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**LEE SIROTE**

Acting Principal Parliamentary Reporter

**FIRST DAY**

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**Tuesday 21 October 2014**

**DRAFT HANSARD**

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## **FIRST DAY**

**Tuesday 21 October 2014**

The Parliament met at 2 p.m., according to the terms of its Resolution of 5 September 2014.

The Speaker (**Mr Theo Zurenuoc**) took the Chair.

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

Sitting suspended.

The Speaker, again took the Chair at 2.30 p.m., and invited the Governor of Western, **Mr Ati Wobiro** to say Prayers.

‘Our Gracious Holy Father, we come humbly before your Holy presence. We thank you God for the gift of life and allowing us to live one more day. God help us to live it for your glory. We acknowledge you as Lord and Master of this beautiful country of Papua New Guinea and its people. Thank you, Father, for your special calling upon us as leaders of this nation to provide good leadership. Lord, as we meet again in this Honourable House, I pray that you will give us your heart so that we can feel for your people like the way you feel for them, give us your mind also that we might truly understand their need, and I pray too that you will guide all our deliberation in this Honourable House that everything will be done for your glory and honour. We thank you that you are God and Master of this Parliament House. We also want to commit ourselves on behalf of our people, thank you Father God for the Speaker his role model as a Christian leader. Lord, continue to bless and strengthen him and his family, we also thank you for the Prime Minister and pray that you will bless him and his family. We also pray for all our Ministers, the Leader of Opposition and all the Members. Father, we ask your blessing on all of us so that we can realised whom we are representing in this Parliament. Amen.’

**DISTINGUISHED VISITORS –  
STATEMENT BY THE SPEAKER**

**Mr SPEAKER** – Honourable Members, the Chair wishes to inform Parliament that we have a Parliamentary Delegation from the Queensland Parliament consisting of the Madam Speaker, the Honourable Fiona Simpson, MP (Leader of the delegation), Mr Steve Davies, MP (Member for Capalaba), Mr Trevor Ruthernberg, MP (Member of Kallangur), Mrs Liz Cunningham, MP (Member for Gladstone), Mr Darren Grimwade, MP (Member for Morayfield), Mr Dale Shuttleworth, MP (Member for Ferny Grove) and their officers are present in the Speaker’s Gallery.

On behalf of the Parliament, I extend to the distinguished visitors a very warm welcome to Papua New Guinea.

**BROADCASTING OF PARLIAMENTARY PROCEEDINGS –  
STATEMENT BY THE SPEAKER**

**Mr SPEAKER** – Honourable Members the Chair wishes to inform Parliament that the Permanent Parliamentary Committee on Broadcasting of Parliamentary Proceedings met today and resolved that; (a) The *National Broadcasting Commission* will be allowed to broadcast live Questions Time for the duration of this meeting, (b) *Kundu 2* will be allowed to telecast live Question Time also for the duration of this meeting; and (c) *EMTV* will be allowed to film Questions Time for news purposely only for the duration of this meeting.

**02/01**

**CERTIFICATION OF ACTS –  
STATEMENT BY THE SPEAKER**

**Mr SPEAKER** – Honourable members, I have to inform Parliament that I have, in accordance with *Section 110* of the *Constitution*, certified ten Acts made by the National Parliament and they are as follows:

*Lukautim Pikkinini (Child) (Amendment) Act 201;*

*National Youth Development Act 2014;*  
*Village court (Amendment) Act 2014;*  
*Criminal Code (Amendment) Act 2014;*  
*Regulatory Statutory Authority (Appointment to Certain Offices) Consequential Amendment Act 2014;*  
*Papua New Guinea Customs Service Act 2014;*  
*Customs (Amendment) Act 2014;*  
*Correctional Service (Amendment) Act 2014;*  
*Public Private Partnership Act 2014; and*  
*Small and Medium Enterprises Act 2014.*

**DEATH OF FORMER MEMBER (Mr JOHN YAKA) –  
STATEMENT BY THE SPEAKER**

**Mr SPEAKER** – Honourable members, I also have to inform Parliament on the death on 30, September, 2014, of Mr John Yaka a former Member for Kandep Open seat. He was elected to the second National Parliament from 1977 to 1982. He was appointed member of the Constitutional Laws and Acts Committee in 1977, then Minister for Justice from 1981 to 1982. He was re-elected to the third National Parliament from 1982 to 1987 for the same seat.

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

All the honourable Members stood in their places as a mark of respect to the memory of the late gentleman.

