

THIRD DAY

THURSDAY 11 July 2013

DRAFT HANSARD

Subject:

Page No:

QUESTIONS	1
SUSPENSION OF STANDING ORDERS – EXTENSION TIME FOR QUESTIONS	15
CONSULTATIVE IMPLEMENTATION AND MONITORING COUNCIL - NATIONAL DEVELOPMENT FORUM 2012 – PAPER AND STATEMENT – MOTION TO TAKE NOTE OF PAPER	24
ADJOURNMENT	55

THIRD DAY

Thursday 11 July 2013

The Speaker (**Mr Theo Zurenuoc**) took the Chair at 10 a.m..

There being no quorum present, Mr Speaker stated that he would resume the Chair after the ringing of the bells.

Sitting suspended.

The Speaker again took the Chair at 10.30 a.m., and invited the Governor of Western Province, **Honourable Ati Wobiro**, to say Prayers:

‘Our gracious heavenly Father, we thank you for giving us one more day. Help us to live it for your glory and honour. Father God, we thank you for our country, Papua New Guinea, and Lord for your Christian principles in this country. We pray God that we will hold them dear to our hearts and that Lord, they will be an integral part of our living. We thank you God for our Speaker. We pray that you will continue to bless him and his family and grant him much wisdom. We also pray for our Prime Minister, Deputy Prime Minister, all our Ministers and Members of this honourable Parliament. Father God, we thank you for appointing us to be co-workers with you in taking this country forward. Lord we pray that you will grant us your own heart so that we might love our people the way you love them. Give us your own eyes too so that we might the things the way you see them. Thank you Lord, we commit this session to your hands and Lord, you will reign supreme and lord over us today. Now we all pray as our Lord Jesus Christ has taught us to pray. Amen.’

QUESTIONS

Mr RONNY KNIGHT – Thank you, Mr Speaker, for recognising the people of Manus.

I wish to direct my question to the Minister for Environment and Conservation and I ask the Ministers for Agriculture, Fisheries and Forestry respectively to take serious note.

Few years ago, my north and south western LLGs were cursed with several live shonky fish projects in which they were eventually cheated when the Asian partners left with their ships full of live fish without paying the local partners. These vessels seemed to have been cleared without the proper checks by relevant authorities and one legacy that they did leave us was Asian rats. I have seen these rats myself and they are as big as cats, and they are predominantly on Luf Island in the Ninigo-Herm LLG and they are seriously depleting the Island's flora and fauna. They are eating all the root crops, attacking seabird rookeries, digging up protected turtle eggs and eating the shoots of coconut trees and eventually killing them.

Mr Speaker, they are so bold that they even chew children's feet while they sleep at night and the parents are forced to stay awake. At the same time this is happening, there are other dire emergencies affecting our people's wellbeing. Our people depend on coconuts for everything to survive on the island, but their livelihood is being threatened by the coconut beetle.

Mr Speaker, these lowly animals, the rat and the beetle, were introduced by the so-called developers or partners coming into our country to do business with our people. The presence of the coconut beetle is endangering a whole industry.

Mr Speaker, on top of this, we find that our people are now starting to depend more on store goods, and with a lack of transport, this is becoming a serious problem because food is becoming an issue. They don't have problems with fish but they have problems with other staple food.

Can the Minister and his department immediately act on these issues and also take action against those companies that introduced these pests?

Mr JOHN PUNDARI – Mr Speaker, I thank the Member for Manus for his question. I will get my department to investigate and get back to the Member after consultation with other departments and relevant agencies of government.

Mr WILLIAM POWI – Thank you, Mr Speaker, for giving me this opportunity to ask this question, which is very important for the people of Papua New Guinea including Members of Parliament.

I wish to direct this question to the Minister for Treasury but since he is not present, I will re-direct it to the Minister for Finance.

Mr Speaker, we can no longer tolerate the fees imposed on deposits and withdrawals we make in commercial banks operating in Papua New Guinea.

02/03

I speak for the simple people of this country as this practice is really affecting our people.

Does the Government have any plans to deal with the unnecessary fees imposed on withdrawals and deposits in commercial banks throughout the country?

Mr JAMES MARAPE – Mr Speaker, let me thank the Governor of Southern Highlands, Honourable William Powi, for asking this question.

Mr Speaker, the fees charged by banks are regulated by the Central Bank. These banks work in close consultation with the Central Bank to determine what sort of fees to charge. Most of the fees they charge are related to services they provide; especially cost of communication and cost of security, which are some of the bigger costs that need to be covered by the fees imposed on customers.

Let me answer by saying that we will ask the Central Bank to review the current fees that are being charged and ensure that they are not too extreme in respect to the cost of them doing business as bankers in the country.

Mr Speaker, we will get the Central Bank to look into the fees they charge and make a report back to Parliament and at the same time give an adequate answer to the Governor.

Mrs DELILAH GORE – Mr Speaker, I'd like to ask a question to the Minister for Transport.

Mr Deputy Speaker, I want to share a story about an event I witnessed. I once parked my car under a tree and while I was in the vehicle, I saw someone with a small

sedan type car who unscrewed his registration number plate and switched it for a 'T' plate. He then put up a taxi cap on the roof of his vehicle, converting it into a taxi and drove off.

Does the Transport Minister have any measures in place to control these types of activities in the city?

Mr ANO PALA – Mr Speaker, I thank the honourable Member for asking this question.

That is a question similar to the one asked by the Member for Nuku on Tuesday and I think the answer would be about the same.

Mr Speaker, let me explain that these are the problems we have on the streets with regard to taxies. This type of stories have been told to me by many people, including a senior government minister who told me that one of his relatives regularly does this. So it is something that we are all aware of.

It has gone out of control because the government agencies responsible for these sorts of things have not been coordinating their enforcement regulations well. And that is why in answer to the question by the honourable Member for Nuku, I stated that the way to address this is through structural adjustment.

At the moment, registration is under a different organization. Taxies come under the Land Transport Board, safety standards come under another organization and taxies meters under another organization.

Different organizations are handling vehicle safety requirements, cleanliness requirements and meter requirements. The structural adjustment is needed where we are addressing this taxi problem and other transport problems throughout the country.

Under the new structure, only one organization will handle the safety standards, cleanliness standards, registrations and also the meters.

03/03

So when you go for registration, you will not get a registration certificate until the safety standards have been met, the vehicle is clean, the driver has a current license and that the meter is the correct one to be used. Therefore, I believe that with this structural

adjustment, the problem can be addressed. At the moment this problem is out of control and cannot be solved because of the way we are currently structured.

Therefore, I would like to assure the Members, especially the honourable Members for Sohe and Nuku and the general public that the Government is addressing these issues the way it should be addressed by way of structural adjustments. This is so that, the agencies responsible for handling all these issues will be located in one place.

Therefore, if you have a complaint you can ring the Land Transport Board, which will now come under the National Registration Authority. I will also present to Parliament a new policy statement which will incorporate all these concerns and proposals. We will then come up with a legislation which I hope to present in the next meeting of Parliament, otherwise if it is ready by this week, I might present it next week.

Mr Speaker, I would like to assure you and the general public that the Government is addressing this problem. This issue is important because when a license is given to a person you are guaranteeing the safety of the public to use that vehicle.

Currently we are not meeting the safety standards with regards to public transportation but this issue is under the structure and I want to assure Parliament and the nation that we will meet those standards.

Thank you, Mr Speaker.

Mr EREMAN TOBAINING Jnr – Mr Speaker, I would like to take this opportunity to direct my questions to the Minister for Higher Education.

On my official visit to Madang to see students, especially from Kokopo at the Divine Word University (DWU) and the Madang Technical College to present cheques to my students, I found out that some of the students had school fee issues with their schools.

The university administrations have been withholding 50 per cent of the school fees, which some of us leaders have paid for the students.

Given the higher cost of education already imposed by the universities on our students for any academic year.

(1) Is it proper to withhold 50 per cent of any school fee payment from the provincial government or district?

This is the problem that our students are facing now.

(2) Can the Minister clarify the situation for the benefit of the people of this country, especially the parents regarding our students?

Mr DAVID ARORE – Mr Deputy Speaker, I would like to thank the Governor for these important questions.

Firstly, regarding the issue of 50 per cent of school fees being withheld by Divine Word University and Madang Teachers College, I would like to inform the Governor that I am not aware of this. I do not know the reason why they are withholding school fee payments.

Mr Deputy Speaker, I will deal with this issue and find out and I will then get back to the Governor. I would also like to inform Parliament that each institution has its own Act they abide by. Therefore, Divine Word University has its own Act. Nevertheless, I will find out why these institutions have withheld 50 per cent of school fee payments for some students

One reason could be because of students damaging properties over the years, or it could be because of other fees imposed by the institutions, which have not yet being explained to the students.

Mr Deputy Speaker, I will find out more about this issue regarding Divine Word University and I will get back to the Governor.

Mr JOE SUNGI – Thank you, Mr Deputy Speaker, my question is directed to the Minister for Public Enterprise and State Investment.

My questions are in relation to the high prices of fuel in this country.

04/03

We don't experience these hardships in the urban centres but those people in the districts, rural and remote areas suffer the effects of the high cost of fuel.

Mr Deputy Speaker, I have lived in Vanimo for almost 23 years. I hope that on his recent visit to Indonesia, Honourable Peter O'Neill noted the very high subsidy that

the Government of Indonesia pays on fuel. This is probably why fuel is smuggled from Indonesia to Vanimo.

(1) When will this Government subsidize the cost of fuel so that the small businessmen and people from the rural areas can benefit?

Mr Deputy Speaker, one full drum containing 200 litres of diesel costs K800 in Wewak and in Nuku, which is seven hours drive from Wewak, the same amount of diesel costs K1600. That is just seven-hour drive but imagine what it would cost in Manus or Milne Bay? Can you imagine the pain and suffering that our people encounter because of this situation?

(2) Does the Minister have any plans in place to control the price of fuel so that we can assist our people in the situation they are in now?

Mr Deputy Speaker, there is no control over the price of fuel. Although we are refining our fuel, the cost is still too high.

Those are my questions and I ask the Minister to respond so that the people of PNG and Nuku can listen.

Mr BEN MICAH – Mr Speaker, the second question raised by the Member in regard to pricing does not concern my department. Pricing comes under ICCC, which is under the Department of Treasury, whereas issues concerning petroleum come under the Department of Petroleum. So I will refer those questions to the Treasurer and the Petroleum and Energy Minister to respond in writing.

However, on the issues that that come under my responsibility, I am now developing a policy for my ministry.

