

FIRST DAY

Tuesday 6 May 2014

DRAFT HANSARD

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PARLIAMENTARY DEBATES

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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 06 May 2014

The Parliament met at 2 p.m. according to the terms of the Resolution of 21 February 2014.

The Speaker (**Mr Theo Zurenuoc**) took the Chair and invited the Member for Kabwum, Honourable **Bob Dadae**, to say Prayers:

‘Our Heavenly Father creator of the universe, we come before your holy throne this afternoon admitting our wrongs and father at the same time we want to appreciate and thank you for giving us the privilege of being leaders of our nation.

Father as we resume this Parliament Meeting we want to commit all our discussions that will be deliberated over this three week meeting under your guidance. We seek your knowledge and wisdom. Father we ask you to assist our Speaker, our Prime Minister and the Ministers and the Leader of the Opposition and all Members of Parliament to fill us and empower us with your spirit so that what ever transpires on the Floor of this Chamber will best represent the interest of our people in this country. Thank you God almighty. Amen.’

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 the *National Broadcasting Corporation* will be allowed to broadcast live Question Time.

CERTIFICATION OF ACTS – STATEMENT BY THE SPEAKER

Mr SPEAKER – I have to inform Parliament that I have in accordance with *Section 110* of the *Constitution* certified six *Acts* and two *Laws* has having been made by the Parliament.

A list of the *Acts* and *Laws* are as follows;

1. *Family Protection Act 2013*
2. *Criminal Code (Amendment) Act 2013*
3. *Conservation Areas (Amendment) Act 2013*
4. *Fauna (Protection and Control) (Amendment) Act 2014*
5. *International Trade (Fauna and Flora) (Amendment) Act 2014*
6. *Supplementary Appropriation (Judiciary) Act 2014*
7. *Constitutional Amendment (No.37) (Citizenship) Law 2014*
8. *Organic Law on Provincial Governments (District Development Authority) (Amendment) Law 2014.*

02/01

QUESTIONS

Mr RONNY KNIGHT –My questions are directed to the Minister for Fisheries. I have just returned from the western islands, Nigohen LLG reviewing the disaster area. During the trip I have found several things that the Minister maybe unaware of.

(1) There were three fishing boats that were basically stripping the reefs of giant clams and were armed with AK-47 and hand grenades. One of those vessels has the numbers TD 92408CS written on the side. The others a painted off.

(2) There are licensed fishing boats that we observed to have transhipping fish, off Nigohen Island to a freighter which I believe is wrong.

(3) Boats have been refuelling from tankers within the same islands populated by our people.

During that trip we observed almost 32 pump boats sighted around the Awa, Wuvulu and Nigohen area fishing for anything. My questions are;

(1) Can the Minister authorize NFA some of the fisheries patrol vessels at these islands, to apprehend these criminals?

(2) If caught, can the vessels be handed over to my people so that we can use them?

(3) Can NFA, Customs, police, PNGDF, Health and quarantine form a joint task force and organise some sort of coast watching system with my government so we can police our orders effectively?

We cannot be complacent here, we are at war and we are losing daily.

Mr MAO ZEMMING – Thank you, member for Manus for your questions. We have a lot of problems especially in surveillance of our borders and the government is aware of these, however, the specific question asked to have boats stationed there, I want to say that we have three boats out there under NFA's efforts to police and monitor the border areas. And we are working together with Customs and PNGDF to look into areas such as where we can get assistance from other countries to look into setting up the fisheries border surveillance.

At this time there are three boats out there and I will ask NFA to send one of these boats to go around to the area specifically to monitor what you have witnessed.

If we apprehend ships or boats there are laws and guidelines that we must follow. Mr Speaker, the Member has raised these questions several times already and we are aware of it and I want to assure the Member that the Government will consider it in due course. I will ask the concerned agencies such as customs, PNGDF and police to assess the situation in Manus.