**Mr SPEAKER** – I thank the Parliament.

**QUESTIONS**

**Mr GARRY JUFFA** – Thank you, Mr Speaker, for recognising the people of Oro Province.

My questions are directed to the Deputy Prime Minister since the Prime Minister and the Minister for Police are not present. My questions are in reference to a particular logging company that operated in West New Britain and also has the licence to operate in Oro Province until we recently suspended their licence. The principal owner of that company has fled from Papua New Guinea because authorities were trying to charge him for the destruction of reef in West New Britain. The reef was destroyed to make way for road construction. The principal owner was out of the country for almost a year; however, I heard that he has returned.

(1) Are you aware that such people are fostering political unrest and are involved trying to control and manipulate the government system for their own benefit and their own purposes?

We have received information that this person has formed allies with public servants and politicians and some disgruntled persons to oppose our efforts to stop illegal logging in my province.

**Mr SPEAKER** – Honourable Governor for Oro, ask your questions.

*(Mr David Arore interjecting)*

**Mr GARRY JUFFA** – Shut up!

**Mr SPEAKER** – Honourable Governor, please withdraw your unparliamentary language.

**Mr GARRY JUFFA** – Mr Speaker, I withdraw my unparliamentary language.

**03/01**

(2) When will you respond to this SABL report and stop the export of round logs and even stop some of this illegal logging in PNG?

I speak on behalf of the landowners because they have been ignored for far too long, therefore, I stand with them to bring this long outstanding issue to rest. We must take action and deport some of these illegal foreigners who are heavily involved in this business. We don't need this sort of people in our country.

**Mr SPEAKER** – I must warn the Governor of Oro to be mindful of how he is expressing his sentiments.

**Mr LEO DION** – Mr Speaker, I want to thank the Governor of Oro Province for his series of questions in relation to some of the activities that concerns the environment which includes both Police and Foreign Affairs matters.

I also want the relevant Ministers to take note of these questions and respond as well.

Mr Speaker, Government is very firm on the laws of this country as well as the *Constitution*, which guide the work of the Government and the Private Sector on many issues in this country.

In response to whether the Government knows about all these activities, yes, the Government is aware of these activities.

There are processes and systems which they must take note of. And if these processes are not followed then the police must take action because the laws of this country must be upheld at all times.

In relation to the log export; the Minister has presented his statement on this Floor of Parliament, and he mentioned very clearly that there will be no more exporting of round logs out of this country. It was stated clearly and the law is there and whoever enters this country must always abide by this law. And it's the responsibilities of the line agencies to make sure that whoever enters this country must have this law revealed to them.

It's the actions of individual's who sometimes fail. And those people who are in charge such as public servants and some leaders of this country, must be warned and abide by the laws and *Constitution* of this country.

**04/01**

Those involved must be weary of their actions and be mindful of the sovereignty of this nation and must not be involved in spoiling this country.

Mr Speaker, I will take note and refer these questions to the Ministers concerned.

**Mr WESLEY NUKUNDJ** – My question is directed to the Deputy Prime Minister and Minister for Provincial and Local Level Government. Since I was elected into office, I have been telling my people that they will be given a new LLG. The paperwork is complete

and in place and it has been sent to the Ministry but up until now I have not had any response from your office.

We have followed all given procedures but have not had any form of reply as to whether we have some more steps to climb or we need to wait, Please give us a definite answer, as to whether or not we will have a new LLG?

**Mr LEO DION** – I thank the Member for Dei, for his question.

I can't think of a time when I told him to come back tomorrow, nor have I promised him a new LLG.

Mr Speaker, however, there are many requests for new LLGs, some have been approved while others have to wait for the authority which is the NEC. We have to pass on the recommendations for its final approval.

He like others have rightfully followed the process but there are a number of considerations that must be taken into account when dealing with getting new LLGs. Firstly, they have to qualify with the population, then there must be the source of funding that has to also be considered to say that this new LLG is able to create its own internal revenue to fund the extra capacity of the LLG in relation to the staff and the increase in salaries of the new president and executives than we can recommend for approval.

I assure the Member that I will certainly look into that particular issue that he has raised and if they meet the required process then I will recommend to NEC for approval as I do not make the decisions as the Minister responsible. NEC remains the authority on these matters.

**05/01**

**Mr Wesley Nukundj** – Point of Order! The Deputy Prime Minister said that funding is a problem and if that is going to be a condition we should be made aware of that. But if that is a condition now, I am willing to fund so he can approve it tomorrow

**Mr SPEAKER** – Honourable leader this is not a point of order. I think the question has been answered fully by the Deputy Prime Minister.