One of the major issues I have given attention to is the possibility of renegotiating those development arrangements with the private investors because the importation of fuel is a monopoly by InterOil, which is a foreign company. We are only receives of cost that is handed down to from people who are selling the crude to the refinery or those importers of fuel. Even though price control is under ICCC, the real cost of bringing the fuel and refining some of it at Napanapa is really in the hands of a foreign company.

The only way we can control the cost of fuel is that we go into new arrangements with the developers. Our company is the National Petroleum Corporation, if we changed it to Kumul Petroleum, we will become participants in the downstream processing of fuel, either we import crude oil and we go into downstream processing or we utilize the oil fields that we have through our own company. Then the Government through the ownership of the downstream processing part of the business can peg the prices at some level. And only through that, that I can direct PNG Power not to increase the tariff. We can only do that if we can control the company that brings in the crude oil, refines it and passes it through the retail agent throughout the country. We can come up with a community obligation policy to be able to subsidize, as part of policy, those districts and remote areas where the cost of fuel really impacts the life of the majority in rural communities.

05/03

Mr MAI DOP – Mr Deputy Speaker, my question is directed to the Minister for Justice and Attorney General, and I would like the Ministers for Forests, Finance and Planning to take note.

My questions are in relation to my father's investment which you may be aware of called the Jimi Timber Rights Purchased Agreement investment signed in 1967 and was to mature in 40 years. The 40 years expired on August 27, 2007. I believe some so-called agents were appointed by different public curators since 2003 to 2012.

Mr Deputy Speaker and honourable members, you may be all aware through the media that a sum of K10 million was appropriated in 2011 to 2012, and an amount of K7 million was released through the National Forest Authority to the Public Curator's office for distribution to beneficiaries in my electorate since all the investors were no longer living.

My questions relate to the distribution of that amount to the beneficiaries. As the sitting Member, I am not aware of the distribution of those funds reaching my people. After the funds were sent to the Public Curator's office at the beginning of this year, my people have been in Port Moresby for the last six months following up on these funds.

(1) What has happened to the K7 million paid to the Public Curator's office for distribution?

Information from the National Court Registry shows there are four teams involved in this distribution matter.

(2) In light of this, what are their roles in the distribution of these funds?

I have been informed by some of the beneficiaries that K7 million was for all of the 10 TRP and not meant for one single TRP.

(3) Can the Minister inform to me and my people of Jimi if the payment was for only one TRP?

(4) If so, when will the others receive their share of investment?

(5) How many agents were appointed on the matter by the curators and what was their role in the matter?

There were four teams involved and received payments.

(6) What was their role and how did they become prejudice to this investment, and how much did each law firm receive?

The K4 million paid to Wagambie Lawyers has to be distributed to beneficiaries.

(7) Is the law firm legally mandated to make distribution for the deceased Beneficiaries?

(8) Will the firm distribute the payments or give the money back to the public curators for distribution?

I have been advised by the beneficiaries that the K7 million received was paid out in one day to so-called creditors.

(9) How did they become creditors to these estates when funds were released?

I am told that the Finance Manager and other officers at the Public Curators office paid themselves K210, 000 of that K7 million.

(10) What was the basis of this payment and has the Department done anything to recoup those monies and who authorized those payments and can those responsible be referred to the fraud squad for investigations?

Mr Speaker, I am also told that there are others who got paid as well.

(11) Can the Minister confirm or deny that a Mr Andrew Marson of Marson Lawyers also received K182, 273.12 for representing the Public Curators office?

I am told that there is as a lawyer at the Public Curators office.

(12) Why was he engaged when you employed a lawyer to represent the Public Curator?

(13) What actions will the Minister take to address these issues?

Mr KERENGA KUA – I really do sympathize with the Member for Jimi, and his series of questions. This is one of those really genuine questions that he asked which touches our hearts, because these issues have been ongoing and no one seems to know how to control and handle it and it still hangs in limbo.

Even I have not understood fully and have asked for a couple of briefs but when I received the briefs, they were so convoluted that I did not understand the full extent of the story. What I suggest is that there are many questions which are multi faceted, with many details and in order to do justice to the questions, I suggest that I have an audience with him and we meet with the recently appointed Public Curator and we will methodically work through each of the questions.

Where people ought to be disciplined or charged criminally, then we have to take those decisive steps to put it to an end. It is not only this particular estate that has been affected by this particular culture but many other estates have also been affected.

We need to address this and I would like to give some level of confidence to this Parliament that we have appointed a good, sensible and hardworking individual to be our Public Curator and that is a good start. We need good leadership and that person is already there. Since his appointment, the number of questions and concerns coming from the public has declined quite significantly.

I believe this is a good start and we can begin with issues like the one the good member just raised. I will be meeting him straight after this sitting to work out an appointment with the public curator and deal with the details of all the questions he asked.

I believe that we should be able to ascertain the answers to the questions he has asked after consultation with the Public Curator. He then can communicate it to the people in his electorate. But as I said, this is a genuine and heartfelt question he has asked, and he has my support and we will get to the bottom of this.

06/03

That's all I can say at this moment as I do not have all the details but I will work with the Member.

Mr JIM KAS – Thank you, Mr Deputy Speaker, for giving me this time to ask my questions to the Minister for Agriculture.

Mr Deputy Speaker, I wish to preface my questions with these observations. In the Momase and New Guinea Island regions, the cocoa pod borer and the Borgia coconut syndrome disease has affected cocoa and coconut trees. The little cash they get from cocoa and copra has greatly reduced their buying power.

Mr Deputy Speaker, another tree crop is now facing the same dilemma and the tree crop is the betel nut tree. The betel nut tree in the Markham Valley was decimated by an unknown disease which wiped out entire betel nut plantations in that part of the country.

The same disease has now reached the North Coast of Manus Island and parts of West New Britain and other provinces. The people of Louha, Drakot, Maraman, Pohart, Lopan and Kerang supply Lorengau market have been affected. Their cash income is generated from selling betel nut and impending disaster will greatly affect them.

Mr Deputy Speaker, in the Madang Province, my people of Middle-Ramu as well as yours, Mr Minister, betel nut grows of Middle-Ramu, Borgia, Rai-Coast, Karkar and Namele areas will be affected if the disease spreads from the Markham Valley. Cash income from sale of betel nut will definitely stop and our brothers and sisters from the Highlands who do buying and selling will also be affected.

My questions are as follows:

(1) As the Minister responsible, are you aware of the disease affecting the betel nut tree?

(2) Can the Minister immediately send his officers to Markham Valley, Manus and other affected provinces to physically inspect, report and make recommendations to fight this disease, in the same way it has been done for the cocoa pod borer and Borgia coconut syndrome?

(3) Can the Minister assure this Parliament and the people of PNG who are affected or who will be affected of the measures he will undertake with his department to save the betel nut tree and the industry in PNG?

Mr TOMMY TOMSCOL – Mr Deputy Speaker, I thank the Governor of Madang who is a member of my electorate, Middle-Ramu, and I am sure his concern is also my concern but he is probably more concerned than me.

It is quite correct that many of our cash crops are affected by emerging disease vectors. These are new diseases that have come from Indonesia, Asia and other parts of the world. They come into PNG as a result of people traveling between countries. They come into PNG as a result of food trade and importations. And therefore, by the nature of those mechanisms in which they are transferred into the country, it is quite hard to control or eradicate. But what we can only do is to put into place management process and procedures to quarantine particular areas. And one example is when I quarantined Vanimo as a disease infected area to control and manage the disease which was bird flu that came across from Indonesia. But it was managed after we quarantine the place and also we were able to do it only because the people cooperated with us and understood why we had to kill chickens and other animals.

And this is what we will also require from Papua New Guineans who are involved in the betel nut business. If there is a disease then the best thing you can do is stop selling and chewing. This is the only way we can quarantine and eradicate the spread of the disease.

In Madang we witnessed the Bogia coconut syndrome. That disease also has the ability to kill all other crops including bananas, oil palm and betel nut. We have set up through NAQIA a quarantine station out of Madang but we continue to have local people trading palms so it is hard.

07/03

However, I assure the Governor of Madang that I will ask NAQIA to go into the concern area to undertake an investigation to assess and determine how bad the situation is. But for us to succeed in carrying out any remedies will require the

understanding of people not to trade and that they must comply. Until that assessment and investigation is done, I will report it back to you by way of writing as to what remedies we will take and what we can do, as well as, what you can do as the Governor of Madang. In addition, the people who are in the trading business of betel nut can also help us carry out the quarantine, and that means they will have no cash because if they really want to eradicate the disease, they must stop trading bettle-nut.

Mr KOIM KOMUN – Mr Deputy Speaker, I wish to take this opportunity to direct my question to the Minister for Finance regarding the schools in PNG. The Government has prioritized education as its first priority and so much is allocated into the education system.

Mr Speaker, I am aware of some schools or school boards of management collaborating with the suppliers of school materials in misusing funds that are allocated to our schools.

Does the Government or the Education Department have the system in place where all the money going to all the schools is acquitted and account for?

Mr JAMES MARAPE – Mr Deputy Speaker, I thank the honourable Member for Angalimp-South Waghi for asking this very important question concerning the fund allocated to all the schools in PNG for our tuition fee free program.

The Member has correctly stated that the Government is injecting a substantial amount of money directly from Waigani into our school system throughout the country.

In 2013, the Government appropriated K652 million, which is to go straight to the schools across the nation. The concern that the Member raised was taken into account earlier by the Government. Meanwhile, some schools have produced their account reports while others have not yet done so, but many schools are receiving their funding directly into their accounts and the headmasters or principals and the board of management have direct control over the use the money.

The Cabinet noted some discrepancies so the Government then reviewed the process by which funds are to be sent to schools. It will be in two components; the cash component as well as commodity component. We will be trailing in the later half of this

year with rolling out through the private partners to try to rollout the commodity component.

In regard to that, the Education Department has come up with various levels of disbursement of cash and commodity components. This is the measurement that the National Government has put in place so that we are aware of the abuse of funds at the school management levels and whether the headmaster and the school board are colluding to deprive schools of recurrent administrative and also little element of development fund that are released are actually going directly to schools.

Mr Speaker, these funds are quite substantial and I have stated time and time again that the schools must furnish their reports by end of every academic year on the use of their money.

Mr Speaker, statistics show that 60 per cent of schools nation wide do not submit their acquittal reports. We all know that these are substantial amounts of money like K400 000 to K600 000 received by each school from the National Government that we are providing but these reports are not coming back to the Government. In some instances, some schools have classes without basic materials.

