

FIRST DAY

Tuesday 11 February 2014

DRAFT HANDSARD

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PARLIAMENTARY DEBATES

CORRECTIONS TO DAILY DRAFT HANSARD

The *Draft Hansard* is uncorrected. It is also privileged. Members have one week from the date of this issue of Draft Hansard in which to make corrections to their speeches. Until the expiration of this one week period, Draft Hansard must not be quoted as a final and accurate report of the debates of the National Parliament.

Corrections may be marked on a photocopy of the Daily Draft Hansard and lodged at the Office of the Principal Parliamentary Reporter, A1-23 (next to the Security Control Room).

Corrections should be authorised by signature and contain the name, office and telephone number of the person transmitting/making the corrections.

Amendments cannot be accepted over the phone.

Corrections should relate only to inaccuracies. New matter may not be introduced.



Sarufa M. Haro

Principal Parliamentary Reporter

FIRST DAY

Tuesday 11 February 2014

The Parliament met at 2.p.m. according to the terms of the Resolution of 26 November 2013.

The Speaker (**Mr Theo Zurenuoc**) took the Chair and invited the Member for Sohe, **Ms Dellilah Gore** to say Prayers.

Our Father in Heaven, we assemble this afternoon as leaders of this great Nation Papua New Guinea before your merciful throne for the first Parliament session of 2014.

Dear Lord, we give our hearts to you and ask you to search our hearts and remove every inequity we have in our hearts, give us a new heart, shower us with your wisdom from heaven, and may you station you Holy Spirit in the four corners of this Chamber and every decision that is made this afternoon and this week for this session be from heaven above so that these decisions can bring blessings to the people of this nation. We want to praise and thank you God, for your son Jesus that you sent to die on the cross for us. Father we thank you for the prayer that Jesus taught us to pray, Amen.

BY-ELECTION RESULTS – AMBUNTI DREKIKIR AND MADANG ELECTORATES - STATEMENT BY THE SPEAKER

Mr SPEAKER - Honourable Members I have to inform Parliament that his Excellency the Governor General on September 19, 2013, issued a writ for a by-election of a member to serve for the Ambunti-Drekikir open electorate and that by the endorsement on the writ it was certified that Mr Ezekial Anisi was duly elected Member for Ambunti Drekikir Open electorate and be that his excellency the Governor General on September 19, 2013 issued a writ for a by-election of a member to serve for the Madang Open electorate and that by the endorsement on the writ it was certified that Mr Nixon Duban was duly elected as Member for Madang Open electorate . The honourable members were sworn into office at the National Parliament State Dining room on Monday, 6, January 2014 where they made their declarations of loyalty and declarations of office before me. I welcome the Members to Parliament.

BROADCASTING OF PARLIAMENTARY PROCEEDINGS – STATEMENT BY THE SPEAKER

Mr SPEAKER – Honourable Members. I have to inform Parliament that the Permanent Parliamentary Committee on Broadcasting of Parliamentary Proceedings met today and resolved that;

- (a) *The National Television Service, Kundu 2 will be allowed to televise live Questions Without Notice as part of its community obligation.*
- (b) *The National Broadcasting Corporation will be allowed to broadcast live Questions Without Notice.*
- (c) *EMTV will be allowed to film Questions Without Notice for news purposes only.*
- (d) *Australian Broadcasting Corporation will be allowed to film Questions Without Notice only the duration of this meeting.*

CERTIFICATION OF ACTS

Mr SPEAKER - I have to also inform Parliament that I have in accordance with Section 110 of the *Constitution* certified nine Acts has having been made by the National Parliament and a list of these Acts will appear in today's minutes of proceedings.

DEATH OF FORMER MEMBERS- STATEMENT BY THE SPEAKER

Mr SPEAKER - I also have to inform Parliament of the death of Mr Philip Laki on August 3, 2013. He was first elected as Member for Angoram Open to the third National Parliament from 1982 to 1987 and the fourth National Parliament from 1987 to 1992 and the fifth National Parliament from 1992 to 1997 and resigned from parliament in 1994 and also Mr James Meangarum on December 24, 2013. He was first elected as Member for Ramu Open Electorate to the first House of Assembly from 1964 to 1968 and as the Member for

Bogia Open Electorate in the Second House of Assembly from 1968 to 1972 he served as the Deputy Chairman of the Public Works Committee.

02/01

Mr Baki Reipa on 17 January 2014. He was first elected as Member for Kainantu Open Electorate to the Sixth National Parliament from 1997 to 2002. He had served as Assistant Speaker from July 1997 to March 1998. He was a member of the University of Papua New Guinea Council from November to December 1997, was appointed Government Whip from December 1997 to July 1997, was a Member of the Select Committee on Independent Commission Against Corruption from April to July 1998. He was disqualified by the National Court and returned as Member for Kainantu in a By-Election on 25 July 1999. He was then appointed Vice-Minister for Corporatisation and Financial Institutions in September 1999 to December 2000 and was Vice-Minister for Education after that.

As a mark of respect to the memory of the late honourable gentlemen, I invite all honourable Members to rise in their places.

(All honourable Members stood in their places as a sign of respect to the memory of the late gentlemen.)

