corporation's land at Falelima.

On behalf of Government, I would like to take this opportunity to thank the villages concerned for sound and constructive consultations especially to the village of Falelima for their support and hosting the Team of Surveyors in the four (4) weeks while carrying out survey work.

I hope that determination of all Corporation lands in Savaii would be finalized next year, then continue on to Upolu. This process would be greatly facilitated by the Land Working Committees that would be set up for both Savaii and Upolu next year.

One of the Government goals for setting up Samoa Land Corporation is to diversify the revenue base of the economy to avoid depending solely on agricultural developments because of the uncertainty in overseas markets for our agricultural produce.

It is more so the reason for the Board of Directors and Management of SLC to look at ways for containing expenditures and generating new revenue sources from divesting of the Corporation assets.

In 2007, the Cabinet approved Tendering of the Corporation's heavy machinery because of the increase in maintenance costs. The decision was based on the fact that the private sector is now offering the same efficient services.

Cabinet also approved the management of the Flea Market at Savalalo and the Salelologa market by the Samoa Land Corporation, which have brought in additional revenue.

A total of 80 acres have been subdivided at Falelauniu for expansion of the Industrial Zone not only to nurture businesses, but to generate employment opportunities for the public.

We have noted the increasing demand from the people of Savaii and rural Upolu for freehold land closer to town for work and school. It is hoped that land will be identified for this purpose, by the next year.

For the reported period, major changes were realized not only in terms of actual work done, but also in terms of financial management. This Corporation also made significant contributions to hosting of the South Pacific Games through land being made available for construction of sports facilities, as well as improvements to the Faleata Golf Course.

The Board of Directors and myself are pleased to note the effectiveness and efficiency of Management and Staff which has resulted in achievement of a profit of \$350,926.00 for this year, compared to a loss of \$376,282.00 in the previous year.

I have challenged Management and Staff to continue to improve service delivery, as well as maintaining achievement of profits if possible in future, so that the Corporation will continue to support Government's development initiatives through dividends.

On behalf of the Board of Directors, I wish to congratulate Management and Staff for the hard work during the reported year. May our services be of great benefit to our people.

Ma le fa'aaloalo tele

**Faumuinā Tiatia Liuga**  
**MINISTER AND CHAIRMAN**  
**SAMOA LAND CORPORATION**

## **GENERAL MANAGER'S REPORT**

There were major changes in the Corporation's Structure when the civil section was phased out and the additional of the management of the two Markets at Savalalo and Salelologa.

**A. Achievements of the reported period are as follow:**

1. Tendered and Tar sealing of 7km of roads to lease lands at Tafa'igata.
2. Transfer of 24.16 acres at Tuana'imato for Government Reserve land at the price of \$3,401,728.00. The cost has tremendously decreased the Corporation debt with Government.
3. Tendered, clear and leveling of 9acres at the new Township of Salelologa for the Corporation's new market.
4. Selling of SLC's heavy machinery through a tendered process and re-deployment of staff in other divisions of the Corporation.
5. Commenced Management of both the Flea Market at Savalalo in December 2006 and Salelologa Market in February 2007.
6. Started consultations with Chiefs and Orators of certain villages in Savaii to determine ownership of these lands. The villages were Falelima, Si'uvao, Neiafu and Tufutafoe. After constructive discussions with these villages, the Office Surveyors started survey work to determine boundaries so as to subdivide as agreed with the Chiefs and Orators.

The Corporation would like to thank the Chiefs and Orators of Falelima village for their support during the survey work and also for the safety of SLC staff while on the job.

7. Significant works were carried out at the Faleata Golf Course for the preparation for the 7<sup>th</sup> South Pacific Games

The works included the:

- Extension of shelter for the Driving Range
- Installation of Flood Lights for the driving range
- New Flower gardens for beautification of the entire compound
- New Canteen for golfers and the general public
- Maintenance of security fence from stray animals i.e. dogs, pigs etc.

Payment for costs of some of these preparations would be finalised and paid in the next financial year whilst others were paid in this reported period.

## **B. Financial Performance**

### **1. Income**

An increase in revenue of \$1.6million was recorded in the reported period over same period last year.