Mr SASINDRAN MUTHUVEL – My questions are directed to the Minister for Community Development. Recently a lot has been shown in the media on Violence and abuse of women and even children as young as five years old are abused. What arrangements is there that can protect these very young children in situations where they are abused?

03/01

Who can we refer them to, in order to prevent these children from being abused by the family looking after them?

Does the Community Development Department have any welfare house that we can refer those abused children to?

Ms LOUJAYA KOUZA – I thank you, Mr Speaker, for this opportunity to response to the request of the honourable Governor of West New Britain.

I am delighted to announce to this honourable House that in the previous month, my department, working in collaboration with the Law and Justice Sector, had a look at the amendments to the *Lukautim Pikinini Act* and we will proceed to do a joint submission to the NEC.

The honourable Attorney-General and I will, with regards to the amendments in the *Lukautim Pikinini Act*, ensure that the situations of the children raised by the honourable Governor are being addressed.

Also, I am delighted to state that I will be tabling within the next three weeks, while we are here in Parliament, to the NEC and later to Parliament legislation with regards to the issue of a gender based violence workshop that has come up with a legislative suggestion towards the establishment of a GBV Secretariat. And these again are enabling legislation that will take care of the issues that are very pressing at this time, with regard to gender based violence where children are concerned and the welfare of children in this country.

Mr SAM BASIL – Thank you, Mr Speaker. My questions are directed to the Health Minister.

Mr Speaker, during my recent electoral patrol I discovered that 10 ward areas in one of my six LLGs do not have drugs in their aid posts and health centres and other health set ups within the ward areas for the last six months.

Mr Speaker, we understand that it is a function of the provincial administration where re-current and development grants go directly to the provincial governments to facilitate the distribution of drugs. These drugs were used up in six months and many aid posts ran out.

(1) Can the Minister clarify to this Parliament whether the National Health Authorities monitor provincial governments when funding comes to make sure that the drugs reach the rural areas where they continuously run out of drug supply?

(2) Which institution in the Health Department in Papua New Guinea is responsible for the training of village based birth attendants and village based health workers?

(3) We are finding it extremely hard to send new workers for training because the people who were trained in the past have aged and many rural areas are suffering from the effects of this. Can the Health Minister explain this?

Mr MICHAEL MALABAG – Thank you, Mr Speaker. Let me thank the honourable Deputy Opposition Leader and Member for Bulolo for these questions.

The drugs and medicines in the provinces are the responsibility of the respective provincial governments.

It is also included in your DSIP, especially the health component. That used to be with the Health Department but that has now ceased and it is now included in the health component of your DSIP.

Now drugs are normally together with the respective divisions of health within each province and the National Department of Health. Drugs are always sent to each respective province.

And where drugs are short, it is only the responsible of all of us that where drugs are short due advice be given, not only to the authorities in Morobe, but also to the National Department of Health. And we ensure that there is constant supply of drugs, within, not only the ward system but in respective aid posts and health centers throughout Papua New Guinea. But that is mostly a function of the provincial governments.

Let me remind them again. Now the National Health Authority has not started in Morobe as yet. It has initially been established in Milne Bay, Eastern Highlands and Western Highlands. Recently, we went across to West New Britain, Manus, Enga and West Sepik. We have now signed agreements with Southern Highlands and lately, I've signed an agreement with East Sepik.

So nine provinces have now signed with us but I would like to invite Morobe to closely liaise with us again so that we can move with Morobe.

04/01

I understand the Governor of Oro is now pushing for his province again, that is the way to go. We must take ownership and responsibility.

As for the second question, just recently, I was in Wapenamanda in Enga where community health workers continue to be trained and the Australians are also helping us especially with midwife trainings. We know that that the employees who have reached retirement age are still there, and I know that from experience as a union leader. Training is still continuing but as soon as all the provincial health authorities are in position then all these other things can be ironed out. If there are other issues then we can always consult each other later. Thankyou, Mr Speaker.

Mr WERA MORI – I would like to raise a series of questions to the honourable Prime Minister in regard to creation of economic activities and creation of equal opportunity.

