

SEVENTH DAY

Thursday 20 February 2014

DRAFT HANSARD

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SEVENTH DAY

Thursday 20 February 2014

The Speaker (**Mr Theodore 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.

Mr Speaker again took the Chair at 10.30 a.m., and invited the Member for Kompiam-Ambum and Minister for Environment and Conservation, **Honourable John Pundari** to say Prayers:

‘Our Father in Heaven, almighty and all powerful; you are the ruler of the universe, you create and you destroy; you give and you take away.

O Lord we want to praise you this morning and to say that we are grateful for the love that you have for us. The abundance of your love was manifested through your son Jesus Christ who died for our sins on the cross on Calvary.

Father at the foot of the cross we come and we bow and we confess O lord that we are sinners. We have come short of your glory and we failed you in many ways. We have been disobedient to your words and to your commands. Father we humbly bow and we pray for our sins and the sins of our country. O Father please forgive us through Jesus Christ our Lord and may the merits of the blood of our lord Jesus Christ, cover our lives, cover the leaders of this country and the citizens of this nation.

O Father as we come together and we bow heads and we pray, Father we just want to admit and say that nothing is hidden from you. We may go down to the deepest of the ocean, O lord you are there. O lord we may rise and fly into space, we see the sun, we see the Milky Way, we see the galaxy; nothing O lord is hidden from you

You know our motives, you know our thoughts. O lord we pray that you guide our thoughts. If there is any hidden motives in us that is not right and not in the best interest of the country and your people, O lord forgive us and help us. You give us that wisdom and understanding. Give us O lord that unselfish spirit. Help us O lord that our desire will be to serve your people O lord in the true spirit of servant hood and in the past and the examples that was set before us when the lord Jesus Christ walked this world.

O Lord whilst we may not have been there 2000 years ago when Jesus walked the streets of Jerusalem and taught at the seashores of Galilee, we just want to say as a nation that we believed that Jesus

came and saved us on the cross of Calvary; that our lord reigned and is coming soon to take us home. Lord we pray that you reward this little faith and belief we have in the reigned of our king Jesus.

O lord bless the Speaker of this House. Continue to bless him to do what is right and what is the best for your people and this country as he sits on the Chair as head of our legislature.

Bless the Prime Minister and his Cabinet, government members, the Opposition Leader and the members of the Opposition, our bureaucracy and more so the people of this country.

Lord may our hearts be at the right place. In the name of our lord Jesus Christ we pray. Amen.’

Mr SPEAKER – Honourable Members before we proceed, I would like to commend all of you. As you know, we were able to pass a good number of very important laws yesterday and I think you have done a good job. That is the way the Parliament is supposed to be operating.

02/07

I thank the Prime Minister and Members of Parliament for your contributions. Even the Committees have done well in carrying out your responsibilities.

And I would like to take this opportunity to commend you all and encourage you for sitting right through a very long sitting yesterday, a very good commitment shown by Members of Parliament.

RETURN TO WRITS

Mr SPEAKER – Honourable members, I have to inform the Parliament that I have received a Return to the Writ which His Excellency, the Governor General issued on 21 November 2013, for the By–Election of the Kairuku-Hiri Open Seat. And by the endorsement on the Writ, it was certified that Mr Peter Isoaimo was duly elected as the Member for Kairuku-Hiri Open Electorate.

DECLARATIONS OF OFFICE AND OF LOYALTY

The Honourable Member for Kairuku-Hiri, Mr Peter Isoaimo, made and subscribed to the Declarations of Office and of Loyalty as required by the *Constitution*.

03/07

**DEATH OF FORMER MEMBERS –
STATEMENT BY MR SPEAKER**

Mr SPEAKER – Honourable Members, I have to inform the Parliament of the death of Mr Joseph Aoae on 16 February, 2014. A former Member for the Kairuku-Hiri Open Electorate in the Second National Parliament from 1978 to 1982 and he was re-elected to the Third National Parliament from 1982 to 1987 and Fourth National Parliament from 1987 to 1992. He was appointed Minister for Forest in 1982 and Minister for Education in 1987.

I also have to inform the Parliament of the death of Mr Momei Pangial on 29 December, 2013. He was a former Member of the Mendi Open Electorate in the First House of Assembly in 1964. He was re-elected to the Second House of Assembly from 1968 to 1972 and the Third House of Assembly and the First National Parliament from 1972 to 1977.

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

All Members present stood in silence for one minute as a mark of respect to the memory of the late gentlemen.

Mr SPEAKER – I thank the Parliament.

QUESTIONS

Mr CHARLIE BENJAMIN – Thank you, Mr Speaker for recognizing the people of Manus.

Mr Speaker, my question is directed to the Minister for Labour and I want the Minister for Immigration to take note. But, since he is not present I will ask the Prime Minister to respond.

Mr Speaker, Manus is being flooded with all types of heavy equipment and machinery recently. I have watched expatriate operators drive then off the landing crafts on to the shore. Unfortunately, Mr Speaker, it does not stop there. These aliens are currently operating trucks, loaders and graders, and whatever else on the ground that you can put a wheel behind.

Mr Speaker, I do not think those foreigners' visas and work permits states that they are operators and paid at that rate. I was of the view that these trades are restricted to our citizens only. Manus is full of experienced operators but they are being bystanders as people steal their jobs.

Mr Speaker, some contractors are employing local people as skilled labour while they are actually qualified clerks, IT experts, and tradesmen. They are relegated to cutting grass, filling water coolers and washing dishes and other menial jobs.

Mr Speaker, it seems that they are employed only to showcase that they are being given equal opportunities while in fact it's a farce. My people are not happy with the sort of things being practiced.

Mr Speaker, my question is, can the Minister investigate the expatriate workforce in Manus and the conditions of their visas and work permits and if they are abused, deport them from PNG?

Can you also send a team to investigate and educate these ignorant foreigners who do not understand the law and put a permanent presence of your Department in Manus to prevent such criminal practices from reoccurring?

Mr MARK MAIPAKAI – I thank the Member for Manus for a very important question and I'll answer it in this manner.

We have established Labour Offices throughout the nation. There is an officer in Manus and my view is that you can always lodge your complaint there. If however, it is not adequately addressed then of course, you can raise the issue directly with my Ministry.

But I take note of your question and would appreciate if you can put something in writing so I can take it on board and give direction to the Department to establish those facts on the ground by sending some people down there to investigate and confirm.

Since there are a lot of things happening on the ground, it is only fair for the Member and his people that something is done at my level to get a team down there to investigate and inform him.

04/07

Mr WERA MORI – Thank you, Mr Speaker, for recognising the people of Chuave.

Mr Speaker, I really wanted to ask this question to the Minister for Agriculture but since he is not here, I would like to direct my question to the honourable Prime Minister.

I believe that these questions that I will raise will have a major impact on the lives of our small people who live in the villages. I would like to make reference to a similar question asked by the Member for Goroka in the last meeting with regard to the monopoly on oil products now enjoyed by InterOil.

Mr Speaker, we all know that the people of Papua New Guinea have adopted rice to be one of the staple diets. Recently, we have been made aware that there are moves in place to have one company to have a monopoly on rice in Papua New Guinea.

My questions are;

(1) Can the Prime Minister confirm that we are consenting to have the rice industry monopolised in the hands of one company?