**Mr SAM BASIL** – My question is directed to the Treasury Minister, Honourable Patrick Pruaitch.



Mr Speaker, almost six weeks ago my district put in a request to the BSP Bank, Lae foreign exchange, to send some money overseas to buy an old aircraft that is here in Port Moresby so it can go under our subsidy program we have with North Coast Aviation.

Five weeks ago the Bank put a request to the Central Bank to prop up the Australian Dollar to at least meet up to AUD\$325 mostly to be paid to the Bank of Queensland, who own this aircraft.

Mr Speaker, I later found out from the Bank that my district is like many other business houses in Lae which have been waiting for almost two months to get their request with the Bank of PNG to obtain clearance to prop up the foreign exchange, especially with AUD, and also I believe that the Bank of PNG have restricted the outward payments of about AUD 50 000 and over if they have requested.

Mr Speaker, now on the floor of Parliament I would like the Treasury Minister to give a highlight of the foreign reserves of Papua New Guinea.

(1) How much do we have and the strength of it and how long will it take the banks to process the payments for the request of the Bank of Papua New Guinea to give clearance and look for the currency to pay the outward payments?

Many air planes that are operating in the villages are running on piston engines that operate on Avgas and not ZA1 fuel. Avgas is very hard to bring into the country.

(2) Can the Minister make some concessions so fuel can come cheap into PNG so that our people in the remote areas can benefit from this service?

Thank you, Mr Speaker.

**Mr PATRICK PRUAITCH** – I thank the Member for Bulolo and the Deputy Opposition Leader for the two questions he has asked, one in relation to outward payments in terms of getting approval from the Central Bank in order for them to make payments overseas.

Mr Speaker, I will be making a detailed statement on what has been happening three to four months ago in the Central Bank and these issues will be fully covered in my statement later this week.

So I am asking for the understanding of the Member for Bulolo and this Parliament that this issue will be appropriately covered in that statement.

In so far as the fuel for rural airstrips, particularly the consumption of piston engine fuel, I think that is being addressed and the Government will be giving approval to a number

of heavy diesel users. Cabinet has taken the decision some time ago but it's only time that the fuel will be available for usage in rural areas.

Thank you, Mr Speaker.

**Mr KELLY NARU** – Thank you, Mr Speaker. I have a couple of questions to be directed to the honourable Minister for Works

**06/01**

Mr Speaker, whilst our parliamentary colleagues from the Queensland Parliament are here; I would like to seek leave of the Chair to make a short statement of condolences before I ask my questions.

**Mr SPEAKER** – No, we are in question time but we will have time for that tomorrow.

**Mr KELLY NARU** – Thank you, Mr Speaker.

My questions are directed to the Minister for Works.

Before I begin, I would like to commend the Minister and his Department for the road works that are currently taking place in Lae at this point of time. This is because Lae City is actually being transformed and I thank the Minister for that.

My questions are in regards to Lae approaching a big event in November, which is the PNG Games. There are a lot of loose ends in road works that need to be tied up in Lae City.

(1) Can the Minister's ministry push the contractors to ensure that the road works are completed on time before the Games in November?

I am referring to certain sections around the main market area, at the back road leading into Igam Barracks and on the road at Eriku, the LFA roundabout.

My second question is in regard to the Lae to Bulolo and Wau road. Before I continue on with my question, I would also like to commend the Minister and his ministry for the current road works taking place from Bulolo to Aseki. That project has been going on very well and the Prime Minister in his recent trip to Menyamya committed additional funding for the Aseki to Menyamya leg in next year's budget.

Nevertheless, the big concern at this point in time is the highway from Lae to Wau and Bulolo. That highway is developing into a goat trap, Honourable Minister.

What will the Department of Works do in terms of the highway itself and is there funding for this year?

If not, will there be funding next year for this very important road link, which serves a lot of economic areas up in Wau and Bulolo?

As we know, we have important industries like –

**Mr SPEAKER** – Honourable Governor, could you just ask your questions, please.

**Mr KELLY NARU** – Thank you, Mr Speaker.

(2) What plan has the Works Department got in place for this particular highway?

(3) What is the Works Department then doing about it?

There is an area or section of the road that crosses the famous Kumalu River, which is always flooding resulting in a bypass being created.

(4) What I would like to know is, how soon will that be completed and if there is money allocated for that?

(5) How is the road from Lae to Wau going to be maintained and rehabilitated by the Works Department?