08/03

We are in the process of engaging a private partner to deliver door-to-door basic kits for schools. For instance, basic kits can be delivered to elementary, primary and secondary schools. We have received some good expressions of interests which the Central Supplies and Tenders Board is going through and very soon we'll be furnishing to Cabinet a shortlist of three possible partners we'll be engaging to supply basic school materials nationwide.

The cost of doing business will be much cheaper because you have one or two suppliers supplying and you don't need to have remote schools coming in looking for stationery or basic kits in the towns or main shopping areas.

So these are programmes we are embarking to mitigate the abuses that are happening. The Government, led by Honourable Peter O'Neill, will continue to run free education into the next three, four or five years as long as this Government exists.

We are trying to tidy it so that school headmasters and school boards are held accountable and responsible and a better way we feel is that the commodity component goes straight to the private partner who supplies and the cash component goes to schools but we should tie them into appropriations. A certain percentage will be for recurrent expenditure and a certain percentage for small maintenance also. By next year all these money will go in with these guidelines also.

But, as I am about to sit down, let me take this opportunity to ask schools nationwide that it is incumbent upon every headmaster - and headmasters are paid an additional K10 000 in high schools - to administer schools properly, and school boards to furnish the financial reports by the close of this academic year.

Whilst last year's events and transactions are yet to be totally accounted for, I am asking for this year's funds that to be fully accounted for and the reports furnished by December. So by January when we come in, the Education Department will study the reports and be ready to roll out the new free education funds for the 2014 academic year when it starts in February.

The Member is correct. There are abuses taking place. The National Government has noted these abuses and we are addressing them through the private partner for commodity components and cash component, which will be attached with stricter guidelines so that this is how you expend these funds.

By the end of this year, December, I expect all schools to furnish in reports on how they have received the money and used it.

SUSPENSION OF STANDING ORDERS – EXTENSION TIME FOR QUESTIONS

Motion (by **Mr Kelly Naru**) agreed to -

That so much of the Standing orders be suspended as would prevent time for questions this day being extended by 20 minutes.

Mr KELLY NARU – Thank you Mr Deputy Speaker for recognizing the voice of over one million people of Morobe Province, which is in fact the biggest province in

this country, and also contributes the largest number of Members to this honourable Parliament.

Mr Deputy Speaker, my question is directed to the honourable Minister for Agriculture and Livestock. Before I do continue, I wish to thank the honourable Governor of Madang for raising the question on the beetle pest affecting the betel nut industry, as that also affects my province in a big way.

09/03

Morobe Province is the fifth largest cocoa producing province in the country after East New Britain, North Solomons, East Sepik and Madang in that order. I have been informed that in the last four years, there has not been a cocoa board in place. Therefore, stakeholders who are affected in the cocoa industry, particularly the small holder cocoa growers in the province really need assistance from the board and relevant agencies that implement policies, directives and deliver assistance to the small holder growers.

My people are faced with this particular predicament and therefore, I am compelled to ask the Minister responsible.

(1) Why is it that there has not been any cocoa board in operation for the last four years?

I am also informed that the operation by the board is currently managed by a single CEO.

(2) When will the Government, through your ministry, appoint new members of the cocoa board so that it can go about and assist the cocoa growers?

(3) Whilst appointment of board members is still in process, how will the small cocoa growers in the meantime seek assistance in terms of training, seed subsidies and et cetera to assist them with their crops and plantations?

Mr TOMMY TOMSCOLL – I would like to thank the Governor of Morobe for his questions. The questions are very important questions because they affect an industry that is the livelihood of about 2 million people. The questions directly relate to the absence of a board for the cocoa board of Papua New Guinea.

The cocoa board is established under the provisions of the *Cocoa Act 1981*. That Act establishes that the members of the board include the head of department, which is the Department of Agriculture or his or her nominee. The chairman and the other seven members represent the cocoa growers in the provinces that cocoa is grown.

The appointments of members of the board follow the *Regulatory Statutory Authority Act 2004*. To initiate the Act, as the Minister responsible for the cocoa board, I will write to the public service for them to advertise the positions of the board that are vacant. Upon receipt of my letter, the Public Service Commission carries out a merit based due diligence and makes its recommendations. These recommendations are then taken to Cabinet and then the National Executive Council (NEC) makes the appointments.

I am aware that farmers, especially the cocoa farmers are facing difficult times in the industry. These difficulties do not necessarily come directly as a result of an absence of a board.

10/03

In my view, the absence of a board is not directly and largely responsible for the problems that our farmers are facing. The problems our farmers are facing and the ability for the board not to be able to carry out extension works and farmer assistance are dictated by many factors. Under our structure of Government, we have the provincial government and the local level government. Some of the functions of extension work are delegated and they are the responsibilities of provincial governments. That is the reason why you have a division of primary industry in your province. It is not for divisional staff to sit in the headquarters of each province and wait for the fortnight. It is their responsibility to go out to the district to the farmers and carry out those extension works. I appeal to Governors of the provinces to ensure that the division of primary industry in your district and province must function.

The Cocoa Board is there to regulate the growing and processing, marketing and the export of cocoa. I am aware there has been no board in place for the last six years. The board has also been without a permanent CEO for the last four years. This Government took the initiative to appoint a permanent CEO at the end of May and I am

happy to say that the new CEO has taken office. In fact, the CEO is from the province of Morobe so I am sure it will enhance the relationship between the Cocoa Board and Morobe province.

The situation confronting the board is that the Cocoa Board has been insolvent for the last four years. So if cocoa board has been trading on insolvency for the last four years, it cannot extend its arm to assist farmers. And it cannot be able to effectively and efficiently do its job.

Mr Speaker, I will in the course of this Parliament present a ministerial statement on the state of the cocoa Board in Papua New Guinea. It will clearly spell out the problems, challenges and opportunities there are and what the O'Neill-Dion Government intends to do to confront those challenges and opportunities. When I do so, the opportunity will be there for Members to contribute and debate.

Mrs JULIE SOSO – Mr Deputy Speaker, I thank you for recognizing the people of Eastern Highlands.

I wish ask the Minister for Inter-Government Relations but since he is not here, I will redirect my question to the Prime Minister, Honourable Peter O'Neill.

As we have seen in yesterday's newspaper, the service providers of Eastern Highlands tried to forcefully shut down the Electoral Commission Office in Eastern Highlands Province. This is the second time such an incident has occurred. Eastern Highlands will go to the polls for the local level government elections on July 15 and if these issues are not addressed, I believe the polling in the 24 local level governments and 264 local wards will not run smoothly.

(1) Can the Prime Minister speak with the Electoral Commissioner on this matter because I believe the Government has released over K49 million to assist the service providers during these elections.

We in the Eastern Highlanders are bidding to get some money to assist our service providers.

11/03

Our service providers are missing out and I think favoritism is in play here in the Electoral Commission office in Port Moresby and now in Eastern Highlands, and I am burdened with the thought that my province might miss out on the LLG elections.

Mr Deputy Speaker, I urge the Prime Minister to intervene and discuss with the Electoral commission as I heard recently that K15 million is being paid out for service providers and yet EHP service providers have not received anything

Mr PETER O'NEILL – Thank you Governor of Eastern Highlands for the question in relation to the LLG elections taking place throughout the country. I want to inform the Member and the Parliament that the LLG elections are being conducted and the funding was made available through the 2013 Budget.

Of course the Electoral Commissioner came back with an additional request of another K30 million and the Cabinet really did not have much of a choice but to enable the election process to take place so we authorized that additional funding.

The Treasurer has informed me that he has released K50 million that the Governor is talking about to meet additional expenses that are out there for the Electoral Commission to conduct these elections.

It is, however, becoming a habit that in every election, and this is not only confined to electoral commission but throughout many of the departments, ordinary officers who are engaged within the government agencies are committing the government to financial obligations. People who are not authorized to enter into arrangements with service providers are committing the Government, but the Government will not honor those commitments. They use their positions to enter into agreements to hire cars, office equipment, use telephones and these sorts of things that are costing the government a lot of money. This is also happening in other departments.

I think the Electoral Commissioner will be advised to take a bit more firm control of the expenses that are related to conducting these elections, otherwise every election year we are facing the same problems, where service providers are threatening to shut down counting, stop conducting elections and threatening election officials. This is

becoming a worry and continues to threaten the democratic process we follow to choose leaders in this country.

I will meet with the Electoral Commissioner and firmly tell him the concerns that the Governor has raised. The Government is committed to working with him to make sure that the LLG elections are conducted well. I know it has generated a lot of interests throughout the country because of the additional funding that the Government is putting through the LLG but let us take this into perspective that this funding is not for the LLG president and the councilors, it is for serving the community. Some people are running for the wrong reasons, using this as their pay or allowance.

It is becoming a worry so I think over the next few months, the Finance Minister, the Treasurer and the National Planning Minister will firm up the guidelines to ensure the funds we provide are used for good intentions and that is for the delivery of service to our people.

Thank you, Governor for EHP, I will take up your query with the Electoral Commissioner.

Mr NOAH KOOL –My question is in regard to the Simbu section of the highlands highway. Since the Works Minister is not here, I re-direct my question to the honourable Prime Minister.

Mr Prime Minister, I have learnt through yesterday's *The National* newspaper that there is a public tender for a road surveyor from Mangiro to Miunde bridge of the Okuk Highway. As we are aware, Mangiro marks the eastern border, where as Miunde marks the western border of Simbu Province. This boundary, therefore, defines the Simbu section of the highway.

(1) Can the Prime Minister clarify whether the scope of works is for rehabilitation or for rerouting the highway?

If it is for rehabilitation, it will be a waste of government funding because the current route exists on unstable land whereby continuous landslips are inevitable, thus more funds will be expected to maintain the road annually. Accordingly, I have engaged a local team to look at the possibility of rerouting the Simbu section of the highway.

12/03

The result from preliminary investigations reveals that the land next to the Waghi River is more stable and easy to construct with gentle slopes and galleys.

(2) Can that survey contract be withdrawn to allow the rescoping and rerouting of the Simbu section of the Okuk Highway?

(3) Can my government be involved in this project to provide preliminary results and deal with landowner issues?

Mr PETER O'NEILL – Thank you, Mr Deputy Speaker. I thank the Governor of Chimbu for his questions on the Okuk Highway, which is an important road infrastructure in the country.

Mr Deputy Speaker, it is true that we have gone out to find expressions of interest on Simbu section of the road from the border of Eastern Highlands to the border of Chimbu and Western Highlands because that is the most unstable part of the Okuk Highway. And we are all too familiar with the landslips and all the troubles that we have gone through on that particular section.

