

**PARLIAMENTARY DEBATES
CORRECTIONS TO DAILY DRAFT HANSARD**

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

Corrections maybe marked on a photocopy of the Daily Draft Hansard and lodged at the Office of the Principal Parliamentary Reporter, A123 (next to the Security Control Room).

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

Amendments cannot be accepted over the phone.

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



LEE SIROTE
Acting Principal Parliamentary Reporter

FOURTH DAY

Thursday 27 November 2014

DRAFT HANSARD

<u>SUBJECT</u>	<u>PAGE No:</u>
QUESTIONS	2
PERSONAL EXPLANATION.....	24
PERSONAL EXPLANATION.....	28
AUDITOR-GENERAL OF PAPUA NEW GUINEA – ANNUAL REPORTS, 2011 PART 1 AND 2013 PART IV – MOTION TO TAKE NOTE OF PAPERS	30
THE PUBLIC SERVICES COMMISSION OF PAPUA NEW GUINEA – ANNUAL REPORTS 2010-2011, 2012 AND 2013 – MOTION TO TAKE NOTE OF PAPERS	30
DISTINGUISHED VISITORS – STATEMENT BY THE SPEAKER.....	31
PAPUA NEW GUINEA IMMIGRATION AND CITIZENSHIP SERVICE AUTHORITY – ANNUAL REPORT 2013 – PAPER AND STATEMENT – MOTION TO TAKE NOTE OF PAPER	31
MINERAL RESOURCE AUTHORITY – CHIEF INSPECTOR OF MINES – ANNUAL REPORTS 2012 AND 2013 – PAPERS AND STAMENT – MOTION TO TAKE NOTE OF PAPERS	34
SPECIAL ADJOURNMENT	40
STATEMENT BY LEADER OF GOVERNMENT BUSINESS	40
ADJOURNMENT	40

FOURTH DAY

Thursday 27 November 2014

The Speaker (**Mr Theo Zurenouc**) took the Chair at 10.15 a.m..

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

Mr Speaker, again took the Chair at 10.15 a.m. and invited the Member for Kompiam-Ambum, **Mr John Pundari**, to say Prayers:

‘In the Book of Psalms, chapter 1; blessed is the man that walked not in the council of the ungodly, nor standard in the way of sinners, nor seated in the seat of scornful, but his delight is in the law of the Lord, and in his law that he mediate day and night, and he shall be like a tree planted by the rivers of water that bringeth forth its fruit in its season. His leaves also shall not wither, and whatsoever he doeth shall prosper. The ungodly are not so, but like a chaff which the wind driveth away. Therefore, the ungodly shall not stand in the judgement nor sinners in the congregation of the righteous. For Lord, knoweth the way of the righteous but the way of the ungodly shall perish. Amen’

QUESTIONS

Mr SASINDRAN MUTHUVEL – Thank you, Mr Speaker.

I would like to direct my question to the Minister for Sports.

(1) How would the Minister classify the success of the 2014 PNG Games?

(2) What are his plans to support the 2016 PNG Games to be held in Kimbe, West New Britain Province?

Mr JUSTIN TKATCHENKO – I would like to thank the Governor for West New Britain for his important questions.

Firstly, in regards to the 2014 PNG Games, I would like to thank the host organizing committee and the Governor of Morobe Province, and the people for hosting so far such a successful games. It has really shown that sports do bring our country and people together in the name of sport. Also, we have seen some friendly rivalries, great competitions, new up-and-coming stars that are going to be our future superstars in sport in Papua New Guinea to take to the next level. We have exposed some very new talent but also, we have seen friendly rivalries between provinces, especially NCD and Morobe being kicked out of the actual race with Central Province leading the way.

Therefore, the dark horse has taken over and I just had the Governor come to me and say, when you go and close the PNG Games on Saturday, are you going to give me a new stadium? Well, I cannot answer that question, sorry Governor; nevertheless, you put your money where your mouth is and let us see what we can do.

With that, the PNG Games has really opened the eyes of many sportsmen and women. The facilities in Lae have been very good and the PNG Sports Foundation have upgraded all the facilities of Lae from the running track to the indoor and outdoor stadiums. We have a couple more days to go before we decide who the winner is for the 2015 PNG Games.

02/04

But on this avenue we need to look at how we can be more successful in how we can operate the PNG Games in respect to the timing and funding to ensure that all provinces get through the PNG Games without fear or favor.