(2) If this is true, can this be disclosed to Parliament so that the people of Papua New Guinea and the leaders will know who this company is, their experiences and their involvement in PNG, including the duration of rice trading in this country?

(3) If preferential treatment will be accorded, the Prime Minister inform the country on what the consequences will be for those other companies that are already operating in this country in terms of the volume of investment, jobs, and other related activities including plantation based rice productions?

(4) Can the Prime Minister deny or confirm that in such situations where a monopoly will arise, this will place control on pricing in the hands of one company?

(5) When are we going to legislate in the best interests of our people of which we proclaim to and ascertain and campaign during the election for?

(6) If this is true, can the ICCC investigate into this matter?

Mr PETER O'NEILL – Thank you, Mr Speaker. I thank the honourable Member for Chuave for his questions.

Mr Speaker, I will get the Minister for Agriculture to make a full statement on this matter, particularly with regard to the rice issue in the country and what steps the Department and his Ministry are taking in order to address the industry in Papua New Guinea.

However, in addition to that, I want to clarify that there is no monopoly being encouraged in this country. We want fair trading and competition in the rice industry. It has become a staple diet for our people and the last thing we want to do is put unnecessary and additional burden on our people when they want to purchase rice in many stores throughout the country.

Mr Speaker, I want to confirm that there have been some proposals made to the Government by many companies who want to enter this industry. The Government has been very careful in analysing all the proposals. We are encouraging competition in the growing of rice in the country, not necessarily to be given to one company but it is to be made available to all companies that want to grow rice in the country.

Mr Speaker, we have put some pre-conditions that we try to give the Department of Agriculture to guide investment in this industry. Right now, anybody can import rice and the long term commitment to our own food security is not there. We are becoming more and more dependent on this particular product and we are becoming more dependent on other countries providing this product to us.

05/07

We have also been told on many occasions that we cannot grow rice and that has been proven to be wrong. In fact, Papua New Guinea can grow rice and we want to encourage the growing of rice in our country and that is the responsibility that this Government is taking on.

Mr Speaker, what we attained is that they must have a minimum investment and we are going to set out a regulation which will be announced by the Minister through this Parliament. This will regulate the industry by saying that there must be minimum investments of at least K200 million in PNG in the rice industry in order to get an import permit to import rice into the country.

That is the first condition. The second condition is that, those who wish to import rice to meet shortfalls while we are trying to build the capacity of rice production in the country must also be involved in growing rice in the country. We do not want them to be just traders. We want them to grow rice and if there is a shortfall for us to import, permits will be given to those companies only.

Mr Speaker, therefore, it is not only restricted to one company but open to anybody but they must invest money in the country so that they are encouraged to grow rice in Papua New Guinea. We want to have food security and it is important that this Government encourages that.

I understand from the issues raised by the Member about the Minister's handling of food prices in this industry. The last thing that we want to do is to have price increases in that product. In fact, we want to grow rice in this country so that we can reduce the price so that our people can have access to the food that they have now become so dependent on.

Mr Speaker, we will legislate this industry in the people's interest. We have seen from the experiences where we have given monopolies to other industries in the past. We have seen the increases in prices and the burden that it puts on our people. Therefore, we are not going to encourage that in the rice industry. It will be a level playing field and I want to say this very clearly again, and that is, Papua New Guinea must not be dependent on other countries for its food security. We must learn to grow food in our own country to feed our own people.

Mr Speaker, that is what this Government will encourage.

Thank you, Mr Speaker.

Mr ANTON YAGAMA – Thank you, Mr Speaker, for recognising the people of Usino-Bundi.

My question is directed to the Acting Education Minister and I would like the Leader of Government Business and Minister for Finance to take note.

The Government's Tuition Free Fee Policy is very much welcomed by parents in my electorate. We have thus seen many of our children returning to school. My question is in regards to school project fees. In my electorate, there is only one high school and they are charging K500 for project fees.

Therefore, does the Government have a policy in place that determines how much school boards can charge for project fee?

This is because many parents are struggling to find money and are unhappy about these project fees. The Government is trying to lift the burdens off parents in paying for school fees while the opposite is happening with the schools charging project fees.

Mr JAMES MARAPE – Thank you, Mr Speaker, firstly, I would like to thank the Member for Usino-Bundi for raising this important question that is pertaining to our school children right across this country.

Mr Speaker, the O'Neill-Dion Government have for three consecutive years implemented this policy and it started when you were the Education Minister in 2011. The Free Tuition Fee was introduced to help parents insofar as the burden of paying for school fees is concerned.

Mr Speaker, the National Education Board has since then allowed for maximum limit of K200 to be charged as project fees right this country and all schools inclusive. Therefore, I

see no reason why any School Board in their wisdom would charge the so-called project fees above K200.

Therefore, in response to the Member's question, let me announce again through this Parliament to the nation that no schools in this country should be charging for whatsoever reason any money above K200 as set by the National Education Board, which is the highest authority in so far as education policies are concerned.

06/07

I would also like to ask the National Education Board and all the Provincial Education Boards and Provincial Education Advisors in the country to take heed of this policy announcement by the O'Neill-Dion Government as well as the National Education Board on the K200 maximum project fee. We will issue a Circular at the National level for them to follow-up on all the schools nationwide that comes within their jurisdiction in the provinces and establish that no school should charge above K200, like the school alluded to by the Member.

If schools charge above K200, I will recommend strongly that those School Boards are dissolved and call for appointment of new School Boards. This announcement is not new; we made this announcement in 2011 that project fees are maintained at K200. There will be only special exceptions and those exceptions will come through the approval of the Provincial Education Board and they see the rational of those exceptions, especially to do with the critical infrastructure intervention that needs to be made and correct resolutions passed at the School Boards which are taken up by the District Education Advisor to the Provincial Education Advisor and on to the Provincial Education Board who sees them and confirms that there is a need for that particular school and gives them exceptions.

But we would like to discourage those exceptions. Currently, it is tuition fee free and we are tidying up a policy where we will try to appropriate percentage of school infrastructure, percentage of school administration, stationeries and et cetera. So we discourage every school from charging above K200 per student for project management. If schools are found to be practising this then we will definitely look at dissolving the School Board and the Headmaster concerned for continual disobedience to instructions issued by the National Education Board.

Supplementary Question

Mr BOB DADAE – My supplementary questions are in relation to the different levels of education we have in the country; elementary, primary and secondary schools.

For the interest of the Members of Parliament and the parents throughout the nation, is the K200 project fee applicable only for secondary schools or it is for elementary and primary as well? I would like the Minister to explain whether it is different at each level or is it fixed across the board?

Mr JAMES MARAPE – I thank the Member for Kabwum for his supplementary question. The K200 project fee is the maximum fee right across all levels of schools based on their needs.

The School Board is composed of members of the community, and on consultation with the parents and the teachers, they establish a maximum fee within the K200 mark for projects, and the type of projects encouraged are projects like classrooms. Many schools under the cover of project fees buy buses. While buses are good for some city schools, there are other important infrastructures they should be investing in.

So the maximum cap for project fee for all the school levels is K200 but if the parents and teachers discuss and wish to charge above the maximum level then it should be approved by the Provincial Education Board.