Recently, I raised a series of questions to the Minister for trade and Commerce with regards to money that was parked for the Chimbu Limestone Development, I pointed out to the Prime Minister that K2 milion that was budgeted disappeared in Waigani in his Department. I was assured that some money would be made available in the 2015 Budget. Unfortunately, that was not the case.

Mr Speaker, in February as an initiative of the Governor of Chimbu, Honourable Noah Kool, a submission was made to NEC of which K28 million was approved. I understand that that money will be channelled through the Department of Commerce and Trade, the same department in which the K2 million disappeared.

My questions are;

(1) Can the funds be channelled to Chimbu Limestone Development which is owned by Chimbu Provincial Government?

Or as an alternative arrangement,

(2) Can that money be parked in the Department of State Enterprises which is more eager to drive this project?

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

Mr Speaker, the Member knows very well as I have had a series of discussions with himself and the Governor of Chimbu province on this matter. I want to state here very strongly that this Government supports the Chuave Limestone Project that commitment we expressed it through the approval of the Cabinet by approving the sum of K28 million to fund the equity and also the feasibility study.

Mr Speaker we know that the arms of Government and Government agencies have limitations that we are not able to conduct and run businesses ourselves. That is why it is important that we find the right partner who has experience and I understand that the Chimbu Provincial Government and the Member and all the others are doing just that. As soon as that is established, I want to assure the honourable Member that we would transfer the funds directly to the company and through the provincial government as and when the partners and all the other stakeholders are established properly.

Mr Speaker, this limestone project has been subject of discussion for many years and the last thing we want to do is let the expectations of our people down after spending so much money. We have spent K2 million as the Member as correctly stated with nothing to show for it and the last thing we want to do is let the people down, bring their expectations up with nothing to show for the K28 million. Let us do this properly. We fully stand behind the honourable Member and the Chimbu provincial Government in this project.

Mr BOB DADAE – Thankyou, honourable Speaker. My question is directed to the Attorney-General.

05/01

When this question was raised by a member of the community, I realised that I could not give an appropriate answer. I am sure that most of the people throughout the country including the Members here also would have a similar question.

Before I ask my questions, I would like to make some points here. God has done Papua New Guinea proud by blessing us with a lot of natural resources both on the land and in the sea. Also, almost all the land in Papua New Guinea is owned by the people. It is also known regarding land in Papua New Guinea is that minerals found below a certain depth are owned by the State.

Nevertheless, it seems to us that not all the minerals are owned by the Government of Papua New Guinea. When minerals are discovered and about to be developed the ownership is then transferred to the investors. We are then left to buy shares to something that we own in the first place.

Therefore, my questions are:

(1) If we are the resource owners then why shouldn't we be partners with the investors to develop our resources?

(2) Are there any laws in place that can allow this to happen?

(3) If so, is the government looking into making amendments for such a law so that the ownership remains with Papua New Guinea?

Thank you.

Mr KERENGA KUA – Thank you, Mr Speaker.

This has been a question that has bothered generations of leadership on this Floor of Parliament. As to how we could deal with an inequity resulting from a situation where the government owns the resources on behalf of the people of Papua New Guinea, but regardless of that, it loses that ownership and has to buy its way back into it again. That has been the problem to which we have not been able to find a solution. We have not been able to identify the cause for that loss.

Mr Speaker, nevertheless, the good thing right now is that we are on the way to undoing that inequity that has caused this country perhaps in the last 40 years billions of kina in total loss. At the moment, the legislative landscape begins with the State owning the minerals or petroleum resources under the ground for and on behalf of the people of this country. Our ownership is protected by legislation and those same legislations go on to say that the State will then on behalf of the people give exploration licenses to people who want to explore. After the exploration license is given, the State still remains the owner. Then somewhere along the way the explorer makes a discovery and they quantify it to be commercial and then they come to the State and say that they have made a commercially viable discovery and therefore ask to be given a development license. The state of the law is currently like this at this moment.