**07/01**

**Mr FRANCIS AWESA** – Thank you, Mr Speaker, and I wish to thank the honourable Governor of Morobe Province for his questions

The answers I will give are as follows:

By November when the Games are going to take place the Governor wanted the contractors to finish the work in Lae. I wish to say that I am happy that today, for the first time, he commended me. Previously, he had complained to the Prime Minister to revoke my appointment.

I wish to say that there is a complete transformation in the entire 45kilometres of Lae City roads. As I said already, for the first time, the O'Neill-Dion Government has made a facelift to our big city of Lae and I wish to say that this work will be completed at the end of this year. We are only waiting for the departments of Finance and Treasury to release the rest of the money for the contractors.

So, in answer to that, in the last two months all of the contractors have been waiting for their final payments, so once they have it paid, they will complete the roads in time for the Games.

On the second question regarding the road from Wau/Bulolo to Lae, I wish to say that this is an important road link, not only today but also in the past, and the government has not forgotten this.

In saying that, in regard to the issue raised in the last two weeks about the impending arrival of a petition to prevent us from making a road link, I wish to inform Parliament today that we do not have any immediate plans for expenditure of funds on that road link. So if you have any plans to prevent the implementation of that road link, I wish to inform you that it is not on the Government's agenda to complete the road link between Lae and Port Moresby in the near future.

On the specific question as to whether the Government has any plans for funding and maintenance, I wish to say that the Kumalu River is a river that has given us a lot of problems in the past and even right now where the river changed its course many times. In this year's Budget we allocated K14 million and in time we hope to have a by-pass but it will go through very difficult terrain.

The by-pass that we intend to build is going to go way over the headwaters of the Kumalu River and then it will meander down again to connect what used to be the Wau/Bulolo Road. It is a very difficult area to have a road access but we are trying our best and as the Deputy Opposition Leader knows, we have spent K14 million this year.

As to what plans we have for next year, this is the right time to ask this question because we will allocate more funds due to the importance of that road link, So the Budget is going to be coming to Parliament in the next two weeks and I suggest that the honourable Governor be patient because we have not forgotten that important road link.

Also I would like to inform the honourable Governor and the Member of Wau/Bulolo that from the 80kilometres of road, limestones will be taken out to build the Lae-Nadzab Road.

**08/01**

I will be asking Cabinet to provide more funding because we need that road to remain open. I believe that I have answered those questions.

In conclusion, I would like to repeat that the Lae to Wau/Bulolo road is a very important link and the Government is very mindful –

**Mr SPEAKER** – Honourable Minister, you have already answered the question.

**Mr FRANCIS AWESA** – Thank you, Mr Speaker.

### **Supplementary Question**

**Mr DAVID ARORE** – My supplementary question is directed to the Minister for Works, and I would like the Minister to tell my people of Ijivitari –

**Mr SPEAKER** – Honourable Member, a Supplementary Question is a question that relates to a previous question asked. Your question is a new question.

Nevertheless, I will allow you to ask your question though.

**Mr DAVID ARORE** – Thank you, Mr Speaker.

(1) Can the Minister tell my people of Ijivitari that in this year's Budget, K10 million was appropriated for the Northern Highway. The work has started and the contract was awarded.

Nevertheless, payment for this road works has not been paid and therefore the contractor has stopped work and is waiting for this payment in order to complete the highway from Oro Bay to Afore.

(2) Therefore, can the Minister tell this Parliament when the payment for the contractor for the Northern Highway will take place?

**Mr FRANCIS AWESA** – I thank the Member for Ijivitari, Honourable David Arore for his questions.

I would like to begin by saying that the project that the Member is referring to has been budgeted for at K10 million. With that, I believe that K500, 000 has already been spent and the balance of that money when it is available through the normal allocation from Treasury and Finance will be given.

There is no point in stopping the work and it should start sometime in the future because as far as I am concerned, the funds will be released to complete the road in question.

**Mr JIM KAS** – The plight of the people of Manam who were affected by the eruption of the Manam Volcano has taken 10 years to address.

The Madang Executive Council passed the *Manam Restoration Act* in the Provincial Executive Council Meeting of 2013 in March. We were, therefore, expecting to see the Draft Bill to come through the normal processes and come to Parliament.

I would like to know when the proposed Manam Restoration Act Bill will come to Parliament because my people of Manam are facing difficulties in the care-centers.

**Mr LEO DION** – I thank the Governor of Madang for his very important question.

Yes, I am aware that this particular *Act* that was passed by the Provincial Executive Council and is still outstanding.

My department has been directed continuously to ensure that the necessary paperwork is done, and I am hopeful that very soon this will be brought to the National Executive Council for its deliberation. Nevertheless, I have to apologise on behalf of the Department and I would like to be frank regarding this situation.