07/07

Mr TITUS PHILEMON – Mr Speaker, I would like to on behalf of the Milne Provincial Government and the people of Milne Bay to congratulate Honourable Peter Isoaimo for his election victory to the Ninth Parliament.

Mr Speaker, I ask the Ministers for Mining, Environment and Treasury to take note of my question. Before directing my question, I commend the Prime Minister for the way forward in leading this Government and at the same time, for the attention that he has given to the plight of the resource owners in this country who have given their land for development in mining and oil palm.

Mr Speaker, in the light of the plight of my people of Misima which has been the focus of attention in the past few weeks and especially, since the broadcast on *EMTV's Talk Piksa Program* on Sunday night.

We are in full support of the concerns that are raised by our people of Misima. I wish to point out that as their Governor and their leader together with the Member for Samarai-Murua and the Deputy Speaker, we will continue to give special consideration by the various levels of government but particularly, the National Government and the Milne Bay Provincial Government for the manner in which they were used than abandoned.

The Prime Minister would be aware, that the people of Misima continued to suffer following the closure of the gold mine 14 years ago. The Mining Company and the others including the National Government got its riches and left a gapping hole on the island. My questions are:

(1) Can you confirm if the people through the Misima Tohos Association presented you a petition last year which demanded for a review of the Mining Agreement and also a request for the National Government to give the landowners and the people of Misima a certain amount of money to account for the non adherence by the National Government, but also by the Milne Bay Provincial Government of their commitments under the MOA.

(2) If so, what is the National Government's position on the petition and are there any plans by the National Government to consider and make the payments?

(3) If there has not been any decision on the petition, can the Prime Minister give the people of Misima his assurance and commitment to look into the concerns raised by the people? Apart from missing out on the commitments made by both the National and the Milne Bay Provincial Governments with the landowners under the MOA, their lives have been made more difficult because of the perceived influence that the Mine left behind among them are the high costs of almost everything.

(4) Can the Government through the Prime Minister assure the people of Misima that the Misima rehabilitation fund of K5 million per year be re-instituted in the 2015 National Budget and the future budgets because there was nil allocation in this year's Budget although it is supposed to be an annual commitment?

(5) Can the Prime Minister assure the people of Milne Bay Province, especially the Woodlark landowners that whatever happened in Misima will not be repeated in Woodlark or anywhere else in this country?

Mr PETER O'NEILL – I thank the Governor of Milne Bay for his important questions regarding the issues surrounding the closure of Misima Mine. This is the first mine that has gone through the process of closure and I think it can be said that the Government,

the public servants, and everyone including the Provincial Government have mishandled this situation. And as a result, our people are continuously bringing to our attention all the issues that are still outstanding and needs to be resolved.

Mr Speaker, I want to thank the Governor for taking personal interest in this matter since his Election back into his position and he has shown commitment to addressing many of these outstanding issues.

Mr Speaker, I want to confirm that I have met with the landowners from Misima last year and I have received the petition that was presented to the Government. I have passed that petition over to our officials to work on it. But I am not certain at what stage that petition is being addressed.

But I assure the Governor that I will communicate this matter with the relevant officials to give it due attention. I want to even go further than that, to assure the Governor that I will establish a team of all officials from the Departments of Mining and Environment including my own Office to go to Misima. We should not sit here and frustrate our people. So I will send a team to Misima. I have been there a few times and I am saddened to see the deteriorating infrastructure and our inability to maintain those infrastructures so that our people can continue receiving the services they truly deserve.

08/07

Mr Speaker, the infrastructure there can be rehabilitated like power generation, the roads and the airport. Those are the key infrastructures that will serve our people.

Mr Speaker, I understand that in 2008 the National Government gave almost K20 million to the Milne Bay Provincial Government to rehabilitate and work with the landowners on this particular issue. Some additional funds were also given.

Mr Speaker, somehow these funds have not been managed properly or used for the purposes that they were intended for and that was to resolve the issues associated with the Misima Mines.

Mr Speaker, this is frustrating but I take note of the Governor's concerns and we will assure him that we will send a team and resolve these issues once and for all so that our people are not continuously coming back to bring these matters to our attention.

Mr Speaker, on the issue about K5 million per year, let me assure the Governor that I will look into this and if it is provided under the Mine Closure Agreements in the MOA, we will certainly reinstate it so that we can appropriate it every year.

I will formally get back to him in writing, but meanwhile, I will also get the team established next week and they will start traveling to Misima to address these issues.

Mr RON GANARAFO – Mr Speaker, I direct my questions to the Minister for Trade and Industry, Honourable Richard Maru and I would like the Minister for Agriculture and Livestock to take note.

Mr Speaker, yesterday so much was said about Oil Palm. In the last 20 or 30 years, the production of oil palm has been expanding and it is not going to stop but will continue to grow in this country.

Mr Speaker, given the huge masses of land that surrounds us, what I fail to understand is that;

- (1) Where is the manufacturing or the downstream processing facilities?
- (2) Are they going to keep sending the oil abroad to London for processing there for the final production while the product keeps expanding in PNG?
- (3) Can the New Britain Palm Oil company establish a factory in Oro Bay or Madang, New Britain, Kimbe or Kavieng?
- (4) What's wrong with this country; don't we have land or do we just grow these crops and settle for less?

Mr RICHARD MARU – Mr Speaker, I thank the Member for Daulo for his very important questions.

One of the reasons why I stopped this company in allowing foreigners to buy more shares is because currently PNG shareholding is about 18 percent and the bulk of this company is owned by our friends from Malaysia. They built two refineries in Germany and in England. Mr Speaker, when you build a refinery like these, you are talking about missed opportunities and PNG losing 2000 jobs.

Mr Speaker, I went to a similar refinery in Indonesia and I found out that there are about a thousand very highly skilled technical jobs where you process oil palm into cooking oil and many other finished products. We are hampered by these missed opportunities because someone else is the middle man.

Mr Speaker, I discussed this matter with the Treasurer and I will be meeting the head of the Tax Review team in this country and it is my view that we have to introduce export tax

not only on oil palm but fisheries and any other sectors where we are exporting raw material or semi processed goods from this country.

I will be submitting to this Tax Review Committee to impose tax on companies that are exporting raw materials or crude palm oil out of this country. This may force these big companies to come in and build a refinery in this country.

Mr Speaker, in countries like Indonesia, even when you export gold they will charge export tax and this is the way we should go. We should encourage the final downstream processing here in this country.

Mr Speaker, at the same time, I will be tabling a submission to the NEC that will look into downstream processing.

Mr Speaker, for these companies to export our product abroad and they argue that it is closer to the market, I just can't buy that reason.

I have also had a meeting with the Chief Executive Officer of New Britain Palm Oil and have advised him that, it is unacceptable and they should embark on building a refinery in this country. The only way we can take this and stop it, is introducing the export tax which is the medium term solution to save millions of kina leaving our shores and missing out on opportunities.

09/07

In the long term and I agree with the Agriculture Minister that we have to introduce more competition and bring in more companies to establish oil refineries onshore. That is why in the State negotiations regarding Sepik Oil Palm on April 6, one of the key reasons why we are bringing in the world's biggest oil palm company to PNG is because in the State Agreement they will now commit to build an oil refinery. We will then be able to produce goods like cooking oil. And that is coming, Mr Speaker.