03/01

QUESTIONS

Mr GARRY JUFFA -- Thank you Mr Speaker for recognizing me. My questions relate to the issue of health and therefore, I am directing these questions to the Minister for Health. There was a recent outcry in the public in regards to the awarding of the contract to a company responsible for the procurement and distribution of drugs to Papua New Guinea. This decision has also resulted in the withdrawal of aid funding of K70 billion from Australia, for the distribution of drugs throughout Papua New Guinea.

There has also been an outcry from the medical fraternity. The experts have claimed that the company selected is not ISO compliant. My questions are:

- (1) Can the Minister advise us if the company is ISO compliant?
- (2) Can the Minister advise of the steps his ministry intends to take to meet the short-fall funding that was made available by Australia?
- (3) Can the Minister advise, if there are necessary steps taken to ensure that the drugs that need to be procured and distributed are quality genuine drugs?
- (4) Is the Minister also aware that the same company was responsible for procurement and sale of anti-venom that are actually for snakes species not found in Papua New Guinea?
- (5) Can the Minister advise what criteria was used by CSTB if they are ignoring the recommendations of the medical fraternity technicians and experts who are very much aware of the procurement and distribution of genuine drugs. Thank you.

Mr MICHAEL MALABAG - Thank you, Governor of Oro. I would like those questions to be placed on the Question Paper because I would like to answer them in detail. In the last Parliament meeting, the Member for Chuave raised similar questions and the Prime Minister responded to those questions but since you are raising it again, I will response to some of those questions. These questions are very important and as I stated earlier, place them on the Question Paper so that I can answer them in detail.

The Contract has been on-going for sometime. We have also responded to newspaper articles as well. This is a three year Papua New Guinea Government funded project of K71 million. It replaces what the Australian Government has done through AusAID on the funding and procurement of 100 per cent medical kits.

The PNG Government has funded for it in the National Budget and it is our responsibility not only as a sovereign nation, but must be responsible for getting the medical kits, procure them and distribute them. So the normal process has been followed from the Department of Health through CSTB, and was advertised internationally as per the financial manual for tenders and supply of aid posts kits and health Centre kits. The advertisement ran for six weeks, but in the meantime there's pre-bid and pre-tender concept held.

04/01

The Department of Health through our independent tactical and financial team carried out the evaluations. Tender evaluations report was then sent to the Central Supply and Tenders Board to submit to the National Executive Council.

The National Executive Council in its wisdom decided to award it to Borneo Limited.

The Australian Government made it conditional that it would only be responsible for the distribution of the medical kits, not the K71 million that the Member is referring to. This is a Papua New Guinea Government funded project and not funded by the Australian Government.

Mr Speaker, initially they made it clear that they will assist with the distribution.

Mr Speaker, we have made it clear in our Budget that we will also be responsible for the procurement and the distribution of the medical kits.

In relation to the other question about the company I have to seek some clarifications because I am unaware of that and I will personally write back to you.

Mr Speaker, let me make it clear that the company is going to supply proper drugs and not fake drugs and we have already procured what we call 'two high performance liquid' machines purchased in December 2013 and there were rumors that the company purchased those machines, but in fact it was the Department of Health that purchased these machines.

These were made possible from the Development Budget Funds allocated for medical equipment and this will be used to test the quality of drugs especially, in the two main entry points in Papua New Guinea.

Mr Speaker, a technical team from the Health Department, together with various stakeholders and the PNG Doctors Association will travel to China in the next month or so to see for themselves the types of medicines that are coming into the country.

So Governor –

Mr SPEAKER – Honourable Minister, let me kindly remind you that you should be addressing the Chair.

Mr MICHAEL MALABAG – My sincere apologies, Honourable Speaker, thank you for reminding me.

(Laughter in the Chamber)

Mr MICHAEL MALABAG – Mr Speaker, this has been an ongoing issue for quite some time and I would like to make it clear again that this Government is responsible for these medical drugs that are coming into this country especially on the procurements and also we will be responsible for the distribution.

Supplementary Question

Mr BOB DADAE – Mr Speaker, it has been reported that over 30 percent of the medical drugs that are imported are counterfeit and the level of the content of these drugs are not to the expected level.

This is particularly true for malaria tablets and the anti-bacterial drugs like the amoxiline

(1) Is the Minister aware of these findings?

(2) And if they are true, what cause of action is the Department going to pursue to make sure that only genuine medical drugs are imported and distributed throughout our hospitals and health centers in this country?

05/01

Our lives are at risk, thank you Mr Speaker.

Mr MICHAEL MALABAG – I thank the Member for Kabum for the supplementary question.

In relation to the questions that you raised, I had two reports on that but those were about two drugs that were issued and were addressed by the department of health.

When we talk about ISO compliance; its an international organization and it was formed over 30 years ago in Geneva, Switzerland, its more or less a business management training organization, which provides objectives mostly on training.

The Government has made the decision and therefore we will not bring fake drugs into the country. The NEC has made the decision and I will implement it.

Mr EZEKIEL ANISI – I want to direct my questions to the Minister for Public Service and I want the Prime Minister to take note.

(1) Can the Minister inform the Parliament and the people of East Sepik why there is no permanent Administrator for the Province up till now?