When a development license is given and as a result of that request the State then forfeits its ownership. Therefore, ownership is forfeited when the development license is granted with no provision being made for compensation to flow from the developer who has now acquired ownership back to the State for and on behalf of the people.

That has been the very point where we have been dispossessed of our ownership rights. We have been dispossessed for appropriate compensation for that loss. That is the reason why a lot of people say that we are floating on oil, walking on

pavements of gold and whatever else. Nevertheless, we have not seen any of the benefits.

06/01

But where is the benefit? We don't see it. How has it disappeared? We are not able to figure out how we have lost it and the opportunity to benefit from it for ourselves. Well, the day has come when Papua New Guinea has produced enough educated people both on the Floor of this Parliament and outside to put their finger on exactly what went wrong, where it happened and where the leakage has been.

So, we are now moving to plug that leakage. The Government is earnestly in the process of making sure that we deal with it systematically and firstly, by reforming the State participatory vehicles in mining and petroleum. We have to first prepare that platform; the vehicles that will represent the State into those industries because as you know, Mr Speaker, presently, the State participation in mineral or in petroleum is fragmented and spread over numerous agencies of the government itself in such a way that when a development comes up, and under the law, the developer asks the State to nominate somebody to participate in the project on behalf of the State and for the people, this immediately triggers in-fighting between the various agencies of the State itself. As we are busy fighting amongst ourselves, we spend less time and energy in looking at negotiating an overall beneficial constructive package for our people with the developer.

By that time if we are lucky and we sort out our participatory vehicle or our nominee, negotiations have already been concluded and we are cornered with a package which we have never negotiated for and which is not beneficial to us. So, we are forced to accept what is on the table. That has been the landscape in which successive projects have been developed overtime. It has never necessarily been the best package for us as a country. We have to stop that.

So, now we are preparing and rationalising it and saying; we are now going to be creating only two companies. There will be no doubt left in the minds of foreign investors nor those of us within the country who is involved in such projects that there will be one dedicated vehicle participating in mining. All the roads in mining will lead to that one door. Likewise, for petroleum, there will be one petroleum company.

So, once we have stabilised our ability to participate meaningfully and constructively, and eliminate all these confusion amongst ourselves, we will now fit

ourselves to the second stage and that is to deal with the question of how we claw back our loss of ownership of those resources. There are various models all around the world and after looking at them, we feel that for this country, the best vehicle to use would be to invoke a production sharing arrangement into our legal framework.

Mr Speaker and ladies and gentlemen, what that means is that when a developer comes in and makes a commercial discovery, it will pay for all the development cost. We don't have to go into that by borrowing to finance it or buy back what was previously ours. If you look at the fundamentals of the laws that we adopted into this country, one of the cornerstone of this capitalistic democracy is that when you lose your ownership over anything, you have to be compensated for it, don't you. But it is in this particular spectrum that this law does not apply for some reason.

Mr Speaker, I'd be damned if I understand. How did we allow this law to continue in this state for so long? We lose our ownership and no commodities flow in our direction as well. That has to change and we are going to change it this way; we will say by legal decree, when a discovery is made, we will give them a percentage and we retain continued ownership of what we reserve for ourselves. You develop it at your cost.

07/01

Mr Speaker, in the case of petroleum, we will share by installing the metering valve at the well head, so that, as soon as the well or gas or oil or something is pooping out of the ground, it will be metered and we will share in proportion to the percentages that we have reserved for ourselves. We are sharing the produce and it is called the 'production sharing'.

In the case of minerals, as soon as you convert the ore to metal, you weight it and we share it according to the agreed and prescribed percentages from a share of produce through the 'production sharing'. However, because we've always being the owner, we do not have to pay or we do not have to be forced to go to high peak for instance to borrow to buy back what has always been ours. We do not have to be forced to go to UBS to borrow to buy back what is always being ours. We will get these things free of charge by law. Mr Speaker, that is where we are heading and there is a promise in the hoping.