Unfortunately, over the last 30-40 years, we have not taken this issue too hard and as a result, we have absolutely no design or costing for many parts of the Okuk Highway. Therefore, the Government finds it difficult to go out to tender to try and rebuild some sections of the highway. That is why it is necessary to get engineers and other experts to go in there and carry out proper documentation and studies so that we can use that as a basis under which we can advertise and get contractors to go in there. So that is the process that we are beginning and of course Chimbu section is one of them and the other is from Watarise in the Morobe Province up to Kainantu in Eastern Highlands Province, and that includes Kasam pass. So those two sections are the most unstable sections of the Okuk Highway and as a result, our Government is focused on rebuilding that section and we are now advertising for experts to go in there to monitor that.

I wish to assure the honourable Governor that we are aware that the environmental conditions of that particular section of the highway is not suitable and we are also requesting the experts to look at the possibility of rerouting. I also assure the

Member that we will work closely with the Governor and the Provincial Government so that their teams are involving in the process of managing the local issues including landowners. So I will advise the Minister for Works that he does the same for the Eastern Highlands section of the highway.

This is not to say that we are neglecting many other parts of the countries infrastructure. We are now discussing with the AusAID and they will be providing funding and the redesigning of Ramu to Madang section of the highway by upgrading and sealing to an internationally acceptable standard. They are saying that work will be completed within two years but I am forcing them to complete within 12 months because we can not afford to wait for two years. The problem is serious and we have to address it now.

Likewise I want to take this opportunity to thank the Governor of Hela and Southern Highlands on the Southern Highlands to Hela section of the Okuk Highway. I thank them particularly because they have agreed for us to use some of the funding from the Umbrella Benefit Sharing Agreement for the LNG gas project for us to rebuild that road. And we are now preparing the documentation to go out to tender so that we can seal the road from Komo all the way to Mendi, which is the last section of the highway that has not being sealed. So I want to assure this Parliament that we are firmly committed in rebuilding many of the infrastructures in the country.

Therefore, road network is very important and again, we are working with the Governor of New Ireland in rebuilding the Buluminski Highway. The funding is there already for the remaining 20 kilometers that is needed to be rebuilt. We have instructed the Works Department and Tenders Board to issue a contract on that. I understand the contract will be appointed over the next few weeks so that they can finish that resealing. The Buluminski Highway will be completely sealed and that will enable our people to travel easily.

Mr Deputy Speaker, we are also very close in linking the New Britain Highway between West New Britain and East New Britain and I think it is only 20 kilometers away. With the assistance from forest operators within the area they are now helping us to complete that road. Once that project road is completed we will go in there and make it a permanent structure. But for the first time both New Britain provinces will be

connected by road. We are also working together with Provincial Government of Gulf and Central in continuing the work for Hiritano Highways.

13/03

That contract is continuing and I understand that Global Construction is resealing many parts of the road. We will also appoint a contractor to seal the road from Kerema town to Malalaua all the way to Port Moresby.

I want to assure Parliament that we are focused on delivering this road. And just recently, we went to Morobe Province to launch the project. Nevertheless, I would like to say here for Parliament's benefit that some of the contracts that we have got are quite excessive and in my mind even though I am not an engineer, I think the pricing is a bit too high.

That is why I have directed the Chief Secretary to put an independent engineer to review the costing determined by the technical people and the Works Department to find out whether we are paying too much for the construction of these roads. Some contractors are bidding for roads by the kilometer, and this is one of most expensive methods in the world. Therefore, that is a waste of public money and resources that could be used on building other roads in the country.

I have, therefore, asked the Chief Secretary to engage an independent team to review the pricing of the Works people and technical people that we have so that we are comfortable with paying the right price for the right work for the right distance.

That is what this Government is doing and I once again would like to assure the Parliament that we are committed in delivering road infrastructures over the next five years for our country.

Thank you, Mr Deputy Speaker.

Sitting suspended from 12 noon to 2 p.m..

14/03

**CONSULTATIVE IMPLEMENTATION AND MONITORING COUNCIL -
NATIONAL DEVELOPMENT FORUM 2012 –
PAPER AND STATEMENT –
MOTION TO TAKE NOTE OF PAPER**

Mr CHARLES ABEL (Alotau – Minister for National Planning) – I present the following Paper pursuant to statute.

The Consultative Implementation and Monitoring Council National
Development Forum 2012 Report

Mr Speaker, this is the first time ever for such a report from the CIMC process to come to the Floor of Parliament.

It is through this CIMC process and agency and its Secretariat that the government has established a forum through which civil society organizations can come and participate in the government's planning and decision making process.

And being an open and transparent government, it is very important that we continue to provide such a venue for the civil society to come and feel like they are participating in this forum.

That is why I am very pleased and proud to bring these views through 2012 regional and national forums through Cabinet and to Parliament for the first time. It is the beginning of many, many things as far as reporting is concerned.

Mr Speaker, I am just asking the Executive Government and Parliament to take note of what our people are saying through the CIMC on the particular annual themes that are selected for discussions in each of those years.

You will note from the report that the theme for last year was, 'How to Improve Accessibility to Quality Health and Education Services'. But otherwise you can on Page 2 of the statement the different themes that have been discussed since 2009. And many important themes are there and reports have been compiled but they don't get to come to

Parliament and see the light of day. I guess maybe we are not taking it as seriously as we should.

This particular report is a compilation of the 2012 Development Forum and it gives the ideas on what those groups have been saying in relation to health and education services.

Mr Speaker, our government is aware of the need for innovative ways of service delivery, including fostering strategic relationships and collaborations, particularly with our non-state actors. And as I referred to, the civil society and private sector and the CIMC complements that aspiration.

As the process goes, many of us who have been participating know that we have four regional forums that are held in each of the respective regions and then we have a final national forum which is held at Parliament each year. We just had the 2013 CIMC Forum at the State Function Room a couple of weeks ago.

The CIMC is chaired by the Minister for Planning and we have sectoral committees for agriculture, informal economy, law and order, transport and infrastructure, commerce and services, health HIV and population and family and sexual violence and so on, and these subcommittees advise the main council.

It is through myself as Minister for Planning that these views are brought forward and considered in Cabinet. Normally that is where it stops but what I've tried to do is add onto the process by bringing it from Cabinet to the Floor of Parliament so that these views are also presented to all of us here and I am asking us to consider them and take them on board.

Although the CIMC is a secretariat under the Ministry of Planning and Rural Development, it is administered over at the Institute of National Affairs, (INA), to give it some sort of independence so that non-state actors can freely participate in the dialogue process.

Mr Speaker, on Page 3, I've listed some of the achievements of the CIMC process, and there's quite a list there, I'm not going to read through all of them but they have obviously participated and contributed to many of the initiatives of government. Some are small initiatives and some are broader initiatives like Medium Term Development Strategy. So they have been contributing over the years.

Just going over to Page 4, Mr Speaker, since becoming the Minister for Planning and Rural Development, what I've done is try my very best to pick this process up and activate it again.

I have attempted to attend and officiate at all the development forums and naturally the recent national forum here. The other thing we've done is to make sure that the process is funded. Through our department we've provided kina for kina funding this year together with AusAID. So our government through Planning has provided over a million kina for the operation of the secretariat and to conduct these forums.

Just coming back quickly to the 2012 forum and I mentioned about the theme of that particular forum there; what we've tried to do is present in a summarized form some of the outcomes of what happened last year and I've listed them here under the various headings.

15/03

The first one is effective management and coordination process for improved service delivery. There are various recommendations that are summarised under that heading for us to look at.

The first one for example; to develop systems that promote and strengthen accountability and transparency such as fast tracking of the provincial health authorities, and to review its Act to promote more transparency in budget expenditure for each health center, staff, medical supplies, standards and et cetera.

If you then go over to Page 5, you will then see some of the details that have emerged out of the year 2012 and the consultations. Then down halfway on of Page 5 under the title, Deteriorating Infrastructure, we talk about some of the points in relation to education. I do not want read through all of them, and so, these are some of the recommendations. Some of these recommendations are points that we are well aware of while others are new and innovative ideas that have been highlighted with suggestions that we can take on board.

Therefore, in relation to the 2012 consultation, I am appealing to all of us particularly myself and the central agencies with our good ministers for health and education to spend time to look at what our people are saying. I am sure that in 2012 the

Ministers for Health and Education would have been asked to attend, contribute and listen as well. Nevertheless, we can listen and talk but ultimately we want to bring it to the highest level and react to what are people are saying.

This is so that when they come and speak to us in the future they feel that we are taking them seriously, and that we are looking at their suggestions and meaningfully try to incorporate them into our policies and also our budget.

Mr Speaker, in relation to the 2013 development forums the processes have been completed and I hope that I will bring a report regarding that. As for the regional forums they have all been conducted and I was able to attend two. I tried my very best to attend the final two, which were held in Vanimo and Popondetta. I could not attend those ones because of commitments I could not get out of.

We recently had the National Development Forum here at the State Function Room, and I would like to thank the Deputy Prime Minister for coming and giving the keynote address. I also would like to acknowledge Governor Juffa for coming and chairing one of the sessions and making valuable inputs. Therefore, I really appreciate those two Members of Parliament in particular, and if any of the others also participated. Nevertheless, I know that many of our senior public servants, Churches, NGOs and private sector went along. They faithfully attended these forums and demonstrated their commitment by putting forward ideas to help our government improve its performance.

Therefore, on behalf of all of us, we appreciate such commitment to this process and on behalf of the government we are also committed to the process. That is why we provided the funding and as the Minister responsible, I am doing my best to attend all the forums. I am trying to compress all the meetings into the first six months of the year so that we can bring the report to the budget process on time while the idea is still fresh instead of bringing it a year or two or three years late.

When you talk about effective community participation of service delivery in the district in 2013, we are then able to bring those ideas quickly in a report to Parliament and then through the budgetary process.

Just to finish off here on the last page, the theme for 2013 was, 'Revitalising the districts of Papua New Guinea and encouraging effective community participation for quality and presentable public service in the districts'.

That has been completed and we will also try to put that into a good report and I have asked them to improve the layout of the report. You can see I have more or less rushed this document so that we can begin the process, but it is not in the best format. I would like them to give an executive summary and so on and maybe not a black and white document but with colour.

Therefore, we are improving the process but the underlying factor is that we have got a very important forum that we conduct every year. Many of the NGOs are small groups that come from the villages and this process enables them to come in. With a Minister such as myself there, they are able to express their concerns. They also have a secretariat in place to help express their concerns into a booklet that we are committed to. We tell our small people that we are here to listen to them and this is your forum to do that.