The significant increase resulted from:

- (a) increase of payment of land lease arrears;
- (b) increase of payments of land sale;
- (c) increase of income from the Faleata Golf Course sales;
- (d) tender of fixed assets;
- (e) new income from the Flea Market at Savalalo;
- (f) new income from the Salelologa Market.

## **2. Expenses**

Expenses were also increased by \$755,628.00 for the reported period due mainly to the development works executed during the year.

The increase in expenditure had resulted in the decrease of cash on hand and at bank, as well as term deposits for the Corporation this year, compared to last year. However, an increase from \$14.7million last year to \$18.3million this year was recorded for capital and reserve as a result of the surplus of value of land transferred to the Land Board for conversation purposes.

The Corporation's Debt with the Government was reduced from \$18.6million in the last financial year to \$15.2million in the reported year.

## **3. Profit**

A profit of \$350,926.00 was recorded in the reported period compared to the loss of \$376,282.00 reported in the last financial year. From this profit the Corporation will pay a dividend of 50% (\$175,463.00) to the Office of the Ministry of Finance, for other Government developments.

The Management of Samoa Land Corporation would like to thank the Hon. Chairman/Minister and members of the Board of Directors, for their guidance in steering the Corporation during the year under report. Despite the many challenges, your support had facilitated achievement of what we set out to do during the past year.

I would also like to take this opportunity to thank the staff of Samoa Land Corporation for their hard work and dedication in executing all their duties and responsibilities especially in implementing the Board decisions.

Ma lo'u fa'aaloalo tele

Malōuamaua Afoa Arasi Tiotio  
**GENERAL MANAGER**







Tafaigata Road



Tafaigata Road



Extension - Driving Range



New flower gardens



Aleisa Road



Extension - FGC Canteen



Leveling of new township at Salelologa



Leveling of new township at Salelologa

# IMPLEMENTATION

## CORPORATE SERVICES DIVISION

### 1 ADMINISTRATION & FINANCE

The Samoa Land Corporation consists of three (3) Divisions namely; Corporate Services Division that includes Markets (Salelologa/Savalalo); Estates and Development (Surveying); and the Faleata Golf Course. Total staff employed as of the reporting period stands at sixty-eight (68).

The Employee of the month/year program is continuous throughout the year (twelve (12) months). This initiative has greatly encouraged the improvement in the performance of staff skills and achieving of the goals of each division. Special requirements and conditions to this program have been drawn and also assessed by a special committee.

The Staff Development Scheme in place has contributed tremendously to the development of staff knowledge and capabilities through continued education programs. The special program has its own system to be followed.

Continued education programs recorded have been taken by some of its staff in the past year: -

- |    |                        |   |
|----|------------------------|---|
| 1. | Apprenticeship         | 2 |
| 2. | Administration         | 1 |
| 3. | Information Technology | 1 |

More are continuing their programmes of study.

One staff member attended an overseas course in Management in New Zealand for three (3) months to further develop management skills under the Government Short Term Training Scheme.

The Corporation has yet to find special training for the Surveying field, however, the section is provided with on-the-job training by their own supervisors who have the prescribed knowledge and expertise in this special field.

The Corporation also fosters an environment for socializing with families as reflected in its Annual Sports Day, where spouses and children of employees are invited to participate. In addition to the above, we also support Government's initiatives through health promotions and exercises twice a week

Continuous internal on-the-job training for the Finance section to upgrade their skills on the computerized Lands Management System (LMS) and Mind Your Own Business (MYOB) systems. These programs have advanced the production of the financial reports as required from time to time:

- Land Sales & Leases Reports
- Land Debtors Reports
- Provision of Quarterly Reports for submission to Ministry of Finance.

The Corporation is also strengthening mechanisms for debt collection to ensure reduction in arrears and up to date payments for both land sales and leases.



## **ESTATES & DEVELOPMENT DEPARTMENT**

Below are some of the works initiated during the reported year.

### **ACHIEVEMENTS**

**1. ALEISA**

Two blocks of 100 acres were repossessed and re-subdivided to be allocated to other applicants.

**2. TAFa'IGATA**

Completed sealing of 3.9 kilometers of road within the Tafa'igata subdivision.

Four (4) blocks of 10 acres repossessed, re-subdivided and reallocated to other applicants, due to poor payment and utilization by previous lessees.