Mr Speaker, we are going to rectify this mess that has been here and alluded solution for so long and that has to come to an end. We are on the right track and we

are going to fix it. We got the full support from Prime Minister, we've got the full support from the Cabinet and I can see and feel that this Parliament will agree to it.

Mr Speaker, we have now to bring it on and to deal with it. We are the people elected by our people and we must do what is right by the people and for the people and of the people.

Supplementary Question

Sir MICHAEL SOMARE – Mr Speaker, my questions are regarding to what the Attorney-General has highlighted in relation to the legislation that will benefit Papua New Guineans much better than it is now. You do not have to amend the whole legislation but there is one legislation concerning the land and the landowners be amended.

Many of our landowners are complaining about the direct benefit from the landowners. What we did with the LNG plant now is that we give 5 per cent to the landowners of the area. The investor puts some money but we must get something out of the investor and we get 5 per cent out of every development that is taking place on our land. I think this is the better way to do it rather than bringing the developer and we pay for the end products from them.

Mr SPEAKER – Governor of East Sepik, what is your question?

Sir MICHAEL SOMARE – My questions are as follows:

(1) Can the Minister critically look at the provisions that allows for the landowners and the provinces to get certain percentage from ore, gas, oil, gold et cetera?

Mr Speaker, it is better that way rather than you develop it first and threaten the foreign investors to come and invest. I agree with the Attorney-General that the participation should be with the Papua New Guineans.

Mr Speaker, during that time of Bougainville Copper Mining it was 2 per cent for the

Landowners, however, the 2 per cent under the existing *Land Act* must be changed.

(2) Can the Minister change the 2 per cent provision to the landowners under the existing *Land Act* to 5 per cent or 10 per cent to the landowners?

Mr SPEAKER – The Chair allows one minute for the Attorney-General to answer the questions.

Mr KERENGA KUA – Mr Speaker, with due respect to the Governor for East Sepik, I can say that the matter is the subject of its question will be taken care of, except that that is the second layer of the issues that we have to deal with. But my early response was to get the investor in first and then we can talk about how we can distribute benefits from the development.

08/01

Earlier, I was talking about how we were going to go out and hunt down the prey and after killing it we will be able to consider those questions.

Mr JOE SUNGI – Mr Speaker, I direct my questions to the National Planning and Monitoring Minister. My first question is in regards to donors coming into this country and investing in the name of rural development. Many of these donor funds we read about end up in the National Planning Office or to their respective sectors but very little flows down to the districts and LLGs.

(1) Can the Minister tell this Parliament whether we have proper record or data base for Aid funds, or even loans that are signed by the National Government to ensure to end up where they are suppose to?

(2) Can the Minister provide a list of all the donors so that each Member for Parliament will know the guidelines on how to access those development fundings that are earmarked in the name of rural development?

Mr Speaker, the same donors fall in love with the same province and same people all the time and many of us are left out on these funds.

(3) Can the Minister inform and clarify to this Parliament which document, the Vision 2050 document, the MTDS or the Loans Sustainable Development in Alotau recently, is guiding the development partners and the donor agencies to put their resources and funds into?

Mr CHARLES ABEL – Mr Speaker, I thank the Member for Nuku for his very good question. He comes from a rural area and obviously is very concerned

about rural development and what is happening in terms of the coordination, in particular how some of our donors carry on with their programs in rural areas.

I note and acknowledge that concern and it has been raised in the media as well, particularly with the European Union, a very good development partner, as with all other development partners and their attempts to help our country to align our policies. One of the features of that policy is rural development and rural empowerment.

Mr Speaker, one of the problems we are facing is the coordination and ensuring of tangible outcomes with this money, not only taxpayers money but the good money that is given by overseas countries and their citizens with the good intention of helping our country develop and developing our rural areas.

Mr Speaker, on behalf of our Government and this country, let me state clearly here that we remain grateful to those countries that come to us in order to help us and it is our job to organise ourselves a bit better and to be very clear with our development priorities and strategies such that these funds are properly coordinated and they go right down to the rural level where it is intended.