Mr Deputy Speaker, I am going end on this note because I do not want to drag on but this process is still continuing and I will shortly bring the 2013 outcomes. Also, once again, I would like to appeal to the Members of Parliament to be aware of this process and participate when you can when we invite you, and have look at what happened in 2012 to help give you some ideas and I also look forward to bringing the 2012 outcomes and report to Cabinet and to Parliament.

16/03

Mr KERENGA KUA (Sinasina-Yongumugl - Minister for Justice and Attorney General) – I move –

That Parliament take note of the Paper.

Mr KERENGA KUA – Mr Speaker, I find this statement to be quite enlightening because there's quite a lot of new Members of Parliament amongst us including myself and we are not fully conversant with the functions of the various committees in what they do and how they interlink with what we do here as Members of Parliament. Therefore, once in a while, when we get this sort of briefing to the Parliament, it helps to educate us and to see what sort of committees are out there and helps us to point our efforts in the right direction and engage and solicit their support. I

can already see by listening to the statement delivered that this committee has quite a very important role to play in the way we plan and deliver our development strategies throughout the country. I'm quite appreciative of the fact that this statement is made.

However this system can be improved further, I'm not sure whether, there is sufficient dialogue between line departments on matters of planning, whether Health is talking to Works and Education to Health, whether we are talking to each other on matters of planning and on our deliveries of the plans. Listening to the statement raised those questions in my mind to bring it out so we can become familiar with those issues and how we can be able to deal with them.

Whatever we do in terms of planning and delivery, we have to align it with the Vision 2050 that has now become the official government document for all line departments, provincial governments Open Members, district and provincial administrators to follow. All of us who are in the process of planning the country's infrastructure development throughout the country need to be familiar with. We have not yet been given a copy of the Vision 2050 and that's perhaps something that the Minister can look at and make sure that each Member is given one so that we can help him in the process by making sure that we plan properly and align our thinking and planning in the direction that's already spelt out in the Vision. Beside that we have the Medium Term Development Strategy which we also don't have a copy and although it's on the Internet, it helps if we can be officially given one so we keep the two together and so we are focused in how we plot our actions.

One of the areas that we sometimes get confused as new Members of Parliament is the process in which a Member of Parliament can draw up a development plan and push it through the departments. I'm not sure whether the older Members are fully familiar with it. Which key departments are involved in this process? Is it Planning? If it's a road matter, is it the Department of Works? If it's a health matter then should we come through the Department of Health or should we see Planning first? Who do we see first, or do we see the whole lot of them together? This is usually a difficult task. We need some guidance from those involved in the planning process. Now that we are given our substantial amounts of DSIP and PSIP, we need to align them properly with the thinking that's laid down in Vision 2050, MTDS and also the thinking of the National

Planning because amongst all of us, they are the only department that have that birds-eye view of the total landscape. Every other department, Governor or Member only has the vision of the area that he is responsible for, but the National Planning is in a position where they have the total picture. They understand it and so we need guidance and help from the Department as to how we can plan and promote development agenda's, sometimes avoiding a lot of duplications by individuals and departments and districts and provinces and even the Department

17/03

So we need some document that should outline project development procedures in the long term. If we can have a material of this nature produced and if it is in black and white it will be easy for everybody to see and to follow to help guide us so that we are not duplicating resources because this position has developed to a point where, even private individuals in the districts are becoming project developers.

They are writing up submissions for a fee and that fee is becoming healthier by the submission. And if it is successful by the time the money comes for the proposal, there is nothing left for the project itself and these sorts of things can be avoided if there is clarity.

Sometimes we would need help from National Planning or from the Department of Works or from those departments who are responsible for infrastructure development to go out to the districts and to help us in our development strategies and plan for the infrastructure development in the smaller districts.

These are some of the things which I feel we should look at because unless we plan properly, in five years time - assuming that we maintain K50 million grant to each district through DSIP and PSIP, multiplied by five years which takes us to quite a substantial amount of money - we will not know where the money has gone to and there will be nothing to show for it.

Planning is vital and the important thing is that it is there in black and white so you are able to see and follow. So on that note, I think that it is a very good paper and that it is one of those sessions that tells me as an individual Member to guide me towards who I should be looking towards for help in my planning and rolling out of the

development projects both in my district and for department and that is the Department of Justice and Attorney General.

Mr JAMES MARAPE (Tari- Pori- Minister for Finance and Education) – Mr Speaker, I would like to make a contribution to this debate in support of the Minister who has now put forward the report on the 2012 National Development Forum led by CIMC.

The CIMC is a body that is supported by the National Planning but it is assisted by or run by the Institute of National Affairs; private funded think-tank and commentator that has been around for some time. Some of the discussions in the meetings and the consultations that have been taking place gave birth to key policies that we have in place.

The Medium Term Development concept and many of the national and sectoral plans and the total national plan that we have has found their best through the discussions that were held at the forum, that forum is an important think tank on discussions taking place between the government and many of the key development partners, civil society, the churches, NGO and especially our long term donor partners like AusAID who continue to standby and assist us.

Mr Speaker, let us commend the Minister for Planning and I say this because I have worked closely with him in the last five years and now in our finance and planning role. And I see that he is coming out very openly in what happens in the National Planning Department. For the benefit of the Parliament and the Members present, the Planning Department used to be a very powerful department prior to his time.

If you walked into the Planning Department, you'd have to make prior appointment to see the Minister or the secretary and I have experiences and maybe talking to the Planning minister was quite easy because he was a brother politician but talking to the secretary took an effort in itself to try to lobby them to support development in my district.

Let us commend the Planning Minister because as we were framing the last budget, he was not territorial in as far as his department was concerned but was supporting the view that we must start to devolve function and go out to the districts and more importantly match those functions with appropriations to the districts. We think this

substantial increase to the appropriation for the districts, provinces and LLG are for sectors.

If I can also allude to life prior to 2012 Budget, when this Government assumed office, funds meant for agriculture, health, education and infrastructure were kept in National Planning Department and managed by them as development funds and disbursed to the sectors for implementation, if they ever saw the light at the end of the tunnel.

18/03

Mr Speaker, the Minister did put forward the NADP report in which I was a bit dismayed because one of the districts in my electorate was mentioned as having received K7.5 million for a coffee factory in my electorate.

Let me put on record its non existence right now and I was not a signatory to this proposal to receive that coffee factory proposals.

Mr Speaker, we are seeing some commonsense now prevailing in the National Planning Office. The Minister is now more focused at micro national planning level but he must be ably supported by all of us. As leaders in the district and in the provinces, we now must merge our national focus with our own district and national plans.

Mr Speaker, we got too many plans now so we have to make those plans work. Every year forums like this take place and we discuss issues and agendas take place. I do not know when we will run short of agendas but very soon we might be reinventing the wheel in discussions.

Let us in this Parliament through our district, provincial and local level government programs take ownership of these plans and make it work. Education sector plan in your district must be part of your district and provincial plan. Same goes for health and infrastructure sectors, and allow the National Government to take charge of National Institutions and impact projects. I want the provinces and districts now to start working those sectors which are meant to be looked after by our level of disbursement.

Elementary school is not the responsibility of the Minister for Education. The elementary school is the responsibility of the local level government and the ward councilor by law and it's defined in the *Constitution*.

The Primary and Provincial High Schools are for the districts and provinces and maybe the National Government and Provincial Government can take ownership of the Secondary Schools and designated Technical Schools and Teachers Colleges that we are trying to promote. So in the education sector, we should clearly designate these and capture them in our respective plans. There will be no more funds parked in National Planning or Finance for that matter.

Let me inform this Parliament that right now, for instance, the Minister for Finance and National Planning do not have any excess to discretionary funds available to support projects when you submit for funding. What used to be parked by Planning Minister is not happen anymore because it will go straight to your districts. The funds were misused – if I can use that word - in the years 2008, 2009 and 2010 because it was not put to good work. This will not happen again as the funds will go straight to you. The 20 per cent appropriation to education sector, health sector and 10 per cent economic and law and order interventions will go straight to you. So there has been big improvement from the way National Planning has been thinking. He is one Minister who has agreed to release the funds straight to the districts and I am happy with that. We have seen it in last year's budget formulation and we will also enjoy in the way he leads in the budget formulation again this year. It's only fair that those of us in responsible positions of authority at the provinces and districts must combine to influence the way our LLG takes shape. Many of these reports as well as the so-called reports from our donor and development partners are compiled but which people are they focusing on? We should be focused on the people from the districts and provinces, so we should be the ones taking ownership of these plans.

Mr Speaker, I wish to inform the Minister that if there is a NGO or Church group or donor agency who wants to run a development agenda in one of the electorates then please direct them to the local Member first. He or she must be informed first. We have got too many NGOs on the pretext. Of course we thank them for what they have done and are continuing because it's voluntary work, but many of them run their own parallel agendas.

19/03

Mr Speaker, the Minister has now aligned all the development partners to tie in their development money straight into plans available, and they must not come up with their own plans.

Mr Speaker, we must assist the Minister by ensuring that our districts plans are already up and running and provincial plans must amalgamate at districts plans. Once we have that, all these NGO's, development partners and others who take part in the development in our districts and provinces, they don't have to go and draw up their own plan. So the onus is on us now to make those plans alive.

Mr Speaker, let's inform the Members of this Parliament that the budget for this year is structured within the horizon of the next four or five years. Our budget focus will terminate in 2017. We did not structure 2013 Budget isolated to only 2013 needs. It is framed within the need of the Medium Term Strategy also within the context of the long range view of our country, Vision 2050 and the national development strategy.

Our Minister is now trying to align all of us and dovetail all our individual locational plans through districts and provinces, and our sectorial plans all must come in line. After all these plans are in alignment, we will not have CMIC and national affairs always reminding provincial and national governments and districts that we are not doing your work correctly.

Mr Speaker, we stand to be criticized the most when districts and provincial allocations were made. The first port of call for our critics to respond is our district and provincial plans. We must have them build, and I encourage every one of us to consult the local development partners and provinces help us save our total plan and hopefully together in partnership we can respond and make life easier for the Minister for National Planning, who I believe, is more focused at macro management level instead of the micro management stuff his department has been doing prior to his time.

Let me commend the Minister for coming up with this Report. He's got many reports that he will ring forth to us. We can only be fair to him by matching this report with our district plans which should embrace our LLG plans. And hopefully, our district plans can be embraced by our provincial plans and together we can make PNG a better place and achieve some of the intents of our plans.

Mr JOE SUNGI (Nuku) – Thank you, Mr Speaker, I also wish to join in the discussion on the important statement made by the Minister for Planning.