There are allegations that East Sepik Provincial Government has not tabled the short list of five candidates for NEC's consideration as required by law and it has instead extended the term of the acting provincial administrator for an indefinite period.

(2) Can the Minister inform this Parliament what he is going to do to correct the appointment process to appoint a permanent administrator for East Sepik Province and when will it eventuate?

Sir PUKA TEMU – Thank you Mr Speaker, I thank the Member for Ambunti-Drekikir for his questions and also congratulate him for being successfully re-elected and I welcome him back to Parliament.

Mr Speaker, the issue of the acting provincial administrator for East Sepik through the PEC decision requested that the previous administrator be changed. And due process was made and in fact the law actually provides for the process where if a PEC believes that an Acting Provincial Administrator is not performing, they can then request through me as the Minister responsible to change him or her. Not in the case of a substantive appointee.

06/01

So the Acting Provincial Administrator can be changed anytime through the decision of the provincial executive council. The former Acting PA through the PEC was recommended to me as Minister responsible as I have been delegated powers by the Cabinet to appoint acting Provincial administrators.

And when I received the formal decision of the PEC recommending the change of the former PA, I responded to the request of the PEC and therefore appointed another acting provincial administrator Mr Otto Ganai. That position was advertised and the changeover was made.

The concerns raised by the leaders of the East Sepik province was why I made the changes while they were still advertising for applicants to fill the position. This matter should be concluded soon and the way we do things here is that decisions follow a chain of command. The advertisement was done as part of the process and applicants were short listed and the Public Service Commission advised the Provincial Governor that there was a short list of applicants and I am waiting for the PEC to advice. If the PEC recommends one

applicant, then I will submit the recommended applicant to the Cabinet to do the substantive appointment.

Mr DOUGLAS TOMURIESA – My question is directed to the Minister for Lands. In the last few weeks there have been great concerns raised by my people in the electorate as well as the people of Samarai-Murua. The media has reported the sale of 21 islands in the Milne Bay province and of these 21 islands that were supposedly sold 18 are in Samarai Murua and three are unknown.

It brings great concern to people from the outter islands because this is wheree our gardens are and that is the livelihood of our people. I bring this question because this issue has caused a lot of uneasiness, disharmony among the people, I want to know what the Government plans to do under our current laws to protect the livelihood of the people?

Mr BENNY ALLAN – I would like to thank the Member for his question. It is a very important question that relates to the Conflict group of Islands and these are islands right along the waters of Milne Bay. I have received letters and someone also went public on the radio and he mentioned having an audience with me and my department secretary to get assistance regarding concerns on the sale of these islands.

07/01

I want to make it clear that those islands are in a situation where prior to Independence the government issued licences called, Freehold Lease. It means that once somebody has a title to that land he has total rights to that land. It is not State land but has become private land. So he can make decisions regarding that land and the government shall have no say over that land.

An example of this is down at Badili in the land known as Kenmore. You will notice that the land is there without any development but it is under freehold lease. That island is also under a freehold lease. So, one person living in the US has the title over that island under a freehold lease and he has sold it to another.

Concerns have been raised with the office and we are studying it and will reply to the concerns raised but the Member's concerns are genuine. They are important and so we need to review these laws to try and help Papua New Guineans.

It is an old law that needs review and the Department is looking at it so I thank the Member for raising this important concern over this island.

This island is small but there are many others, as he stated, 21 islands that is the truth, the letter confirmed it but these are small islands, or atolls as they are normally called. But people are gardening the atolls and their livelihood depends on those islands but it is very unfortunate that these islands are under freehold leases and the government cannot do anything about it but it needs to be reviewed so we are looking at taking this appropriate action.

Mr ANTON YAGAMA – Thank you, Mr Speaker. I rise to ask a question on the Madang Marine Park.

Can the Minister for Trade, Commerce and Industry inform Parliament why no work is going on with the Madang Marine Park?

This is an important impact project for the Madang people and we, the Madang people definitely want to know why it is not proceeding?

Mr RICHARD MARU – Thank you, Mr Speaker, and I thank the the Member for Usino-Bundi for a very important question.

Mr Speaker, I wish to inform the House that the only reason why work has not started and we have not reinstated the loan from the EXIM Bank of China and get the work started is because the Department and Ministry of Treasury has not written to the EXIM Bank of China to reinstate the loan and allow work to proceed. I have written to them in September of last year asking them to write to the EXIM Bank of China but they have not done so.

The Prime Minister and National Planning Minister went to China and gave the same assurance. I again wrote to the Minister in November and up to today, Treasury has not written a simple letter to the EXIM Bank of China to reinstate the loan so we can draw down and get on with the project.

So, it would be appropriate if the Minister for Treasury can explain why there is a five month holdup for the writing of a very simple letter.

Mr TITUS PHILEMON – Thank you, Mr Speaker, before I ask my question to the Minister for Works, I'd like to salute the Prime Minister once again for the Leader's Summit yesterday that was held between the governors, ministers, heads of departments, heads of missions and all the important people that make decisions about our country and I would like to commend the Prime Minister once again for that.