The situation in Madang is so complicated, but not necessarily because we are waiting for this *Act* to be passed, but because there is quite a lot of work that needs to be done from within the province as well as in the various agencies that are involved in ensuring that appropriate land issues are resolved as well as appropriate land are made available for this project to go ahead.

Whilst, we are waiting this enactment of this Manam Restoration Act, as you know, Mr Speaker, the Act and or proposal from the past was thrown out and this is a new one. Therefore, this will be consistent with the previous one in some ways or the other.

**09/01**

But once that is finalised and approved then the various agencies of Government in both national and provincial levels will work together to make sure that they resolve the issue once and for all.

Mr Speaker, I wish to appeal to all the leaders of Madang that the Governor has done quite well in relation to providing the leadership but leaders must work together to make sure that is realised.

**Sir MICHAEL SOMARE** – Mr Speaker, I wish to ask the Chair to move a motion in relation to a death of a person who has helped us (PNG) to gain Independence.

**Mr SPEAKER** – Honourable Governor of East Sepik, the Chair wishes to advise that you may move a motion after Question Time.

**Mr POWES PARKOP** – Mr Speaker, I wish to ask a question to the Minister for National Planning and Monitoring in relation to the DSIP for Pomio District on behalf of the Governor of East New Britain.

Mr Speaker, since, the Member is awaiting his appeal the province currently has no Member effectively. And considering that the DSIP is not a constitutional grant; it is a discretionary fund from the Government, it can be either managed by the Open Member or the Governor of East New Britain as provincial Member and also Governor.

My questions are:

Whilst the Member is dealing with his appeal, can the DSIP fund be released to the regional Member and Governor to manage on behalf of the District of Pomio? We do not want to have a situation experienced like Tewae-Siassi when there is no Member and no DSIP or the electoral funds were released and the people suffered.

**Mr CHARLES ABEL** – Mr Speaker, I thank the Governor for his question, but I do not know by what means he has taken it upon himself to represent the Member for Pomio and the people of Pomio.

We thank the Governor of NCD for that. The DSIP funding, obviously, is very important part of our Government's Development Budget Framework against whole service improvement program. The Government believes that this funding is for the people, including the people of Pomio.

Mr Speaker, it is through unfortunate circumstances that the Member for Pomio is pre-disposed and there are entirely different circumstances involved. As far as the Government is concerned, that money (DSIP funding) belongs to the people of Pomio and

they are people of Papua New Guinea. They deserve goods and services like any other citizen Papua New Guinean.

Mr Speaker, the provision of that law is that the JDP and BPC have a membership and it has a Deputy Chairman. The Deputy Chairman is the Provincial Governor and the regional Member and if the regional Member can take it upon himself to assume those responsibilities on behalf of his people or his constituents, I see no reason why the Pomio district cannot receive those funding and the JDP& BPC cannot proceed; the presidents and the other members, under the chairmanship of the regional Member to process all the relevant projects and programs of Pomio that are being commenced under the leadership of the Member who is not available at this stage.

Thus, I concur with the Governor of NCD that those arrangements can be organised and there is no reason Pomio cannot receive those funding into the existing treasuries to process the project under the leadership of the other members of the JDP and BPC.

**10/01**

**OMBUDSMAN COMMISSION OF PAPUA NEW GUINEA – INVESTIGATION  
INTO THE CONDUCT OF MR KEN KAIHAH, GOVERNMENT PRINTER OF  
GOVERNMENT PRINTING OFFICE – FINAL REPORT JUNE 2014 –  
MOTION FOR ADOPTION**

**Mr SPEAKER** – Honourable Members pursuant to statute, I present the following report:

*Ombudsman Commission of Papua New Guinea –*

*Investigation into the Conduct of Mr Ken Kaihah, Government Printer  
of the Government Printing Office, Final Report of June 2014.*

**Sir Michael Somare** – Point of Order, Mr Speaker, I was going to make a statement on a condolence message as Member for East Sepik who has association with Gough Whitlam, the former Prime Minister of Australia from 1972 to 1975. I was going to call a point of order to raise a motion, if it is possible for Parliament to agree for me to make a statement in Parliament.



**Mr SPEAKER** – I have been advised today that there was an understanding by Government that the Leader of Government Business was going to raise a motion tomorrow morning for us to do that and I have been advised by the Clerk that you would concur to that, honourable Governor. Therefore, I have moved onto the next part of the program of the day which is Papers.

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 3.20.p.m..