Mr Speaker, I'd like to commend him for continuously bringing in the reports that are due under his ministry. He is a young vibrant minister and we are happy that he is towing us in line with many of the things that are happening.

I have been attending many of the CIMC meetings in my previous capacity as a provincial administrator and I'd like to share some ideas and maybe put forward some ways and ideas that we can use to improve this consultation process.

Mr Speaker, the process is simply bringing the government to the public. It's basically bringing what we normally hide within the government when we talk about the budget and plans in the government system to the public so that they can express criticism and provide their inputs into the process on how they think the government should be run. At the end of the day, Mr Speaker, it affects our peoples' lives.

So what the Minister has brought forward is intended for us to give our inputs into how best we can improve this process. And I think that it is an important process for us because like any new product, it must be tested out; just like Ela Motors, when they want to put out a new fleet of vehicles. And the clients must know how this new landcruiser or this new fifth element is going to work. So I think this process is basically along that line.

20/03

As government we need to expose and bring all our policies for checks and balances by our people and the CIMC process is the one process that allows our public, the NGOs and these very ordinary citizens of our country to state their views.

The invitation that goes out to many of the participants is wide ranging including some of the NGOs and our citizens who've been around, including some former politicians.

Mr Speaker, that kind of rich input, suggestion or critic on government policies will have an effect on the lives of our people.

Mr Speaker, one suggestion that I would like to put forward in order to improve this process is for the departmental heads, instead of coming up with topics, to basically table or present their reports for the past year.

For example, for this year's CIMC forum, the Education Department Secretary must present the report of the performance of the Education Department for the 2012 year. Likewise health, transport and so on. All the departments must now present how their departments or sectors have performed over the last year for the public to comment on how they think. Whether the report is realistic or whether it is really happening at the back of Kiriwina-Goodenough, or is it just a report to ensure the secretary remains as secretary, Mr Speaker, I think this is the kind of changes we can make.

At the four regional forums the department secretaries should present the previous year's report. It should become mandatory. We must now make sure of that.

I'd like to call upon the Minister, through the Prime Minister and Chief Secretary, to ensure that CACC members must be present at these consultative meetings because this is the only consultative meeting that is basically checking on the performance of all the government programmes. There is no other process that is checking on us.

So I think for us as a government it is good to be open and to check whether our policies are working out there and whether our people are appreciating it or not. I think instead of having different topics for each year, we should have maybe the first day for presentation of reports in summary just to give us a picture of the performance of each province or district in relation to health, education or other sectors. This is so that the people can know whether or not the department secretary is reporting correctly or whether he is just writing a report for the sake of writing a report.

Mr Speaker, these are my ideas which we can use as a guideline for checks and balances against our annual programmes for the sectors and even for the districts and provinces. We can check on all of these through the CIMC process.

And because we are not paying for it, most of it is paid for by the government, but I think the funding is from donors, let's take advantage of this and expand on it, improvise and have the department secretaries accountable. They must present a performance report of the previous year.

Mr Speaker, this country has a very big problem of conducting reports when it is well overdue. There is no point in reporting on something that has already happened five years ago. That is the chronic illness of this country.

In our departments and in our ministries, we report on things that are already gone so it is already too late to talk about it. The problems are already gone.

Mr Speaker, I think in the process of CIMC we will really improve on checking on the policies and I think this is the right time to start. This is a new government and we've formed a government that will check against the Alotau Accord to see if we have achieved our targets.

Of course, Mr Speaker, Vision 2050 is the overall or the bigger picture of what we are driving towards in 2050 but Mr Speaker, on an annual scale we should be able to measure ourselves to give a good picture of the departments. The ministers can also use this to check on the performances of their departments.

Mr Speaker, I think the process is already there but one improvement is for us to make sure that the secretaries present reports as indicators for each province and district. This is so that at that level we can then determine whether it is happening as per the report or whether it is not happening as per the report.

Mr Speaker, these are my thoughts and I wish to commend the Minister for a good report which he presented.

21/03

He has presented a good report and he is being open about it.

Mr Speaker, I would like to also say that this is, as the name states, an implementation and monitoring council. Therefore, it monitors all the implementation of all the government programmes in this country. Nevertheless, instead of monitoring behind the closed doors of the government, this process is bringing it out into the public. Thus, the public can make criticism and contribution towards how we are performing as a government.

Mr Speaker, I therefore, would like to commend this Report and it be supported and continued with the support from the government to ensue check and balances are in place for the good of our people.

Mr Speaker, thank you for giving me the opportunity to speak on the Report presented by the good Minister.

Mr GARRY JUFFA (Oro) – Mr Speaker, I too would like to join in on this debate and add on with my commendations to those already expressed by the members of Parliament.

Firstly, I would like to commend the Minister for his effort in presenting his report. He has been very diligent in presenting all his reports as required and this is a great effort to participate with our people to consult them and communicate with them. We have been elected by our people and at all times whatever we do we must seek their opinions and views. They have given us the mandate and we as leaders must not forget them. The good Minister is demonstrating that and it is a bonus to the government.

I have been attending the CIMC before I became a politician and I will continue to do that in my effort to try and support the good Minister in what he is doing. Therefore, I would like to add on to what the Minister for Finance has said in regards to plans.

It is true that this country is full of plans and that we are always planning. We have many plans but the problem is that many of these great plans get hijacked along the way by people with dubious interests.

Let us look at the NADP for example, that was a great plan and idea but we have seen K500 million go down the drain because of paper farmers. That is a fact but what are we doing about it about that K500 million that was misused? The good Minister himself spoke of the RESI Funds which is about another K270 million also gone down the drain.

Therefore, here we have a situation where we have great plans and substantial amounts of money being put in with great enthusiasm to implement these plans. Nevertheless, somewhere along the way those plans have been diverted either by individuals or entities for their own dubious interest. As a result, the money that belongs to the people never gets to them. That money is supposed to be for their roads, bridges, health centers and schools.

Our people are missing out on these basic services while we are beating our chests and saying that the economy is developed and that the country is doing well, but this economy is not developing for us but for others. This effort to consult with the people should not only be when we consult with them when we are only planning but it should be also when major resource projects are involved as well.

The fact of the matter is that many of these resource projects are never consulted with the people who are going to be involved or affected. Many of such discussions and consultations are held in covert fashions behind closed doors by clever individuals who manipulate the agreements to suit themselves or others. While outside the doors the people are left abandoned along with their dreams, hopes and aspirations and nothing is happening.

All our government stations look abandoned and these are the same for our rural schools, health centers and this is a common problem that we all face throughout the country. Therefore, when the government is putting money into the LLGs, how are we going to monitor how that money is going to be spent, and when we monitor how the money is being spent what then do we do about it when we find out that it has been misused or diverted elsewhere? What then do we do about the people who are responsible and are involved?

The problem we face in this country is that of discipline. We do not have discipline. Managers in government department are unwilling to manage their sections and departments. This is because nobody wants to be seen as the bad guy. No one wants to discipline persons when they come to work late. Or that he or she is chewing and spitting buai, or had a three-hour lunch break and then comes back and instead of working plays computer games, or uses the computer to write a proposal for his church and not work for the government and the people. The manager and supervisor sees this but nobody wants to be responsible and that is one of the biggest problems that we face here in this country. We are all so diplomatic and nice to one another and no one wants to do the hard work.

Therefore, unless we are willing to do that, this country will never change and the economy will develop but not for you and me, or our children but for others. Your

children and my children will be standing on the outside with begging bowls in their hands.

22/03

That is the future we are leaving them, unless we make a concerted effort to change. Someone has to put his foot down. The laws are there and we keep creating new ones including the death penalty which nobody took notice of anyway. Straight after it was passed, someone was killed and that continues to be the trend.

But who is enforcing these laws? – No one. When you look at the public service machinery no one is enforcing those laws anyway, from the Managers all the way up. I invite any of you to go to any Government Department this week and see who is at work, and ask if there is an attendance register for instance. I bet 90 percent of them won't have any and if they do have one, 90 percent of them won't be using it. You see a public servant has a contract with the people from 7.45a.m. to 4.06 p.m., so when he disappears for three hours but is getting paid, that in itself is a serious offence. He is being paid for something he has not done and when he takes that money he is in receipt of something that he has not earned and all those offences are outlined in the *General Orders* or the *Public Service Management Act* or the financial instructions and the *Financial Management Act*.

We don't enforce the laws. I'm very happy with what the Minister is doing. He is getting out and reporting. As for the Member for Nuku's statement regarding the Secretary's reporting, *Public Service Management Act, Section (1)* stipulates that every Government department is supposed to provide a report to Parliament every year. But 90 percent of them don't do that. I know this because I studied that law and I made sure that my department was the first department to present its report to Parliament when it was created and they have been doing that ever since. They might be late this year, I found out that they are presenting it next month, which is half of the year, but at least they are doing it. My point is, before a country can progress there must be order and there must be discipline, but we don't have both.

For instance just walk around and look at our informal sector, we are turning the entire country into a giant settlement because the informal sector is not properly

regulated. It's true, these are people who want to do businesses but who is regulating them? Who is saying these are the designated areas, and who is issuing the licenses and the permits? Who is enforcing the laws and administrating and helping people run their businesses? No one. They just created a law and allowed the people to do as they wish. The informal sector is supposed to encourage cottage industry and it's supposed to encourage arts and crafts, instead we have all become salesmen for the low quality Chinese products and betel nuts and flex cards. We indulge in these small businesses and the major business opportunities concerning oil and gas are slipping away. This is because we have failed. There are laws in place but we are not administrating and managing and we are not being disciplined.

I am very happy that the Prime Minister has endorsed the review of the public service and the Parliamentary Committee which is set up with Mr Bire Kimisopa and myself as the vice Chair. I hope that funding has been given because we would like to start this process of reviewing the public service. It is my opinion that everyone, starting with the tea-boy up to departmental heads should be on work performance based contracts.

We should do away with the Department of Personnel Management and relegate them to an audit function. We should completely abolish the Public Service Commission because it is just irrelevant; it does absolutely nothing but impede anything to be done in this country and we should make a progressive effort to manage this country, its future, its resource and deliver to our people. Sometimes we have to make hard decisions, sometimes we have to be the bad guy and sack someone if he is not doing his job, or take him to jail if he has broken a law or committed a crime. Those things need to be done if we want to progress this country. If we don't do that, we will never progress. We can make plans and we can talk and debate about it and say the greatest things under the sun and promote the economy and beat our chest and tell everyone that we are doing very well but the fact of the matter is we are not progressing because we have failed to discipline ourselves and establish order.