Mr MALAKAI TABAR – Thank you Mr Speaker, on behalf of the people of Gazelle, I would like to congratulate the new Member for Kairuku – Hiri on his election win and look forward to working with him in Parliament.

My question is directed to the Acting Minister for Education. I have two questions to ask and the first one is;

(1) Can we have an arrangement whereby headmasters of schools are freed of the responsibility of handling finance?

There is some concern over the acquittal of funds by schools. In my district, out of the 54 primary schools only 20 of them provided acquittals for funds used last year and about 40 are yet to submit acquittals because the headmasters are busy running around using funds.

We should organize ourselves at the district level to ensure the headmaster concentrates on his academic duties in catering for the education of his students and leave the financial administrative duties to others at the local-level government or School Boards of Management.

(2) My second question is regarding congestion problems in schools. What can we do as a Government to get the parents to assist? With the free tuition fee education, many parents do not attend Parents and Citizens meetings (P&C) and they think that the Government will cater for everything. They do not have to attend the meetings and they do not have to listen to the problems of congestion in the schools. Many schools have gone back to charging higher project fees to get that money out of the parents because they have basically gone back to making more children and not helping the schools,

Mr JAMES MARAPE – Mr Speaker, firstly, I too would like to congratulate Honourable Peter Isoaimo for his win and look forward to working with him.

To answer the questions from the Member for Gazelle, I would like to say that headmasters of schools do have an administrative allowance which was approved by the O'Neill Government and has been in force for the last three years. That allowance ensured that they performed their roles as school administrators. With that responsibility come the requirements for them to provide acquittals on the use of those funds in the previous year before they can be given the next lot of funds.

Many of the State's agencies including schools have become complacent when it comes to providing those acquittals. The O'Neill/Dion Government will not tolerate that sort of behavior. Every agency of the State like schools and districts must get into the mode of sending in acquittals for continual access of government funds in new appropriations.

For schools, I will take this opportunity to announce and as I have said before the drawdown of the second tranche of School Fee Subsidies will depend on your acquittal of funds used in the previous year.

In every district, there is a District Education Advisor whose job is to co-ordinate with the school headmasters the submission of these acquittals. And I encourage District Administrators and JDPBPCs to work closely with them. If there is a school headmaster who

is rogue and is not willing to support the acquittal process, the District Education Advisor has every right to report this headmaster to the appropriate authorities and that is the Provincial Education Advisor and the Provincial Education Board sends a copy to us.

10/07

That is for acquittals and we have made it our business to ensure that the acquittals do come in. The second tranche of the free education funding is available and the Government is ready to roll these out to all schools. In fact, the first major expenditure for the last three years beginning January has been the free tuition money.

This year we have remitted K200 million to all schools as the first tranche and before the second tranche goes out, we need to see or have some acquittals made by end of March or early April. And for every Provincial Education Advisor to help in getting all these acquittals in so we know how the K602 million was used last year nationwide for all our schools.

The issue of congestion, as our school system nationwide embraced the Free Education policy and the compulsory education at elementary level that we have embarked on there will be congestion that will be seen at all levels in our schools. Every one of us has roles to play in alleviating congestion in schools.

The National Government has given five per cent of the 2014 Appropriation to Free Education. That may sound small but in the context of overall appropriation it is huge. The total for Free Education as I have mentioned was K602 million. We have not appropriated in one lump sum appropriation money for Education Sector infrastructures alone, let alone Capacity Building Programs. That does not mean we have not appropriated, we have transferred directly now to provinces and districts and LLG's monies meant for LLGs and Districts and Provincial Improvement Programs.

As we recommended in our Standing Financial Instructions, 20 per cent is recommended to expend in education infrastructure. When you look at 20 per cent of K1.5 billion appropriated in PSIP, DSIP and LLGSIP the total amounts to K300 million that should be spent on the Education Sector in whatever appropriation there is for education.

My encouragement to the Parliament and the leaders who are custodians for chairing various provincial and district expenditure is that if you spend 20 per cent in education and try to approach certain infrastructure you can tick off because we do not have other funds in Vulupindi Haus set aside for education infrastructure.

That is one way you help either through the cash component or through materials that are not available because what we are doing is assisting the parents and citizens. The Education Minister did not ask parents to make more babies, therefore, there must be some elements of responsibility amongst the stakeholders.

An important partner in Education are the parents who are to be responsible for the child in educating, clothing and the general upbringing of the child. Every parent must not think education of a child is the responsibility of the Government's alone. While the Government is committed to providing quality and accessible education to all our citizens, it is the parents' role to support schools as a priority.

11/06

Many commentators have argued that why are we encouraging more increase in our school system. We must appreciate the O'Neill-Dion Government's taking the bull by the horn. We've reduced that now.

As a nation, we just cannot afford to have 50 per cent of our children not schooled. And so in basic education we are trying to bring it to 100 per cent enrolment by 2017.

And the argument now is that this inflow will cascade into higher schools. We have asked the National Government to partner with Provincial Governments and if you can expand the current 10 teacher colleges and 10 technical colleges to a 1000-students enrolment capacity, we can easily absorb the 20 students into both sectors. These are the targets that we are working on at the national level. We are also looking at expanding our six universities and the new university that we are trying to bring onboard.

So, at the national level, this is where the National Government will come in and we have a window of about seven years to fully make it work because our compulsory education is starting at elementary schools and we have seven years to have the full congestion filling effect at high schools.

I am asking every provincial and district governments as well as parents and citizens to take ownership of elementary schools, primary schools and high schools and allow the National Government to concentrate on universities and colleges expansion and special schools intervention expansions. Hopefully, we will alleviate the congestion problem you will be facing.

In the meantime, you will have congestion, let's work our way through it. Bring all our children to school, we'll do a head count of them and then planners will plan for the exact

physical infrastructure we need to build in Education as well as our capacity enhancement programmes.

Supplementary Question

Mr JOE SUNGI – Thank you, Mr Speaker, before I ask my question, I congratulate the newly elected Member for Kairuku-Hiri, Honourable Peter Isoaimo on behalf of the people of Nuku.

There is a set procedure for the appointment of headmasters and other teachers at agency schools. I am asking this because I have a big problem at the only high school I have in Nuku where the church appoints the headmaster. Surprisingly, it is a church run school but the headmaster is a drunkard.

Despite the fact that the Board of Governors and the P&C petitioned the PEB and the agency to make sure that this headmaster from last year should not remain as headmaster this year, he was again appointed by the agency without compliance to the PEB appointment. The PEB appointed someone else. That is the conflict and as a result my school hasn't even started yet.

The district is now spending money to bring an auditor and policemen in to investigate this matter and find out about that. It is taking a lot of time and the students are still waiting to return to class.

Mr Speaker, my supplementary question is, why are we allowing the agencies to make decisions on teachers' appointments?

Mr JAMES MARAPE – Mr Speaker, I take cue from that question and undertake to answer his question in writing and investigate later on. I ask the good Member to write to me specifically about that headmaster and that school and we will address that in due course.