08/01

Mr Speaker, yesterday the Minister for Works made a presentation during the summit, but as Governor for Milne Bay I was not satisfied with his presentation. He did not mention about roads in Milne Bay Province and I would like to inform the Minister that although the Alotau- East Cape road Highway is a national road and is the responsibility of the National Government for its maintenance the Milne Bay Provincial Government together with the Alotau District has began work to upgrade and seal it.

We cannot wait for the Works department because this road is a vital link for the large population of the islands; I mean Esa'ala electorate, Kiriwina- Goodenough electorate and Samarai -Muruwa elelctotrate and also the travelling public that to go to East Cape to see the tip of this nation. They just walk over it and collect dust but they don't think about sealing it and the North Coast area of the province. A total of K6 million has been given by the Provincial Government and the Alotau District to fund the upgrading and sealing of the first three kilometres. My questions are as follows,

- (1) Can the Minister confirm if the road has been included for funding by the World Bank?
- (2) When will the funding be given so that the upgrading and the sealing work can be continued from where we have left?
- (3) Can the Minister inform the people of Milne Bay Province what his plans are for the maintenance of the other national roads in the Province including the Mage Highway from Hagita to Baipara or central Milne Bay border?

Mr FRANCIS AWESA – I want to thank the honourable Governor for Milne Bay, Titus Philemon for the three very important questions.

Firstly I want to inform the Governor and the people of Milne Bay that the National Government is all inclusive. We are trying to address infrastructure issues for all provinces and all regions. In that regard I would like to answer the Governor's questions this way, firstly, on the question on whether funds have been allocated in this year's budget through funding from the National Government and the World Bank, I want to inform the Governor that there is funding available I will inform him and Parliament later on but I think there is K60 million that was made available. There is counterpart funding made available by the National Government in this year's Budget and I believe that the East Cape Road and the Alotau to Agaun road, I believe, also in Milne Bay were considered for funding. I will check on this and inform the Governor and the people of Milne Bay later this week but I know that some discussions did take place and I believe that funding was made available through the World Bank and the National Government counterpart funding.

Secondly, as to when these funds will be released, I will also reply on that matter this week.

09/01

In regards to the third question, maintenance funds for roads in the There will be funds allocated to various provinces. Funds held by the Works Department for this year. These are funds were not allocated in the previous Budget. Therefore, this year and we will consider case by case and go on the merits of each application.

Going back to the first question in relation to the East Cape Road, this is an important road link to Alotau from the islands to the east. I know that last year K4 million was allocated by the honourable Member for Alotau, Honourable Charles Abel. I also understand that he has also allocated extra funding. With that, we are also looking at topping up on that in this year's Budget. I will get back to the honourable Governor later this week regarding this matter.

While I am on the matter of maintenance, you all will have recalled yesterday that I had said that everybody were more interested in constructing new roads. Nobody thought about the issue of the maintenance of the roads being constructed. Therefore, for the first time, this year the Government has made some serious decisions to address the issue of maintenance. Maintenance is a very big issue in this country because we need to maintain more than 4000 km of roads. Most of these roads are impassable and it will require more than K3 billion to bring all these roads up to standards.

This is a big issue and as you all would have heard yesterday for those you attended the summit, the Government for the first time has allocated money this year under the maintenance programme. I also expect this commitment by the government to increase next year for the maintenance of our national roads and provincial roads.

This is an undertaking that I would like to give to the Governors and Members of Parliament and the people of Papua New Guinea because this is a very important issue. The Cabinet has taken note of the issue and the Prime Minister has indicated that there would also be some consideration in next year's Budget for maintenance funds.

Mr Speaker, I would like to also add that, with regards to some of our donor agencies on the maintenance and constructions of highways and roads, we have had discussions with our partners in infrastructure development, for example, the ADB. Last year we visited Manila and discussed for them to consider maintenance as a major concern rather than funding new roads.

Therefore, I am glad to inform Parliament that next year, 2015, they will review the agreement under which we are currently implementing for some of the road constructions in some regions of Papua New Guinea, whereby they have agreed to 50 per cent funding for road constructions and the other 50 per cent will be for the maintenance component. This is a new shift in the way we are doing roads and maintenance.

I want to inform and assure Parliament, the Governors and all Members that we are addressing this maintenance issue very positively. And next year this will go a long way in the way we are doing business when we are addressing this major problem.

Thank you, Mr Speaker.

Mr NIXON MANGAPE – Mr Speaker, thank you for recognising the people of Lagaip-Porgera.

10/01

My question is directed to the Minister for works.

(1) The sealing of Lagaip-Porgera border is incomplete so can the Minister inform this Parliament which company was awarded the contract to seal this section of the road?

(2) The sealing of road from Wabag–Laiagam border to Laiagam-Kandep turn-off was awarded to Loma Construction and a three kilometre road sealing from Laiagam-Kandep

turn-off to Laiagam station was awarded to Covec Construction who began road sealing from Laiagam station to Porgera instead.

(3) In relation to Laiagam-Kandep turn-off to Laiagam Porgera border, can the Minister also inform Parliament which company was awarded the contract? And if so, when will sealing work commence?

Mr FRANCIS AWESA – Thank you Mr Speaker. I want to inform Parliament that I do not have the details of every contract awarded for individual bridges and roads in the country. So I suggest, I will consult my department and respond to the Member's questions later during the week.