Mr Speaker, let me say that that is what this Government is trying to do from the declaration of our coalition policies under the O'Neill-Dion Government. We have tried to keep it simple with our infrastructure, education, health, law and justice and the economy requirements, we are putting record fundings into those areas. That is why many of the activities are centered around getting the central agencies of government to get down and do what their core functions are. The core functions for Planning and Monitoring, Treasury and Finance is coordination planning and support and getting those departments to release the money and better designing and coordinating the PIP Program and its mechanisms where by this money actually translates down to the rural areas.

Mr Speaker, one of those efforts is the Aid Coordination Policy, which we intend to table in July when we meet with all our development partners. Some of the signals in terms of donor policy and consensual finance policy have already been stated by our Government starting with our biggest partner the Australian Government and that our Government wants less fragmented development and aid policy program. Too many of our development partners are trying to do too many things and there is too much overlapping and lack of coordination.

Mr Speaker, you can see already in some of the announcements that we are making and in particular I mentioned the Australian Government; we want them to get down and focus on major infrastructure programs and other development programs that are more visible, more tangible and less technical assistance focused.

These signals are going out very clearly to our development partners and you will start to see in the National Indigity Program. You will see that response coming back to us. I mentioned the European Union Development Commissioner last week and you will see for example that they are already responding to that.

The European Union has been very specific in terms of where they are going to focus at because we are telling them that they are doing a good job in water and sanitation and rural electrification, providing teachers training and scholarships for our students and trade support. We are telling them that we want them to concentrate on those areas.

AusAid is also doing a great job. When it comes to ADB and the World Bank we are telling them that they are to concentrate on this particular roads and areas. The bottom line is that we have to be fair with all these programs.

09/01

So I think some of these issues are coming through as we work to improve the functioning of Departments like National Planning where we set these policies and follow them up and make sure that they are complied with, while making sure that these reports come to Parliament and that central agencies of the Government, do what they are supposed to be doing, rather than dealing with small projects and getting too involved with micro details and not monitoring the overall program.

Mr Speaker, I think we are going in the right direction. I acknowledge the concerns of the Member and I have said that in Alotau district, I am not aware of many of the programs undertaken by AusAid in Alotau. I have said to them that if the National Government is giving so much money through DSIP, PSIP and we obviously have major programs that we are undertaking, it is logical that all the donor partners coordinate through the JDP and the local Member of Parliament and align them with our development priorities. It does not make sense when we are running a big program on infrastructure or health through DSIP and other Government programs and then you have our agencies ignoring those programs.

Those are our programs and we have been mandated and they have to come in and align with those. I said to them at the national level, if you are going to enter a province or a district, you must converse with the local Member. So I note the Member's issues and we will make sure that will be communicated through our policies and dialogue to our development partners.

Mr Speaker in terms of the documents relating to the second question, and without going on too long, the Prime Minister and relevant Ministers have launched the new Development Strategy recently and you will see a series of awareness communiqués coming through the media.

We are going to engage with the university and this week on Thursday on EMTV, there will be a full hour documentary showing some of the many good words and explanations that were made during the launching. I will also be tabling here in Parliament either this week or next week and explain fully what it is all about.

As I have said in Cabinet it come through the full due process all the way through and I am going to try and continue to complete that process. It is not an attempt to replace Vision 2050 or the Development Strategic Plan, which is our 20 year plan. It is an attempt to try and elevate our strategic thinking and planning around those plans and many of these principles that we talk about come from the Constitution that are translated through these plans are already there.

It is an attempt by the Government just to elevate some of these principles that we are a much far reaching and thinking Government. I just talked about what the Attorney General has just raised there. That is a classic example of us taking a real look and taking proper and full control of the resources of this nation.

You will see some of the advertisements coming through and that this country is unique in so many ways, in terms of it boasting to have the third largest rainforest, seven per cent of the world's biodiversity, huge gold and gas reserves and other circumstances that gives us the opportunity to lead the world in proving our solutions. We are not replacing anything as a lot of these principles of equality and fairness, balance and respect for nature and our elders are already in the *Constitution*, it is just that our plans fully recognise and elevate those things.