**THE NATIONAL COURT OF JUSTICE – NEW RULES RELATING
TO CRIMINAL PRACTICES, FRAUD AND CORRUPTION
RELATED OFFENCES RULE 2013 – PAPER –
MOTION TO REFER PAPER**

Mr SPEAKER – I present the following paper pursuant to statute:

*New Rules of the National Court of Justice Relating to Criminal Practices,
Fraud and Corruption Related Offences Rule 2013*

Mr SOLAN MIRISIM (Teleformin) – I move –

That the Parliament take note of the Paper and that the Report be referred to the Permanent Parliamentary Committee on Constitutional Laws, *Acts* and Sub-Ordinate Legislation.

12/07

MOTION BY LEAVE

Mr POWES PARKOP (National Capital District) – I ask leave of the Parliament to move a motion without notice.

Leave granted.

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

Motion (by **Mr Powes Parkop**) agreed to –

That so much of the *Standing Orders* be suspended as should allow for Order of the Day No.13 being called on forthwith.

**ENHANCING AND MAINSTREAMING ENVIROMENT
SUSTAINABILITY – MINISTERIAL STATEMENT -
MOTION TO TAKE NOTE OF PAPER**

Debate resumed from 31 October 2012 (See page ...)

Mr POWES PARKOP (National Capital District) – Thankyou Mr Speaker for giving me this opportunity to speak on this matter but before I do that, I would like to join my colleagues in congratulating and welcoming the new Member for Kairuku Hiri.

As you are aware Mr Speaker, our capital city is surrounded by his Electorate and on behalf of our people in the city, we are ready to work with him for both his electorate and our city.

Mr Speaker, I would like to continue on this debate regarding the paper and the issues raised by the Minister for Environment and Conservation.

I want to put on record our congratulations to the Minister and also to the Prime Minister and the Government for the momentous event that happened yesterday. Perhaps in the Parliament and around the country, we may not have come to appreciate what has transpired but if we go back into the past, we will realise the significance of what happened yesterday. The decision of this Parliament led by the Minister, Prime Minister and this Government to convert the Department of Environment and Conservation into an agency to monitor and enforce environmental laws is a momentous and historical event.

Mr Speaker in the past, the Department only facilitated all the projects and developments taking place in the country, ranging from mining, logging, fishing, road construction, plantation and others. In the process of playing that role, the enforcement and the consideration for the welfare of the environment, the flora and fauna and the natural beauty has become secondary and even neglected.

Mr Speaker, as a result, our people have paid a high price all these years for the environmental degradation and neglect that the Department has witnessed and the country has witnessed. I don't need to remind us, but the role of protecting the flora and fauna and environment and the sustainability has been left to our people all these years to do it themselves, self-help.

As a result, we have seen big disaster in OK Tedi and the Autonomous Region of Bougainville which, the Prime Minister has visited recently. These are situations that arose

because the Department of Environment and Conservation together with other line agencies have not been able to perform one of the key responsibility and that is to ensure when mining, logging, forestry, construction and plantation takes place there has to be balance between economic development and protecting the environment which sustains our people and has sustained them for generations.

13/07

This is one particular area or asset that our people have. Where they fail in economic development, income generation, wage employment, business or whatever they can still retreat to their villages and still survive. This is because they still have their environment intact and this is why we must protect. We must protect it because there is no guarantee that all the economic development, income generation and cash economy can sustain all our people.

In fact, it is probably sustaining only a few people of about 20 or 30 per cent. Now, with the leadership of the Prime Minister we are trying to distribute as much as possible the economic gains of our resource developments to our people. But for a long time that has not happened and this is why we must recognise this momentous change that occurred yesterday.

The Department of Environment and Conservation is converting to be an agency to monitor and enforce the environmental and that is a big milestone event that we are making in this Ninth Parliament. Therefore, we should congratulate the Minister, Prime Minister and NEC for making that bold decision.

The future is up to us to make it happen. The Minister already alerted us that he needs resources and we must put financial resources to make sure that, the scientists, due diligence and the environmental reports are done up to world standards and enforced.

Mr Speaker, in this Parliament we have a habit of making a lot of laws. Whenever a problem occurs we rush to make laws. It is one thing to make laws and other to enforce them and we all know that in this country we have too many laws. There are a lot of over adequate laws already. Our problem is enforcement and making it work.

Mr Speaker, we do not need more laws. We could just perfect some of the laws that we have now, but there are more than enough adequate laws that deal with everything from children, women, social status, welfare, environment, mining and et cetera.

Mr Speaker, what we need is the capacity to enforce these laws and I hope that with these momentous changes that we have made by converting the Department of Environment

and Conservation to an authority will give it more power, authority, capacity and be able to do its job and deliver to the expectations of our people. More importantly, it must bring the developers to account.

Mr Speaker, we all are not against development and against mining, logging or whatever plantations that are taking place. All we want is to have balance because in our country the taxed population is very limited. Unlike Australia, everybody pays tax and the Government collects it and has a huge internal revenue in which to run, provide service and build infrastructure for the country. Therefore, in PNG the tax circle is too small. Only in the urban areas only 20 per cent or something pay taxes, thus, we then have to tax companies. If we run the companies out because we say that we do not like logging or mining then we are caught in a 'Catch 22' situation. Thus, how are we then going to provide services and build infrastructure for our people?

I am not against resource developments but again we must have balance because as we are entering into the cash economy it is something that is new. This might not even work for the majority of our people.

Mr Speaker, nevertheless, our natural environment and bio-diversity is the reason why many our people are still surviving today. Therefore, we need to just build upon that asset and resources that we have already.

Mr Speaker, but again as I said, I would like to congratulate the Minister and the Prime Minister and the Government for making this bold decision. It is a decision that hopefully our people will come to realise the impact of it, but it now depends on all of us to make it happen and we have made a big start yesterday.

Thank you very much Mr Speaker for giving me this opportunity to speak.

14/07

Mr JUSTIN TKACHENKO (Moresby South – Minister for Sports) –Mr Speaker, I would like to also make some comments and add positive response to the new Authority that has been set up for the Department of Environment and Conservation.

Firstly, let me congratulate the Minister for Environment and Conservation, Honourable John Pundari for his bold stance in taking forward this Authority for the preservation and conservation of our national assets and flora and fauna of Papua New Guinea. It is something that is very special to us, especially to me as well as for the whole

country and our people that we preserve our natural wonders, flora and fauna and our resources for the benefit of our future generation.

The Department of Environment and Conservation has been for a long time a toothless tiger. Now they can be a vicious lion and get out there and ensure that our environment is protected and preserved properly and professionally, and that the Authority can run correctly without fear or favour. I think that it is very important.

Papua New Guinea has some wonderful flora and fauna and definitely needs to be preserved and looked after. In November 2011, this country was recognised as a world champion when it comes to orchids in Papua New Guinea. We have now showed the rest of the world who we are when it comes to orchids, animals, flora and fauna. We have some of the unique birds of Paradise, tree kangaroos and animals that are found nowhere in the world. We have one of the biggest butterflies in the world from Oro Province. We have one of the biggest pigeons in the world which is found in Western, Gulf and Central provinces called Victoria Regina.

Now, these are just part of the unique fauna and flora we have in our wonderful country. There's not much conservation program been done to preserve them in captive breeding program. We are trying and with the help of NCDC, before I became a Member of Parliament, got together and created the 14 Mile Adventure Park and Wildlife Sanctuary which now has the only bird of Paradise breeding sanctuary in the world and also breeding some of the rarest tree kangaroos that you have seen. So far, we are doing very well where we already had many of these animals breeding in this facility.