But, I am aware of the 3km road which was not sealed. This is a very critical section of the Highway from Wabag to Porgera however, some contractors referred to, are known for absconding on contracts and doing sub-standard work. So we will be reviewing these contracts.

Mr Speaker, it is good for us to give contracts to our nationally-owned construction companies but we must critically look at their performance because many of them have not done work to the satisfaction of the National Government as yet. They must come under the close scrutiny of the government.

Mr Speaker, for the first time the Department of Works will have technical officers and engineers from the Australian Counter-part to be stationed in seven provinces. These officers will ensure that some of these things are done properly. I know that some of the construction companies engaged, do sub-standard work yet we keep engaging them.

Mr Speaker, I am also aware of a contract awarded in my electorate five year ago. This same construction company was supposed to seal 21km road at a cost of K80 million. However, this road has been half way sealed. So I want to assure the Parliament that we are now addressing these problems seriously especially the questions raised by the Member for Kundiawa in the last meeting as well as by the media reports. We want to know which people are at fault, whether the Works Department or the Contractors.

11/01

We will be getting to the bottom of all these, and I will give an undertaking that by the end of this year we will try and address all these problems and we can conclude that all these issues will be addressed critically and will be a thing of the past.

Mr GISUWAT SINIWIN – Mr Speaker, thank you for recognizing the people of Nawae. I direct my question to the Minister for Higher Education.

Mr Speaker, so much as been said about the University of Technology regarding the investigation that was carried out.

Can the Minister inform this country when will the report of that investigation be tabled and highlight the cause of actions that will be taken?

Mr DAVID ARORE – Mr Speaker, I take this opportunity to thank the Member for Nawae for this very important question.

Firstly, let me inform this country that the situation at the University of Technology is under control. At the end of last week we had a meeting with the Chancellor and the Council Members and the University administration and I assured them that we will be working with them to ensure that normalcy returns to the institution.

Mr Speaker, yes, so much has been said about the investigation of the institution and it is the National Executive Council that ordered an investigation into the institution.

The report was presented to the National Executive Council and they wanted further clarification and the matter was brought back and whatever the National Executive Council desired has been cleared and as soon as the National Executive Council gives its clearance the report should be made public.

Mr Speaker, let me assure this Parliament and the people that this report will be ready in the next two weeks to the appropriate stakeholders in this particular issue as soon as the National Executive Council gives the final clearance.

Mr SAM BASIL – Mr Speaker, I direct my question to the Prime Minister.

Mr Speaker, yesterday the Prime Minister held a conference with all the stakeholders and I can see from the photo in the media that the theme of that conference was, “*Accelerating Implementation*”.

Mr Speaker, let me bring to the Prime Minister’s attention that the six districts of the Opposition have only received K3 million of the DSIP Funding in the last 2013 Budget and this is 2014 now.

Mr Speaker, we would like to also accelerate just like the Ialibu/Pangia District, the Tari/Pori District and the Kandep District. We are still waiting for the balance of K7 million of the DSIP.

(1) Can the Prime Minister, share some light before distributing the next batch of DSIP by the end of this Meeting to the Government backbenchers?

(2) Can the Prime Minister inform the Members of the Opposition when can he release the remaining balance of K7 million that he instructed his Ministers to withhold?

Mr PETER O’NEILL – Mr Speaker I thank the Member for Bulolo for his question that been ongoing for quite some time now.

Let me make it clear to him and to all the Honourable Members that I have given no such instructions to withhold any DSIP Funds for any Member including him.

Mr Speaker, lets talk facts rather than trying to play cheap political point scoring and be emotional on this matter.

The people of Bulolo deserve better and we are there to help him make sure that district services are being rolled out properly.

12/01

Mr Speaker, I can assure him that funds will be released within and rather than displaying out all these issues on social media and I urge him to sit down with the Minister for Finance and sort out the outstanding issues. That is the only way that the Member for –

Mr Sam Basil – Point of Order! Members haven't gone out and sort out their issues. They received this after the sitting in November without going through such impediments. Mr Prime Minister, you got to be true and you don't pussy foot around.

Mr SPEAKER – Resume your seat honourable Leader, Prime Minister please finish your answer.

Mr PETER O'NEILL - I know he loves the word pushing around; I will let him enjoy that word. But Mr Speaker, let me state it very clearly that there are some Members who have not receive the full amount just like him.

Mr Speaker, the Deputy Leader of Opposition has got to control himself. Do you want me to answer the question or continue to debate on this floor? There are some Members on this floor of Parliament who have not received fully their DSIP and that is the fact. I will ask the Minister for Finance to provide the Member a listing of that in due course. I am not here to be answerable to the Deputy Leader of Opposition alone but I am answerable to the people of this country and I am telling him what I know. But if he doesn't believe me then that is his problem but I want to assure him this, DSIP's are not constitutional grants and they are not automatic to you Mr Speaker. They are funds provided by Government to help improve district services and if the Member for Nawae can provide a full documentation of his acquittals I see no reason why the Member for Bulolo can not do the same.

Mr Sam Basil – Point of Order! As soon as we get the K10 million we will provide the acquittals - and he has provided the acquittals for 2013; you are misleading Parliament, Mr Prime Minister.