**3. FALELIMA**

Consultations were carried out with Alii and Faipule of Falelima. Complete subdivision of SLC land at Falelima to lease 130 acres to outside applicants and 305 acres to Alii & Faipule.

**4. SALELOLOGA MARKET**

Approximately 9 acres of land at Salelologa New Town has been cleared and levelled for construction of a new market.

**5. VAITELE**

Nineteen (19) acres had been reserved for foreign investors but given the lack of investors after 15 years, the Board approved subdivision of these 19 acres to be leased to local companies and developers.

Fifteen (15) acres has now been leased to local companies while approximately four (4) acres is set aside for a market at Vaitele.

**6. LETOGO**

Survey completed for 50 acres of land leased to Letogo Cattle Farmers Association.

**7. TAUERE**

A quarter (1/4) acre is in survey behind the Lighthouse for lease to the Ministry of Police and Prison.

**8. VAILELE**

Samoa Land is in the process of surveying and determining the total number of acres behind Vailele and Letogo village.

**9. NUU**

Re-subdivision and reallocation of leases.

**10. TUANA'IMATO**

Resurveying has started for the rest of the Faleata Sports Complex apart from Faleata Golf Course to await Government's decision on management of sports facilities.

**CONTINUING OF WORK**

**I. Land Lease**

Ongoing re-subdivision into smaller acres and reallocation of land not well utilized, to some of the many people on the waiting list.

**II. Land Leased to Alii & Faipule**

Samoa Land is in the process of consultation with Alii & Faipule of some villages (Letogo, Vailele, Fagali'i & Vaitele), with regard to their applications for land currently occupied for residential purposes.

**III. Vaitele-fou Land sale**

Enforcement of policies for payment of arrears and reallocation of repossessed land to applicants on waiting lists.

**IV. Land tied up with villages**

Continuing consultation with villages in the vicinity of government land; and survey work be carried out for these land upon completion of consultation with village councils.



A bulk of work done by staff of this section of the Corporation during the reported year consisted mainly the preparation of the golf course for hosting the South Pacific Games in September 2007. Faleata Golf Course was earmarked as the training field for competitions given its well established driving range.

Some of the preparatory works done include:

- (i) Extension of the driving range by an additional 8 meters.
- (ii) Procurement of an additional 15 golf carts bringing the total of golf carts for the course to 77.
- (iii) Planting of floral gardens throughout the course and compound, as well as planting of nature trees throughout the course.
- (iv) Upgrading of greens and daily maintenance of the course.

An increase in income from \$623,105.00 in 2005/2006 to \$705,168.00 in 2006/2007 was recorded for Faleata Golf Course. However, despite this increase in income, a higher increase in expenditure of \$716,290.00 in 2006/2007 compared to \$544,499.00 in 2005/2006 was also recorded. The significant increase in expenditure was due to the need to employ additional staff, as well as maintenance works carried out during the reported year. Notwithstanding this scenario, the Corporation is confident that returns for some of the improvements made will be realized in the coming year and beyond.



1 Savalalo Market

Cabinet's decision to transfer management of the Flea Market at Savalalo to SLC was a challenge given that this is an entirely new and different activity, but a welcome additional source of revenue.

Major renovations were carried out to improve the image of the market through re-painting, mounting of additional lights, filling of potholes and uneven grounds around the building, as well as placing rubbish bins throughout the building and compound to minimize littering.

For the seven (7) month from December 2006 to the end of the financial year, a total of \$213,713.00 was collected from the Flea Market.

## **2 Salelologa Market**

The management of Salelologa Market was officially handed over on the 1<sup>st</sup> of February 2007 (5 months). From February until the financial year, total revenue of \$60,276.00 was collected.

The market is very old, and almost every part of the building is deteriorated.

To maintain health condition and safety of the market, continuous maintenance works are carried out until the proposed new market is constructed here in Savaii.



## **FUTURE OUTLOOK**

- 1 Construction of a new market at Salelologa Township in Savaii.



- 2 Explore additional revenue sources.
- 3 Identification of land for lease or sale to the numerous applications from people of Savaii and rural Upolu for residential land close to town.
- 4 Continuation of improvements at Faleata Golf Course and exploring new services to offer.
- 5 Strengthen staff development program for enhancing relevant skills and experience.
- 6 Continuation of consultation with villages in the vicinity of Corporation land so that these land could be surveyed and leased out to the public.