This leads me to the next question of preserving our animals not only here in Papua New Guinea but also overseas. Museums and very credible institutions have asked our country that they would like to help us in our conservation breeding program and spend their own money, time, resources and expertise to preserve our indigenous species so that if they do get wiped out in Papua New Guinea from over-logging, agriculture or natural disaster, we at least have genetic bank of animals elsewhere in the world that we can rely on and pull back when necessary to repopulate those areas. And that goes for all the zoos. The zoos are set up throughout the world to preserve and breed the different species and endangered species of animals and birds throughout the world. That is why they are there. It is now for us and through this new Authority to utilise our friends from overseas to help us preserve and conserve our native flora and fauna. They can teach us as well on how to make sure that they are safe for our future generations which is very important.

But otherwise, this Authority will take conservation and preservation to the next level and I congratulate the Minister that this is another position step for the O'Neill-Dion Government moving forward in different ministries.

I personally and I am sure many others will be looking forward to working with you and your Authority to ensure that conservation for our flora and fauna in our country is taken to a new height and preserve our wonderful national asset.

Mr GARRY JUFFA (Northern) – Thank you Mr Speaker, I would like to join my colleagues in congratulating the Minister for Environment and also to commend the Government on the passing of quite a number of Bills in the early part of this year.

My comments will be very brief because my fellow Ministers are always giving brief statements so I must also make similar brief statements.

Anyway some interesting statistics; we always talk about the 97 per cent of the land that we own in Papua New Guinea. Actually it is 80 per cent now, thanks to the SABL issues. Are you also aware that about 46 million hectares or a third of this country's land is already in the hands of logging companies? This is according to the SABL Report and it is quite frightening. The period from 1990 to 2001, about 122 species of wildlife were threatened with extinction and I believe that they are gone now and never to be seen again.

These are some of the frightening statistics that confronts us. Papua New Guinea is home to the third largest rainforest in the world but not for long. Transnational criminals are swooping into this country like vultures ready to take advantage of the fact that we are who we are designated to protect and promote the interest of our people are failing that and it is a fact. That is a reality. I agree with the Governor of NCD that we are not doing enough to enforce the numerous laws that we have passed and we keep passing laws. What will we do to enforce those laws for instance? Substantial pollution of our waterways has taken place because we decided that we should allow mining companies to pour their waste into our waterways without treating them. Soil erosion is taking place because of so called agricultural activities therefore we have landslides which is killing our people and causing problems.

Again, there are laws there that should be enforced by a number of Departments and organisations that we have created which have all compromised themselves in some way or another either because we have failed to fund them, manage them or because we have just decided not to do anything about it. Papua New Guinea is the easiest place to come in and do business legally or illegally. For legal businesses, it takes a long time to do business and most

of them are discouraged from coming here but illegal businesses swoop in like flies. They come in here and have access to our institutions, leaders, and organisations that are supposed to be there and to scrutinise and protect the interest of our people and all of a sudden, we see projects that being endorsed and dubious actions taking place.

Our people especially in the rural areas that constitute 83 per cent of our population innocently await and trust us. They expect us to stand up and fight for them because we are supposedly the educated elite that they have elected to do that for them. However, doing that and we are not doing a good enough job.

For instance, the SABL Inquiry exposed vast illegal activity taking place but what have we done. Those companies are still cutting down the trees and shipping them out of this country in boat loads. They are still involved in transfer pricing and selling the logs to their own companies offshore. They are still avoiding the payment of export duties by reclassifying the trees on purpose. We think that SGS is there to do something for us but most of us do not realise that SGS only inspects 10 per cent of any shipment.

Now, if you were to scrutinise the 10 per cent that they actually screened or audited, there are still vast discrepancies in there. Volumes of cubic metres of log species that have been identified as illegally been shipped offshore. What are we doing to penalise them? Nothing!

I used to be the Commissioner of Customs and we wrote numerous reports but nothing happened. I seized a number of ships belonging to a particular logging company and as a result, I never got my contract paid for three years. They almost sacked me. So this kind of behaviour is already rife in our country.

Our people want development like roads, bridges, schools and other infrastructures and paper work is done by the government representatives but after the company comes in and cuts down all the trees and exports them, there are no roads, bridges, schools or other infrastructures. Only a couple of landowners benefit and they come to Port Moresby, sleep in hotels, play pokies and enjoy themselves while the majority of the landowners are left suffering.

To get back to my point, if we create this organisation, we have to consider how effective this organisation will be. We must ensure that it is staffed with the right people and that it is not heavily politicised. We must ensure that the public servants who are going to be working in that organisation are paid well. We must ensure that they enforce the law, find the

companies and individuals that are involved in activities that are in breached of the laws that we pass here.

If a mining company is breaching certain environmental law, we should impose hefty fines not just K1000.00 and allow them to operate. We seize their assets for instance, charge and convict them and send them to jail to spend some time there and eventually deport them. Those are the types of laws that we should be enforcing and by doing that we then send the right signals that we are no longer open for illegal businesses.

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

15/07

Mr WERA MORI (Chuave) – Thank you Mr Speaker, for giving me the opportunity to debate on the creation of this new Authority. This is good in the sense that it will improve effectiveness within the Department because this department performs a very important role in terms of regulating and recognizing the protection of the flora and fauna of our country.

Mr Speaker, many times when we talk about the environmental disasters, concerns are raised on pollution and damages to the environment. Many times they apply and coordinate to activities that are involved in mining. I would also like to highlight the fact that there are concerns also not only confined to mining activities but other industries like logging, agriculture especially, plantation based agriculture like the oil palm, cocoa, coconut and other expect sectors including fisheries.

Mr Speaker, it is good to create an Authority to regulate and monitor environmental issues in PNG, but what is more important is that we must be able to establish the thresholds. Having said that, I would like to expand on that further, prior to independence, we had Bougainville Copper Mine, given the success and the size of Bougainville, many big companies went look out for similar style deposits. So, that led them into Ok Tedi.

Mr Speaker, in those times, there were basically absence of background studies to find out what are the elements of toxic elements in the streams. So that when they were building the mine design it would have given them some sort of bearing as to how and what level they would be able to monitor and investigate disasters into those streams. But that was absent.

Then we had Panguna and all the people of Bougainville – and the Prime Minister did very well to visit Bougainville. When the Bougainville Crisis came up, the Government

needed to find another project to fill in. And that is where the off-shoots of Porgera and Misima projects came into stream.

So, in regard to how and what threshold values they would be able to retain to control those, were absent. So, what I am saying now is that, we must not only establish the authority, but we must also look at the institution that will give rise to the authority. In the authority there will be more or less focus on imposing penalties. But you must know that you must have a standard by which, companies or investors are breaching those. What I am trying to say here is that, we must seriously fund the University of Science and Technology whereby we will be able to get the background information of all the major drainages and the tributary in the country.

16/07

That information must be made available to the authority so that if any company, whether they are in the oil industry, mining industry or forestry, for them to be regulated on what the level of threshold should be in terms of their discharges and work management, those figures must be made available to them. That cannot happen without that.