MOTION BY LEAVE

Mr JAMES MARAPE (Tari-Minister for Finance) – I ask leave of the Parliament to move a motion without notice

Leave granted.

**SUSPENSION OF STANDING ORDERS –
REARRANGEMENT OF BUSINESS**

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

That so much of the Standing Orders be suspended as would prevent government business No.65 being called on forthwith.

13/01

**DEPARTMENT OF EDUCATION – FIRST QUARTER REPORT 2013 –
MINISTERIAL STATEMENT – MOTION TO TAKE NOTE OF PAPER.**

Mr JAMES MARAPE – (Tari-Minister for Finance) In the first sitting for this year, let me make some statements on the Educational issues in the country. Last year the Government continued on its Tuition Free Policy as we started enrolment we saw a gross enrolment rate of the total children in schools was 84 per cent and retrospectively, I have the opportunity to be the Minister in 2010 and I can say that the enrolment rate was then around 54 per cent.

Mr Speaker, 74 per cent in 2012 was a marked improvement and yesterday we were at the Leaders' Summit and I presented the score card report on the gross enrolment as of 2013 stood at 78 per cent and this poses the challenge of giving accessible education as well as matching them with quality interventions are so huge. Let me put on record the massive stride we have taken as a result of the Government's free tuition fee program.

From the enrolment statistics that stood below 60 per cent to what is now closed at 80 per cent in a space of three years is a testament to the fact that our free education policy driven by this Government is excessive enrolment and bringing more children who would otherwise be out of schools due mainly to school fee issues.

Today as we begin this year's academic year we are warmth in knowing that our enrolment rate is closing into 80 per cent. I make this statement at this time in opening our 2014 Parliament calendar to raise in consciousness the importance of every Member to rally and contribute towards the course of educating our children. For the education of our children will set the fundamental drivers of economic growth as a country and so as we begin let us

appreciate that the National Government is pushing for free education, there is much more work to be done collectively among all sectors.

The academic year has opened two weeks ago and schools are now experiencing over-crowding among our lower levels of basic education. The Government has taken the bull by the horn and said whilst the policy has attracted more enrolments we still see that many parents are ignorant to the fact that there is free education and are not bringing their children to school.

Last year we brought the idea of compulsory education and which in this legislative year we'll try to enforce the compulsory education law into propagation. And that will make it mandatory and a legislative requirement for every parent to ensure their children are in school.

14/01

Many critics will attack and ask the Government questions such as where have you built classrooms and where are the quality interventions that need to be made? Let me admit that these are issues that stain our face but the Government needs to take a head count on every children we have in this country, bring them into the radar of our education institutions and as we bring them in, I am asking all the provincial education advisors to start to work on the education sector plans:

Mr Speaker, education remains the number one focus of the O'Neill-Dion Government. And we intend, in the life of this Parliament to bridge the current 22 per cent who are still yet to get into classrooms. I will give an updated figure on exactly how many we have in classrooms immediately after enrolment this year is concluded. But we intend to bridge this gap.

Mr Speaker, you would know that 2015 is approaching where we are supposed to submit our score card in as far as MGD, (Millennium Development Goals) are concerned. And MDG goal number two states that we should have at least 100 per cent UBE enrolment by 2015.

I will say without reservation that we will not achieve that by 2015, though we are getting close to achieving this target. We are not compelled by the fact that there is someone sitting in an office somewhere asking us to submit a scorecard.

It is not that we have to submit a scorecard to the United Nations or to anyone for us to work towards Universal Basic Education or general education for that matter. It is the moral duty of the government to provide for education, whether it is in 2015 or any other year. The O'Neill-Dion Government commits that by the time we go to the elections in 2017 we would have submitted a better scorecard than what we inherited in 2012 in as far as the education sector is concerned.

And I'd like to speak for many other sectors that we are now embarking on and envisaging to undertake, we should submit a better scorecard. Since I speak for education I know that the trend is positive.

As our good friend the Member for Bulolo was trying to make fun of the Year of Implementation that we had last year, we've tried our very best in the constraints that we had last year to put some things on the scoreboard.

The education sector has certainly grown from 84 per cent in 2012. In 2013 we posted an 88 per cent gross enrolment rate.

Education sector, especially lower education is a function that is devolved to districts, provinces and LLGs. I made these function within the context of us mobilizing resources to try to address the crowd that is building up, especially in elementary, primary and high schools because of free education.

Mr Speaker, I beg all our LLG presidents to think with me that if the K500 000 that is received at the LLG level, can be spread to address elementary school capacity building.

A small elementary schools classroom in rural PNG, and I speak from my own district's experience, because in my first term I spent K200 000 and my district spent K200 000, we bought iron roofing and nails from Lae, brought them to Tari and gave it to councillors and ward committees for them to build semi-permanent, small but solid classrooms. It did not cost us more than that. In that process we were able to build 40 elementary schools, iron roof classrooms, semi-permanent buildings in our villages.

Mr Speaker, if our LLGs, with the K500 000 intervention, in partnership can make the educational appropriations to elementary schools and to primary schools, we can, at least, we might not have the money to build all the classrooms we need but we can make some interventions at that level.