I commend the Minister and I will always be there to support you and be part of this. We must not only engage with our people but we must educate them and create awareness. We must tell them what is happening in their country so they too can

participate and be concerned about the environment and what's going on in the economy so they can build a better future for our country.

23/03

Mr JOHN PUNDARI (Kompam-Ambum- Minister for Environment and Conservation) - Mr Assistant Speaker, I will be brief and I want to talk on the positive side of the challenges posed on the results of the CIMC 2012 for us to consider as leaders and as agencies that can support development in the country. I, therefore, wish to commend the Minister for Planning for his leadership and direction.

Visions and dreams are things that leaders talk about but these dreams and visions are never delivered and sometimes come to nothing. It takes courage to translate business visions and dreams into policies or plans.

Translating those dreams for our people and the challenges I see in the 2012 CIMC are the same challenges we campaigned for to get elected into Parliament to provide that leadership and to deliver. The positive aspect of this government is its ability to deliver.

Let me look at the courage of this government under the leadership of our Prime Minister. The courage to deliver on free education is not just a plan or a policy. We should be proud of ourselves as a government. Whilst we have these challenges by our people through consultation with agencies, partners and our people through CIMC, we need to also reflect the positive attitudes of this government in so far as the development needs of our people are concerned.

This Government is courageous to deliver on the policy of free education. It is not just a plan sitting there and collecting dust. This Government is delivering on it and that is something that we should be proud of. It takes courage to borrow, bring in the money and develop our infrastructure; we are not just talking but delivering what we are talking about.

Courage to deliver on these policies takes courageous leadership. This Government should be proud of its achievement through delivery because in just 12 months, we are not just talking but delivering. It takes courage to use K500 million to upgrade our tertiary institutions in the country. That is what we want to see happening.

Look at the POM General hospital in the capital of the country. It takes that courage for millions to be put in there to make changes under a new chairman. And I am encouraged by it. It is not talking about health policies; it is about delivering basic health services, about benefits that we want to see and seeing our people's lives transformed as a result of delivering on those policies.

It is courageous to give K10 million to 89 districts of this country and to put this kind of money in the rural communities of this country shows that this Government is not all talk but is doing a lot for our people in the rural areas, which make up almost 87 to 90 per cent of our total population.,

24/03

Mr Assistant Speaker, it takes courage to put money where our population is and I am not just talking about policies and plans. Under the O'Neill-Dion Government, it takes courage to park that K890 million into the rural districts of this country, and you look at five years down the line and talk about K5 billion for rural districts. What kind of a Government can have that courage? This is the answer of the challenges we find in a CIMC report produced to us on the Floor of this Parliament by the Minister for National Planning. I know we have got to do more but we should be proud as a government because it's happening. You talk about an aid-post and classroom in your district then make the right decision by bottom up let us do the right thing. All of us must pull together to translate this country and our people will see that tangible reality that is changing their lives. If you corrupt that money then be very careful because this Government is serious about corruption. This Government is not just talking about fighting corruption. We have the courage under the leadership of O'Neill. For the first time you have got funding for finance inspectors, sweep team and we are not talking nonsense. It's about doing the right thing for our people. And it's all happening, so let us not talk dreams and visions but translate them to policies and plans. In the next five years, I am encouraged to say, we would have achieved much in response to the challenges are put to us as a result of this consultative meeting.

Mr Assistant Speaker, I congratulate the Minister for National Planning and I think the statement he has produced on the Floor of this Parliament basically challenges

all of us in doing the right thing under a courageous Government that should make our people proud.

Mr MARK MAIPAKAI (Kikori - Minister for Labour and Industrial Relations)
– Thank you, Mr Assistant Speaker, I also wish to commend the Minister for a job well done and wish to contribute a debate in terms of how these plans translate to all those indicators in health and education. With interventions that we have, how are our academics or so-called advisors in CIMC telling us that down the line in Gulf, for instance, if you went on this path you will eliminate that percentage the health indicators in the world has given to us. There is so much money going into free education, health, agriculture and every other sector. This Government, ever since it came in, has taken the bull by the horn and has done something like Vision 2050 and district and provincial plans. The onus is with us leaders now to translate the plans against those indicators out there in whatever sectors that we are trying to address. This is very important that we take ownership of this type of reporting system.

25/03

As Open Members we are also supposed to report on the progress of our districts against provincial and national indicators. We have to relook at the way we actually present ourselves in this very important forum. Whatever finances we have must be taken to the national drawing board and then from there the Government of the day then takes ownership.

Under the Chairmanship of Prime Minister, we should have a report for the entire country, sector by sector, as against the indicators that we have and then we plan for next year's budget. We don't just do up our budget because if that report comes back to this House and tells us that you are still not doing well in health, we then need to pump more money into health, or if we are still down in the education sector, then put more money. If you are yet to get there in agriculture, then put more money. Currently we have taken ad hoc approach in every development issue in this country, and because of that our progress has been very slow.

I thank the Government for the initiative we are taking. During the last Parliament session, we worked on imposing tougher penalties for those caught misusing public funds. I strongly support the sentiments expressed by Oro Governor in terms of public service performance. There must be an independent audit team engaged to audit every department starting from the secretary to the tea boy in terms of performance. Based on that, each Minister should take ownership of that audit report advising their respective employees of the departments to improve or quit.

We should have some yardsticks to measure ourselves in terms of how we perform in the districts, provinces and the national level. These are things that are missing. What he said is very true; there is no independent team telling us about the performance of each department. You want an independent team to audit that department and individuals on performance so that promotion can be awarded on merit.

I thank our Minister because he is heading the right way. I know the next report will come before Parliament could be the performance of districts in terms of the amount of money, because the critics want to know how the money is used and how each district has performed. Are the Open Members building classrooms and health facilities? Are there any agricultural programs in the districts and the provinces? Owing to that particular reporting system, we are able to appreciate the amount of money going into the districts and seeing the real effects happening in the districts, otherwise we could continue and not see real benefits.

I have never been a public servant and I believe in the private way of doing business. If you go to my district today, I can admit I have broken few rules in terms of tender processes. But what can you do in an area like Kikori where there is no banking, and no regular transport? How do you operate in a scenario like that? These are difficulties that are never captured. There's no district office, no water supply and no telephones in Kikori.

I am sorry for personalizing the debate but these are real hard facts I'm talking about. Honourable Members, departmental heads and the general public listening out there, these are the difficulties I am facing. I thank the Minister for taking the initiative. He brought a lot of reports and the most interesting one will be the DSIP intervention program in the district and the provinces. The general public has heard of so much going

on and they want to see results of that. With those few remarks, Mr Assistant Speaker, I thank you for giving me the opportunity.

Mr BEN MICAH (Kavieng Open – Minister for Public Enterprise and State Investment)– Mr Assistant Speaker, when I became a Member in 1992 this Parliament was filled with our founding fathers, and most were leaders from 1975.

We did not have the CIMC, CACC, nor did we have the many layers of bureaucracy and the consultative bodies that we have today.

26/03

But in 1992, the then Prime Minister, Honourable Paias Wingti, who is now a governor, made the announcement that he would abolish the provincial government system because it was costing a lot of money and only duplicated many government functions and did not deliver to the people what the *Constitution* stipulated.

I don't know where you people were at that time. But you know of the announcement which created a huge controversy.

I want to talk about courage of leadership because I believe there is too much talking and consultation between the government and our development partners. The government agencies are not geared up or motivated enough to implement what we politicians say and recommendation of these sorts of reports.

Honourable Paias Wingti at that time wanted to bring about change. There was a lot of heated debate on this and I was put in the frontline as you all know. And today, under the O'Neill Government, we are able to develop our districts only because one prime minister decided to make a drastic decision and change the system of government that was delivering.

Today we have LLGs and districts which enable us to become more involved in the process of government because one Prime Minister decided to make a courageous decision to shift the way the system of government has been going.

When Prime Minister Wingti left, Julius Chan came in as Prime Minister from 1994 to 1997 and he concluded the legislation that set up this Organic Law which has now become the system of second and third tiers of our government in this country.

So, Minister Abel, I congratulate you for bringing in this report but I want to strengthen what Minister Pundari said, the ultimate responsibility for developing this country rests with us because mandates are given to us every five years from the districts and the local level Government.

I think, Mr Prime Minister, as part of these changes that we are looking at, we need to look beyond the reforms of 1994 and some other reforms that you wish to recommend in the *Constitution* and the organic laws to make the government system become small, mean, angry and more determined to change our country.

I think we are consulting and discussing too much and we are sitting around and attending too many workshops and we are doing very little to effect the mandate that our people have given us and live up to their expectations.

So, Mr Prime Minister, this responsibility lies with you and I think you're leading it in the right direction. And Minister for Planning, I just want to say to you that you must come up with some more effective ways in which our development partners such as churches, the private sector and others can effectively lock in implementation programmes so that every year together with the districts, provinces, and national agencies we can say this year we are going to do this and that in these areas. And when we go to the elections in 2017, I can say in Kavieng, I did this for Mussau, I did this for Lavongai, I did this for Tikana and I did this for my Kavieng Town. This is how much I've done because the government system has supported me to effectively implement all these things. If we multiply that by 89 districts and by 111 electorates, we can begin the transformation of our country in these five years.

Thank you, Mr Deputy Speaker.

Mr ANDERSON AGIRU (Hela) – Thank you, Mr Assistant Speaker, I will be very brief. The litany of challenges we face in this country are phenomenal.

Mr Assistant Speaker, I want to thank the Minister for Planning for, once again, bringing in a comprehensive report for us to critically debate and come up with critical analysis of what we really need to do to move forward from today onwards.

Mr Assistant Speaker, I also want to thank the acting Minister for Education for doing a wonderful job at Education because that is where our future lies. Today the

Education system produces 40 000 school leavers every year. Out of that, only 8 000 find employment in our country while 32 000 are emptied into the streets of Papua New Guinea. So, the challenge for us is to find out how we can create opportunities for them to be absorbed into the cash economy of our country.

27/03

This report, the CIMC Report, in one of the pages clearly states that by 2015, the GDP of every individual Papua New Guinea must increase to K5 000. I don't know how the people of Jimi, Lake Kopiago, Mt Bosavi, Kabwum, Kikori, Obura, Waninara will realise that K5000 by 2015.

I hate reports that do not back up with statistics and the way forward to achieve that objective. The Ministers for Commerce and Industry and National Planning are moving forward in the right direction by promoting small to medium size enterprises. That is one area we can strengthen.