We must have the background studies done. For example, we now know that there is a lot of acid draining into the Ok Tedi river system but I also want to point out that the next role discharges acid leaking caused by rainfall, is also as high as what is coming out of the mines there.

We must establish a background data on all those drainages so that will become the yardstick. Before any developer can venture into a particular area to develop or extract a resource, they must know the natural level of toxic contents in those particular rivers or creeks where their operations will be.

When the new Authority is monitoring those activities they must press on to make sure that these companies conform to the yardsticks. In that way it will be more effective for the authority. It is only fitting that we establish an authority so that all this can be monitored.

One of the important aspects will be to create a Science and Technology sector that will merge and work closely with the Office of the Climate Change, so that when there are critical situations we can be able to differentiate what the natural discharges are from those that are caused as a consequence of a developers endeavors in extracting certain resources.

Mr Speaker, it will be difficult to regulate these issues when we don't have those measures. Most importantly, we should train our scientists so that they don't become mere clerks and become rubber stamps but they must analyze and address situations.

Mr Speaker, in establishing authorities we must also strengthen the national research on science and technology to basically produce enough technocrats to oversee those authorities to monitor all that we are regulating.

Mr KEN FAIRWEATHER – (Sumkar) - Mr Speaker, I rise to join in this debate and today I am also attired wearing my green tie especially for this debate.

I take this time to thank my learned tribesman from Chuave and he is an experienced campaigner in all this. We worked together in trying to find gold but he failed.

(Laughter in the Chamber)

17/07

Mr KEN FAIRWEATHER – Mr Speaker, the concerns of the environment are the concerns of climate change as well. I am speaking from the perspective of an island electorate and I see that the Member for Manus is here as well.

A lot of Papua New Guinea is in fact being submerged. Most of the reefs are affected and Karkar has lost all its reefs. Bagabag has still got theirs and the North coast of Madang has some. So there is a definite bleaching effect of the coral and the sand.

What's been concerning me for a number of years is the disrespect that people mainly politicians and bureaucrats are having for the environment. I speak openly about the Madang lagoon which everyone trying to abuse. It is in fact an environment treasure of the world and yet is being abused and disregarded. There is scientific evidence of these and studies being done but still people persistently insist on having fishing and other industrial plants that will affect it.

Indeed to what concerns me for a long time-and I am glad the Minister for Climate Change has turned up-is the effect on the fish that is becoming quite dramatic on the fishing people of the villages around the country. The fish are being driven to deeper waters where they are being slaughtered by the purse seiners and the trawlers. Subsequently, villagers have to go further trying to catch fish. In many places it is the only protein they've got. They are facing a lot hardship because they cannot afford the high price of fuel and they cannot go to

the traditional fishing ground because the fishing grounds are moving. Unless we do something to address this fishing problem, of the slaughter of the seas, there won't be any fish for people to catch soon.

I am not sure about New Ireland but I can tell you that in Madang there are no fish to catch anymore. There are no seabirds, no one seem to care and I do not see why we have a Ministry of Climate Change and a Ministry of Environment too. It does not seem to make much sense to me. They are the same thing. Aren't they? I am concern that we do not do anything about it and the bureaucrats probably do not know what they are doing so we just sign off on a few more leases and few more things because it is in the interest of the country. I do not think it is in the interest of the country; it may be in the interest of us right now but not the future generations.

I think a practical change would be to put Environment and Climate Change together but you actually strengthen it under some corporation that is not politically motivated and couldn't be bribed off by someone who wants to build a fish factory or whatever they want. That's what happened in the past and I cannot see why it cannot happen in the future.

It's true that agriculture has some bad effects on the environment but you just can't blame the fertilizer; it is also how it is used. We do not have any facilities here.

18/07

Usually, with the fertiliser, it is how they apply it that matters and we do not have any facilities here. Is there someone else talking apart from myself? I'm mumbling because that is all I can do. You have no clear ideas or a thought so what you do is mumble like a baby.

So what I am suggesting is if you really are going to do this, could you do it properly or just forget about it like what China did and destroy everything or like what Russia did with its nuclear policy but it frustrates me that our country is young and still basically pristine and yet we are heading towards an industrial problem that will be left forever.

We have the chance with LNG to make a difference, could you please try to make a difference and I would like to see are new Climate Change and organisation set up and not just under political or bureaucratic control but include some scientific control as well. And generally try to do the right thing for the future.

Mr SPEAKER – Just before the Chair recognises the Member for Manus, I wish to advise the Member for South Fly, that we have *Standing Orders* that does not allow Members to walk in between a Member who is speaking and the Chair.

Mr RONNY KNIGHT –Manus as you know is an island with many reefs and we are passionate about those and I would like to say more on that but I think the Member for Sumkar has already covered that so I will speak on something else. And that is the problem we find on Manus in relation to land.

Mr Speaker, we have a serious rubbish collection and transferal or disposal problem on the island. The Lorengau Town Community Council currently takes the rubbish to dump on State land and periodically a bulldozer from Works Department digs a large hole and covers the hole up when it is full with rubbish that is the technical aspect of it.

Mr Speaker, communities are sprung up around this dump and it is frightening to see the health and social implications, let alone the environmental implications as I feel by now the ground is unfit for use for any purpose.

The main reason that this rubbish hole is not covered quickly is because the bulldozer from works that is hired charges K3500 per hour and according to the town manager has complained in writing over this issue. I think that an extra zero has been added in here somewhere because I am stupefied that K3500 per hour charged by a Government Department is not a normal practice and the rate is too much. May be the Minister for Works can go to Manus and find out why the rate for hire of the bulldozer is so excessive by the Works Department in Lorengau. If it is found to be charging fees wrongly, then a refund should be made to the Lorengau Town Committee.

And with the Regional Processing Centre in the province the environmental situation is in dire need of assistance as on Los Negros, there are about 1400 asylum seekers there. And over 3000 support personnel, so you can only imagine the amount of rubbish coming out from there. There are some serious repercussions on a committing of errors that have been made and these make a mockery on the land and environmental laws of this country.

Mr Speaker, the regional dump at Lombrum is actually on customary land and used due to friendly arrangement with the landowners from past negotiations through the generations. For some reason, the management dumped container loads of meat products so much that the flies and the maggots could not naturally handle and it resulted in a stinky mess that caused a blue-fly epidemic.

It got so bad that people had to eat while sitting under mosquito nets. This was the first time I noticed that blue flies were around at night as well.

19/07

Mr Speaker, why did the management let this meat expire and then dump it rather than donate it to the communities, the Defence Force, the prisons, or cook the lot and dump it into the sea or find some alternative solution to this is a question only they themselves can answer?

Mr Speaker, the locals who own the dumpsite came to me and I gave them a covering letter and urged them to see the management and lobby to get the contract to handle the trash on their own land and they organized a loader and a bulldozer to help them do this.

Mr Speaker, we were snubbed and the management gave us a slap in the face when they brought in a contractor from Australia who immediately tried to hire the same machinery to do the job himself and that eventuated in the landowners getting their back up and caused frustration.

Mr Speaker, effectively the management was telling our people that we are not fit to look after Australia's rubbish and this resulted in the disgruntled landowners closing the site down. It still remains closed today.

Mr Speaker, now the camp management is working with a local man and again trucking the trash from the Salamei Block, to an agricultural block where it is again dumped with impunity ruining the State asset, contaminating the underground water and this will cause untold unforeseeable civil issues in the future.