Mr Speaker, I also beg to raise consciousness about the fact that PSIP and DSIP money can be used in a similar manner to address high schools capacity.

15/01

Mr Speaker, many of the members of this House come to me in Finance and go to Minister Charles Abel in National Planning and also visit the Treasurer and ask around for additional education funds . If I had extra money it would be in my heart to help you all. But many times I struggle to give a direct answer, simply because we have directly transferred what used to be educational and infrastructure money parked at the Department of National Planning and Education to DSIP. Twenty per cent of PSIP, DSIP and LLGSIP put together last year would amount to K300 million directly designated for education. I am raising this consciousness among us, for us to take note and we have passed 2014 Budget and there is no additional money we have in Vulipindi House for education or infrastructure sector or likewise at the disposal of the Planning or Finance and Treasury Minister .

Education will be a big issue as we go on into this year especially with capacity problem. I ask every Member in this House, education is our business the children who come into the classrooms this year are directly the members your constituents firstly and foremost. I ask for appropriation and we have made recommendation that twenty per cent is designated for education. You have the call and digression at your JDPBPC level and the provincial budget planning level. I appeal to all our leaders sitting here that education is making stride as far as giving accessibility to our young people is concerned other quality interventions are our Government will put in programs this year to support the 2015 Budget especially the continual teacher training and teaching upgrading but I ask for the physical capacities to be really beefed up at the districts, LLG and provincial levels. My recommendation at the Gateway forum yesterday was simply PSIP and DSIP can partner in High schools and Primary schools and DSIP and LLGSIP can partner in elementary schools.

While speaking on schools, Mr Speaker, we have brought into recommendation a new structure of education to address what we see as continual deficiency in qualities in our school system. We brought in the reform in 1995, to match the reform on the provincial and local level government then and what did transpire over that time was continual deterioration on the qualities we had in our school system so we did a review in line with the O'Neill-Dion Governments direction to completely remove OBE and put in a new curriculum which is coming in fully in 2015. In line with that we have proposed a structure that is 2, 6 and 6. In caucus this afternoon and in view of the reactions of the Members of Parliament, some have given me their views on possibly relooking again at that structure, what we intend to do is to

look at capacity in grade 7 and grade 8 parked at primary schools and looking at capacities of grade 1 and grade 2 parked in elementary schools. Mr Speaker, the 2, 6 and 6 structure is simply this, two years of elementary bringing grade 1 back into primary school and we intend to bring grade 7 and 8 back into high school. This is the concept we are mooted right now and Prime Minister has given the directives through the resolutions that were passed yesterday that that is the way we must move and the department will be looking into moving this way.

I recommend every leader to take ownership of the policy focus number one that is driven by the O'Neill- Dion Government on education. As we approach the 2015 MDG session we still have 20 per cent yet to bridge that is of children not even attending schools as we speak. That is the challenge we have on board we require harmony and corporation amongst all of us to make education sector work. As we start 2014 academic year, I am making this statement to rally all the support in education sector so that we can make it work even better improve the statistics we have today from 88 per cent to greater statistics next year.

16/01

Mr DAVID ARORE (Ijivitari -Minister for Higher Education Research Science and Technology) – Mr Speaker, whilst taking the cue from the Minister for Education I would like to first of all thank the Prime Minister and the O'Neill-Dion Government for their understanding of the dynamics that are taking place in this country in terms of the education system or the structures of our country.

Mr Speaker, as for the lower education sector, I think that the time has come for the government and the leaders of this country to start looking seriously into the development of tertiary institutions and higher education in this country. As my colleague stated, as we begin this year, I would like to appeal to the Members of Parliament, especially the Governors and Open Members to start looking at the education system holistically. And start planning a way forward to complete the whole process either in a province or at the district level.

We should start looking at a model whereby we will go from elementary to high school, to secondary school and to provide an access for our students into a tertiary institution. At least we must try to create an institution in our districts and at our provincial level whereby our grade 10 and 12 leavers will have access to. This is the problem that we

are facing now in the country and this problem is the access after post secondary education at our year 10 and 12 levels. Where then will our grade 10 and 12 leavers go?

Therefore, I would like to us to consider seriously this problem. Last year I had stated in my ministerial statement that last year alone we had approximately 14 000 grade 12 leavers that had no access to tertiary institutions in the country. This year we will have roughly about 18 000 who will have no access to our tertiary institutions in the country.

Whilst speaking on that, I would like to acknowledge the direct intervention of this government in this year's Budget. Since Independence the Higher Education sector normally had direct funding to the universities that was next to almost nothing but in last year's Budget that we passed for this year, I think in totality the Higher Education institutions must have gotten almost close to about K700 Million. That is from the direct intervention under PIP and the Recurrent Budget to the 7 universities that we have in this country for the expansion of their infrastructures and under the Office of Higher Education that always got K40 million per year for the last years. The Office of Higher Education has now been allocated K260 million under the PIP funding to come in and assist in this particular sector.