And that is what this strategy is all about. We will communicate these messages through the media in stages. I will table this strategy and we will try and communicate how this development agenda is supposed to be personalised and how we are going to action it and how we as individuals can participate in the development

process. As the Prime Minister said, development is about a personal commitment, not just about putting the blame on all your leaders; it is about each and every one and how we can all personally take up this challenge right from the village level to you and me. That is why I said, "PNG EM MI YAH!"

We have to participate fully in the development process we can't sit under the coconut tree and blame everything else when this country is so blessed. So our Government in an attempt to try and elevate some of these principles must elevate sustainable development, strategic thinking and planning and this is what it is all about documenting the government and will be brought to the Floor of Parliament and continue to try and explain it to our people.

10/01

Mr PETER ISOAIMO – Thank you, Mr Speaker. My question is directed to the Prime Minister, Finance Minister and Treasury Minister to take note.

Papua New Guinea is celebrating the export of its first gas next week. Last week and over the weekend the Prime Minister came out in the media stating that he will roll out K14 million worth of projects for the wellhead people when Parliament rises.

Kairuku-Hiri too as the host of the export of the LNG is waiting for the K14 million promised on or about May 4 of 2012 prior to the National General Elections at Bereina Station.

My questions are, is this commitment of K14 million by the Prime Minister to the people of Kairuku still stand?

Will he give it to me to fix the roads and other deteriorating infrastructure?

Mr PETER O'NIELL – Thank you, Mr Speaker and I thank the honourable Member for Kairuku-Hiri and congratulate him again for his recent win.

I want to assure the honourable Member that we intend to make sure that we honour our commitment. We are not a government that says one thing and does something different. But you can be rest assured that we will do so.

Mr Speaker, with regard to the 2012 commitments, these are IDG commitments that the government made. In 2009 and 2010 when we settled the UBSA agreements between the State, landowners and other stakeholders, including

provincial governments, certain commitments, including the distribution of the infrastructure development grant was set up.

Mr Speaker, in 2011 I handed over a cheque of K17 million to the Central Provincial Government who is now, under the arrangement, the provincial governments are now going to be responsible for managing the IDG grants and the disbursement of those projects that have been identified.

So, Mr Speaker, I want to assure the honourable Member that the funds for 2012, 2013 and 2014 are still there. So it is not because of lack of money.

Mr Speaker, it is because of but it is because our own employees and the public service and bureaucrats are not getting their acts together and are not getting the projects rolling. That is why we are still holding on to all these funds and those funds are committed, appropriated through the budgetary process by this Parliament and we intend to honour every commitment that we made.

We'll continue to work with the honourable Member but more so with the honourable Governor of Central provinces and governors of other affected provinces.

Mr GISUWAT SINIWAN – Mr Speaker, my question is directed to the Works Minister. It is to do with the Lae City roads, especially the main highway.

A contractor based there called Shorncliff, we've been giving them work but they've not been performing to our expectations. They have been giving us sub-standard work and the roads deteriorate frequently.

Can this company be black-listed?

Mr FRANCIS AWESA – Thank you, Mr Speaker and I thank the honourable Member for Nawae for this important question.

I wish to say that some of the questions on these companies come out in public and from this Parliament here but in this particular case I wish to inform the Member and Parliament that we will review that particular road .

I believe that the same company has been questioned by the honourable Member for Kundiawa-Gembogl about two sessions ago so I wish to assure the honourable Member and the people of Morobe Province that I will examine this particular case and if I find that they are defaulting some aspects of their contract, we will look at taking some action including termination of their contract.

11/01

I know for sure that some notices have already been given by the Works Department in relation to the maintenance contract that goes from Lae to Watarais and they have been put on notice so we will have to revisit that notice and see how far they have gone. Thank you

ADJOURNMENT

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

That the Parliament do now adjourn.

The Parliament adjourned at 3.20.p.m.