Mr Speaker, they are paying a huge amount to illegally dump trash on the Los Negros area and all they are doing is transferring the blue fly and smell to another area but still on Los Negros. Mr Speaker, I wonder if they could do that in their own country.

I believe a responsible management should buy an industrial incinerator and burn it to ashes before disposing it. Why they could not do this, Mr Speaker, I have no idea. May be because it is easier to use our people's good nature and gullibility to dump it? This is probably cheaper in the short run.

Mr Speaker the Minister's amendments show exactly what we need to do to stop these criminal acts of environmental vandalism. The authority can act on this and we now have the power to do this under the authority.

Mr Speaker, where are the environmental permits that are needed bearing in mind that the Lands Department own the blocks and the leaseholders are using it for purposes other than that agreed upon.

Mr Speaker what of the adjoining blocks and the communities? This will make it easier for our Government if it becomes a burden to put the matter to court to make the people responsible answerable to remedy the situation and make the surrounding environment safer.

Mr Speaker, the days of destroying the environment for fast profit and getting away with it are over, thanks to the Minister. With the Minister's hard work, I now believe that the Authority will be able to pursue these matters and give justice to our people and I congratulate the Minister for his hard work.

Mr BIRE KIMISOPA (Goroka) – Thank you Mr Speaker, before I speak, can I also congratulate the new Member for Kairuku-Hiri and also congratulate the Minister for Environment and Conservation for an excellent initiative

Mr Speaker, the issues concerning environment and conservation in this country has been one that has been relegated to the dustbin for too long and it is my firm view that the honourable Minister has done an exceptional job in elevating this Ministry.

Mr Speaker, the issues that I want to raise here perhaps are more critical in terms of the discussions that are confined within the Chambers of this Parliament. Without having to extend outside of this Parliament and start talking specifically about what we need to do about rubbish, what we need to do about enforcing laws in fisheries or forestry and about what kind of fishing vessels need to be trawling our waters, I'd like to bring the discussions a little bit more closer to within the Chamber of this Parliament.

Mr Speaker, the issues to me is one of sovereignty and ownership and I think what the Minister endeavours to achieve is bring this line agency up to par with all the other regulatory agencies we have in this country.

Mr Speaker, in order for us to do so perhaps we need to have a good conversation or discussion in this Chamber about one of the issues that I think has provided the greatest impediment towards environmental conservation in this country and that is our equity in the Mining industry.

20/07

By law, we take about 22.5 per cent equity in all the mining activities that are happening in this country and on one hand, we invite investors to come and develop all the resources in this country and yet we stand by and watch them destroy the environment. When our own people march to the Court to obtain a restraining order because the river system has been spoilt or there has been a spillage or any other environmental damages for that matter, the State fights for the developer against our own people in Court.

The discussion is, whether we need to hold shares in these big companies as the Minister for Environment and Conservation is trying to enforce the law but he ought to think about the whole Government approach to the business of environmental protection in this country. There is no point trying to rescue the country when the Government will only run to Court to litigate on behalf of the project developer which has been the case for so many years.

Mr Speaker, are we prepared enough to do things ourselves? Is the economy big enough? Can we just forgo this mandatory acquisition of 22.5 per cent of shareholder in this country? Perhaps stand on our own feet and look at other sectors that can carry this country forward. We continue on this bandwagon of globetrotting around the world to invite investors into PNG to develop the resources which we are by law entitled to take out 22.5 per cent.

The noble intentions of the Department of Environment and Conservation to protect the environment in this country will mean nothing because there seems to be a contradiction in the entire approach. Exploiting natural resources is not bad; I'm proposing that we have a mature conversation now. Should we forgo the 22.5 per cent equity mandatory holding and allow a whole Government approach towards enforcement of our law. Perhaps PNG Government should only be a regulator so that the Department of Environment and Conservation can enforce the laws of environment protection; they will still struggle in the future because in the event that they want to enforce the laws the State will be litigating on behalf of the project developers.

Mr Speaker, my other concern about the environment is we give too much lip service on some of the discussions we have on this Floor. Some statements that come out are grand motherhood statements, let's get down to specifics.

Mr Speaker, we had a wonderful opportunity with the experience of Bougainville, OK Tedi and Misima and the most recent experience along the Markham River so far as the mining is concerned.

We must look at all the impediments that is stopping us to enforce the law, whether it is health laws or environmental and conservation laws. We need to take a whole Government approach. After 38 years of Independence we need to be bold enough to determine for ourselves exactly what we want for this country.

Mr Speaker, it is a pity that most people who want to invest in this country have realised that it is easy because they don't have to carry that financial risk because that risk is parked with the that risk is parked with the PNG Government because we are required to take out 22.5 per cent.

21/07

Mr Speaker, by doing this we then put ourselves at the wrong end of the scale. We cannot negotiate and enforce our own laws and to me that is criminal. Some of the world's advanced economies of the world, for instance, in Australia they do not have shareholding in public companies. They are full regulators and stand on the side and enforce the law. You can come and bring your own money, bring your own risk and develop the resource and at the end of the day, you pay tax.

Mr Speaker, Australia is closer to us but look at the vision and attitude of public towards environment protection. They are very vigilant and here we cannot do. Our people cannot do it because the State is also playing an advocacy role on behalf of the developer.

Mr Speaker, I would like to congratulate the Minister for he has brought more energy in that department. This department, perhaps in the order of things in this country is the least important Department or ranked lower but you have to appreciate his passion and commitment for the job his has done. This is because some of the statements he echoed about the flora and fauna in this country are very rich. Recently, in the years 2004 and 2005, I had the privilege of attending an Australian – PNG business council forum in Cairns.

Mr Speaker, there was this presentation by a tour operator who had carried out extensive businesses in the western part of Papua New Guinea. He made a very big statement and it shocked me in the presence of this forum in Cairns. He said, Australians talk too much about the Kakadu National Park, which is one of their icons in terms of selling their country, but he said Kakadu does not compare with Bensbach. Bensbach is located in the Western Province because of the unique bird species and that blew my mind away.

Mr Speaker, some of these discussions we are having seem to be centered around the non-renewable sector. Nevertheless, this sector is so precious to this country and a gift given

to us that we do not have to do anything. We do not have to advance it any which way that you can think of and it is always there.

I therefore, think that our people require this Parliament to stand up and say this is the time now and let us have a mature conversation about where we are heading. Should we take on the 22.5 per cent equity in all these big industries in this country? Or let us stand back and tell the whole world to come to this country, bring your own resources and as much risk as you can to develop the resource – sorry Mr Speaker, should I continue?

Mr SPEAKER – I think you can continue.

Mr BIRE KIMISOPA – Thank you, Mr Speaker. It seems to be an appropriate discussion to have but it is a subject that is going to be spoken about in the years to come. If we do not have a mature conversation in this country, the next generation of leaders will come and have this same conversation in this Chamber and likewise, with the following generations to come. And before you realise it, we would have lost everything in this country that is sacred, special and a gift that God has given to us.

Thank you, Mr Speaker.

Debate (on motion by **Mr James Marape**) adjourned.

ADJOURNMENT

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

That the Parliament do now adjourn.

The Parliament adjourned at 2.50 p.m..