Therefore, I would like to thank this Government for the direct intervention that it is doing in this particularly sector, especially at the Lower Education sector and at the Higher Education sector. This is because as I stated last year in my ministerial statement that whilst we have created the tuition fee free policy for education in this country we have actually created a bottle neck in the system. We have thus increased the base and created a neck at the top of the structure. Therefore, as responsible leaders we have ensure cooperation by province and district to see how we can all work together to ensure that this bottle neck at the top is stretch so that it can give our students access from elementary to the tertiary institutions to complete the cycle of education in this country.

17/01

So at this juncture, I would like to appeal to respective districts, members of Parliament and the governors to work together to make it our aim to at least have one tertiary institution in respective province. Let us all collaborate to the make it our target so that as we increase our elementary, primary and secondary level, we know where the students are going to end up because we have already opened a technical school or institution of higher education in our respective province.

Mr Speaker, the greatest needs in our districts today are trained nurses, teachers, community health workers, skilled trade workers and DPI officers. We can train our own people to achieve these goals.

Mr Speaker, I appeal and urge all the leaders to work together, as we start this academic year, we should take responsibility to create a system at the lower level to the top level. In that way we know where the students are likely to end up because we have planned and prepared for that.

Sir JULIUS CHAN (New Ireland) – Thank you Mr Speaker, I will be brief. I commend the Prime Minister for the Free Education Policy. The past government told us it was not possible but that is not so now. I am grateful to hear about the achievements elaborated by the Minister for Education and therefore, would also like to comment. I hope the government takes into consideration my contributions.

Firstly, the Minister stated that many children are now attending schools but availability of space is a problem. He said it was a temporary thing. However, in many parts of Papua New Guinea children cannot be educated either the rivers are too huge to cross, or they are on an isolated island and are in the high mountains. So that leads me to my next question.

The Government is likely to introduce compulsory education. If this is so, will there be any regulations in place to punish parents who do not send their children to school? How can the parents be punished when there is not enough space for the children to go to school?

I am grateful that the Prime Minister is also focusing to build teachers houses in respective districts. However, it also concerns me when I heard the Minister for Finance talk about the DSIP. I had thought that the DSIP was a discretionary fund but the Open Members are focusing on other priority projects. So if these funds are locked away for education purposes only then what becomes of other priority projects?

Mr Speaker, this is very important so I urge the Minister for Finance and the Prime Minister to take into consideration this matter.

18/01

Mr Speaker, compulsory education that we are talking about will have its problems. We will create a law that will punish our parents and there will not be enough space.

Our Schools start at 8 a.m. and maybe a few start at 7 a.m. and probably finish at 12 p.m. and it can start at 1.p.m., and finish at 6 p.m. So the same school can operate two classes a day for different classes.

But the process of getting there can also be a problem. It will be grueling trying to train teachers to take over and the fact of the matter is we are short on teachers.

Mr Speaker, I am grateful that the Minister for Higher Education is back at the helm of the Ministry and he spoke on coordination.

In my province I know exactly how many students attend Elementary Schools, Primary Schools and Secondary Schools and I know the output of these schools.

Mr Speaker, there are around 47 000 children from New Ireland that are going to schools in New Ireland Province from Elementary right up to the Secondary Schools. And if we include children outside of New Ireland the figures should stand around 51 000 children in total.

Mr Speaker, in 1997 Cabinet made a decision to have a technical college in Namatanai District. It is good to talk about coordination but there is no implementation yet.

Officers from Higher Education from time to time make empty promises. They emphasise on organizing and setting up a TVET committee in the province which I have already done and I have allocated the whole airstrip to them and they keep saying the same old thing over and over.

Mr Speaker, I call on the Minister to sack all these officers who come and make empty promises in my province because they are wasting a lot of our time.

The Prime Minister is aware that our Ministers and leaders are carrying out designated duties but the problem is the people in the system that are paid highly who don't work. They travel around the world with expensive allowances and they come to my province and keep telling me one excuse after another.

Mr Speaker, I fully support the Minister for Higher Education on the idea of coordinating but I really want him to implement the decision of Cabinet in 1997 for a technical college in Namatanai. You got the land, my TVET committee but you visit me once or twice and I never see you again.

Sir, Puka Temu is laughing and he knows what I am talking about.

19/01

We must coordinate with each other. Five years ago 400 students completed secondary school in New Ireland because I got only one secondary school in Namatanai.

The Minister for Education committed some funds but the money was never received for three years. The Prime Minister fixed it.

Through coordination we will have one high school in each council area and I will not change the four high schools built during pre-independence times.

But our overall aim is to have a high school for every council area and I am somewhat fulfilling the dreams of the Minister for Education. I don't know whether you have visited Murat; we need to build a high school there and I intend to do it.

As I have said before, 400 students completed secondary school and today I got 3600 students who completed secondary school so I appeal to the Minister for Higher Education and my two Open Members to contribute ideas and funds to make it happen. I want all of us to work hand in hand because it's very easy to establish one University in New Ireland.

The Minister for Higher Education has given me the green light and I as the Governor am ready to kick start because it's in my policy. So give me the technical college and University and we will make your dream come true.

Motion (by Mr Ben Micah) agreed to –

That the question be now put.

Motion – That the Parliament take note of the paper – agreed to.

ADJOURNMENT

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

That the Parliament do now adjourn.

The Parliament adjourned at 3.40 p.m..