The other sector is agriculture and our people are natural agriculturists. They can work their land provided there is incentive and a market is put in place. That is why I would like to thank the Prime Minister and Treasurer for those discussions last week when I raised some issues concerning looking at agriculture as a basis of developing the economy of our country. We are too focused on the extractive industry today. Those are non-renewable resources.

The PNG LNG Project is winding down and by February of 2014 there will not be any more work for our people who are currently engaged with the LNG project, and when that happens, how will we solve that issue?.

Therefore, I would like to thank the O'Neill-Dion Government for looking at this major infrastructure which caters for 36 per cent of our employment rate in this country. The building of the four-lane highway from Lae to Nadzab, Okuk Highway and the Ramu or Madang highway will cater and serve the 36 per cent employment rate in our country.

On that note, the MTDP by 2015, in this report, focuses on raising the GDP of the country by 65 billion kina. I just do not see how we are going to achieve that in two years. I want to see reports that state that in this area we are going to invest this amount

of money to achieve this objective. Then every governor should by 2015 present their reports in Parliament to say how many jobs they have created as governors in their provinces. How many jobs have you created as a Member by creating a cottage industry, or by bringing in development in agriculture and as a result, how many jobs have you created? Please bring in the statistics and show us the way forward. I am sick and tired of hearing these reports about dreams. Nevertheless, dreams are good because we can work towards them but we want to also see hard facts.

Countries like Australia and America tell us before a project is implemented we must firstly carry out a brief feasibility study followed by a detailed study, then designing and then the project is tendered and procured. By the time all this is done, five years have gone and the infrastructure has not been built yet.

I am doing it differently in Hela. It only needs the design and construction stages, and I know what the needs are. We do not need to do feasibility studies and wait. We have to put money where our mouth is and drive those agendas.

I do not have an inch of sealed road in Hela province and by the end of this year, I would have sealed 20 km of road, and that is the kind of thing that we need to be doing rather doing feasibility. The question of money is no longer a problem. The O'Neill-Dion Government has allocated money to develop our rural outbacks.

As I have said in my statement that this is the era of the rural man. The Prime Minister himself was a man who came from my rural electorate and knows the challenges we face every day. He knows where the need really lies.

Thank you, that is my contribution to this debate and Mr Prime Minister and Treasurer, I would like to see more funds injected into the agriculture sector next year

Mr PETER O'NEILL (Ialibu-Pangia – Prime Minister) – I too would like to join the Members of Parliament regarding this debate.

Firstly, I would like to thank the Minister for National Planning for presenting the report for the CIMC. This agency is one of the important agencies of government that has been conducting workshops throughout the country for many years.

In fact, in the 10 or 11 years that I have been in Parliament, I think that this is the first time that I have seen a report being tabled. Therefore, I commend the Minister and

his department for at least bringing a timely report to Parliament so Members, leaders and the country can know what some of our agencies of government are doing.

At the background of this, many of the planning that we do is unfortunately all guess work. This is because data available to government is not reliable. Sometimes when we carry out census and statistics it is just an ad hoc approach.

28/03

We don't know how many people are born in the country and where they are living, and it is a big challenge for any government when you need statistics for planning. Distribution of limited government resources and funding to sectors that we believe our people need and our country needs is always a guess work at times when we formulate budgets, but we have been able to prioritise this year on the key areas that some of our leaders talked about earlier.

I know when we took over Government in 2011 and subsequently after the elections; we saw the enormity of the challenges that are ahead of us. Many of us leaders live through it every day, and our people even more so than us and the challenge of not receiving adequate government service in their day to day lives in every part of the country is a ongoing concern and those who live at the front line of this know and appreciate what the governments has tried to do over time. But there is inability to provide the leadership that is required not only in politics but also in public service to take leadership to utilise the limited money that we allocate for these services to really make a difference in providing that service to our people. I will give you a few examples of that when I make mention of some of those sectors.

This year we allocated over K2 billion into education, and that is a big chunk of our budget of K13 billion. For the first time we are fully funding the education plan that was launched many years ago. In addition, we are allocating K500 million to higher education, where the Namaliu Report was done in 2010. For the first time we are now funding that too, making sure that we build capacities in higher education institutions throughout the country. This is going to educate our future generation of leaders and Papua New Guineans who are going to continue to contribute to nation building. It is an investment that is worthwhile and we must not take our eyes off that level of commitment

that we are making. In the future we must put more money into educating our people. We are trying to make it compulsory for young kids to be in class in 2013 and 2014. Many times we see young people on the streets doing nothing. As of next year, there will be no reason why these kids are not given the opportunity that they truly deserve. As a government, we must focus on education and health.

Likewise for health, the former Minister Sasa Zibe launched a 10-year development Health plan a few years back but not once did it receive full funding from the government. He said over ten years we would require K1.4 billion each year to bring the level of health service to the required level in the country.

This is the first year we have funded it fully and we are making some good progress in that sector. We are working with very good leaders and managers and board of directors in many of the hospitals throughout the country including Port Moresby, Mt Hagen, Madang, Goroka and Nonga. Some of these hospitals are working, they are starting to deliver much better services but still there are management issues in those hospitals that we need to address. It comes down to leadership and it is not about money anymore; it's about leaders willing to do the job that our people expect us to do. That applies to all the sectors that we want to develop also.

This year we have talked about many social issues. One thing that I want to emphasize on is our commitment to providing more funding and allowing all the autonomy of issues like delivery of services, administration to the provinces and the districts. This is where we leaders who have been elected and mandated by the people need to take ownership of issues. We can't continue to blame Waigani anymore. For the first time, we are getting almost K10 million a year and we will get K50 million for this term of Parliament. As many older Members of Parliament may recall, we only dreamt of such amount of monies. We never, ever got it. In 2002, we received K250 000 to K500 000 every year for five years and before that, it was even less. When they started introducing this district allocation they started with K50, 000 per year for each Member.

We have come a long way and now that we have enough funding the onus is on us in making sure that these funds work for the delivery and benefit of our services to our people. I think we are heading in the right direction. I have always stated when we introduced the 2013 Budget, if we mismanaged these funds now and this budget and the

following budget, we are setting a bad example for the future. Our people are watching very closely. Huge amount of funds are being given to districts and provinces but are the leaders using these funds for its intended purpose? That is happening as we speak. I can tell you frankly that many a times, many Members have lost elections because our people have lost confidence in the way they manage these kinds of funds.

29/03

Mr Assistant Speaker, K50 million is a lot of money. We can make a huge difference, so again, I want to say that we are required to provide that leadership in each district. Introduction of bills like the District Authority Bill, the Public Service Reform Bill are aimed at giving the districts and the leadership more powers to manage their own affairs.

Following that when the economy of the country grows with the GDP, more and more funds will follow those structures that we are now establishing. I think it is a good idea that we start at the right pace at the right way so that our own people can have confidence in us, to show that we are doing the right thing for our country.

The second thing I need to touch on apart from education, law and order and others is growing our economy. We must invest in agriculture, tourism and small to medium enterprises. I say this because I think that is where the opportunity for our people lies, where they can get better employment and have better living standards because they are able to have an income that will sustain their livelihoods.

I know many of us travel the world quite frequently and we see what is happening around the world we have seen the worst parts in places in Africa, where they had similar resources like us but were mismanaged by leaders and the public service machinery, and where are they today?

There is a lot of poverty, hunger, sickness and a fast population growth rate in those countries. And opposed to that, we hear success stories of countries in our neighborhood like Singapore, Malaysia and all these places where even though there is increasing population growth, they are able to provide a certain quality of life to their people.

So why is there so much disparity in the way people manage and deliver their services? I think apart from just political stability it is the leadership that is provided by the individuals and I take Singapore as an example; it has about 4.5 million people and it is probably the only country that has no resources but it is probably the only country in the world that has no unemployment, because everybody you see is working. They have decided many years ago that they will take a business approach in managing their country.

They manage it like a country and jump up and down because as a citizen they want to be Prime Minister or that there is as a party they have to govern. They are running Singapore like a business that is why they are probably the most successful country in the world and I know that they do not have the similar challenges like we do, besides the landmass and the rugged terrain

It is all about managing their affairs, and as a country, we should learn from them. Going back to the subject of growing our economy, we should give our people an opportunity to do business and making sure that we guide them to make sure that they do business in the right way because we have everything that anybody can ask for.

We have the resources, the land and the people who are willing to work and I think there is no excuse why we cannot make sure that we develop our small to medium enterprise businesses, develop the agriculture, tourism and all the other sectors that will enable our citizens to have a better quality of life than they have done.

We have 38 years independence and if we are not going to learn from the mistakes we have made in the past then we will continue to make the mistakes into the future. And it is important that when reports like this are presented, it clearly indicates some of the weaknesses that we have. And we must learn from these reports.

They are guiding us to make the right choices into the future and I think this country has got a brighter future than many other countries in the world. Given the economy and the growth of the development that is going on it is only us who are going to let this country down.

We cannot blame anyone else, we know the challenges that we have, we know our people and we know how to manage the issues at home, but if we are not able to

manage the country for our people then we will continue to make the mistakes that we have done in the last 38 years.

As leaders it is important that we work together in making sure that we deliver the core policy priorities that this government put together, especially the Alotau Accord, where we set out the priorities of government for the next five years. I think some of us probably have forgotten that but many of us have not and we are committed to that.

30/03

Mr Assistant Speaker, many of us have seeing a lot of changes in the country now and we have now started many projects across the country. But it is now up to our bureaucrats and people to take ownership of those issues. They should stop this mentality of claiming for compensation and arguing over little things must be stopped. This sort of mentality is just hampering development and delivery of services to our people.

It is now incumbent on the Government to provide the right leadership that is expected of us by our people. We just came back from elections just twelve months ago, and the people made their choices based on their expectations of us as leaders. They did not want us to come here and do nothing but to lead and manage the country on and for their behalf. And that is what expected of us and I think we are making the right start and

I want to take this opportunity to congratulate the Minister. His department for the first time is working to deliver many of these reports. Many a times that department has been a project manager and we know what the experience of that project management has done and I don't need to labor on it, but you know we have ended up spending hundreds of millions of kina just learning about that mistake. But now we are correcting it to making sure that they have the core functions to plan and deliver well on many of our programs.

I can assure the Minister and his department that we are working closely with them to ensure that is done. Thank you, Mr Assistant Speaker.

Debate (on motion by **Ms Loujaya Toni**) adjourned

ADJOURNMENT

Motion (by **Mr James Marape**) agreed to –

That the Parliament do now adjourn.

The Parliament adjourned at 4 p.m..