One option that we are looking at is to have the PNG Games every three years instead of two to allow the provinces and also the host provinces to have enough time to organize this very important event for sports in our country.

Another option is to host it in those provinces that can actually facilitate and host the PNG Games with the facilities they have.

Now, I know the Governor of West New Britain is very keen to improve his facilities in his province and I want to assure the Governor that as the Sports Minister and through the Sports Foundation and the PNG Games Authority, we will back you up and support you to ensure that you will have successful games in 2016.

I know you are going to be putting a lot of budgetary support over the next couple of years from West New Britain to the PNG Games and I look forward to backing you on that and supporting you with your plans to ensure that your facilities especially on your sporting side are ready for 2016.

It is important that West New Britain shows off its ability to take sports to the next level in their Province. It will be wonderful for all our provinces to participate in the West New Britain Games in 2016 and we look forward to that.

Otherwise, I would like to thank the Governors and Members of Parliament that supported their teams and sports men and women that went to the PNG Games.

It has really created a united front when it comes to our people and sports, especially with a new president and where sports are going in our country and the lead-up to the Pacific Games in 2016. Thank you.

Supplementary Question

Mrs JULIE SOSO – Thank you, Mr Speaker.

My question is directed to the Minister of Sports.

This PNG Games started in Eastern Highlands as the Grassroots Games and this is where Toea Wisil was identified. Then from Eastern Highlands Province it came down here to Port Moresby which the Southern Region hosted and then it moved to Kopopo, where the NGI Region hosted, and then it came to Morobe Province which is currently being hosted by the Mamose Region.

So, the next region should be is the Highlands Region. Which criteria did you use? The Highlands Region is ready to host these games; we have a sports institute –

Mr Sasindran Muthuvel (West New Britain) – Point of Order! The Honourable Governor does not know the processes and procedures because we had to bid through the PNG Games Counsels Bid and West New Britain Province has successfully done so. We paid K10 000 as our bidding price and won it. So we deserve to host the Games. Thank you, Mr Speaker.

Mr Speaker - Your Point of Order is in order but it is kind of an answer too.

(Laughter in the Chamber)

Mr JUSTIN TKATCHENKO – The Governor of West New Britain is correct.

Thank you, Governor of Eastern Highlands, for your question. The PNG Games Counsel is a separate body and as minister, I have no influence over it at all.

03/04

They have their own criteria and their own body that is separate. The non-governmental organisation runs the PNG Games without any political interference.

It was advertised in the newspaper for any interested provinces to host the next PNG Games. The next PNG Games is in 2016 which has been approved by the PNG Games Council and will be held in Kimbe, West New Britain Province.

So Governor of Eastern Highlands, please feel free to apply to the PNG Games Council for your province to host the next PNG Games. It is a very open process and you have to show the criteria that you will take the games to the next level. This is why we need to look at which provinces are able to host the PNG Games because it's a very expensive exercise for the Government, especially for those provinces that don't have the facilities to host the PNG Games.

We have to look at maybe a regional situation such as Eastern Highlands for the Highlands region because it has the PNG Institute of Sports there and Kokopo in East New Britain because all its facilities have been upgraded, NCD and Lae in Morobe. We have to look at a more practical situation for everybody concerned in the long term which we will be reviewing after this year's PNG Games.

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

My question is directed to the Minister for State Enterprise but before that I would like to thank the Minister for his assistance in rebuilding and refurbishing our wharf at Oro Bay at the cost of K10 million. I ask this question on behalf of the Oil Palm growers in Oro province.

Oil Palm is a major contributor to the agricultural sector in Papua New Guinea. Going through the Budget papers, I saw that we have not received any monies for the Oil Palm feeder roads, and our people in Oro are suffering with poor price payments because their fruits were rotting due to inaccessibility. It is also a major financial burden to the company to fix these roads when it is the responsibility of the National Government and provincial government but they have not provided funds for these roads.

Every year for the three Oil Palm producing provinces, Milne Bay, New Ireland and Northern Province, the National Government receives the dividends through IPBC. The dividends don't come back to us and it's very hard to access them. From our calculations about K4 million is due to Oro Province every year.

Is there any possible way that that these funds can be diverted to Oro province to fix these roads to make it possible for these oil palm farmers to transport their oil palm fruits?

Mr BEN MICAH – Thank you, Mr Speaker. I think that question was asked before and there were a few correspondents from the Governor of Milne with regards to the possible transfer of State equity from New Britain Palm Oil especially with Higaturu Palm Oil and Milne Bay Estate under the old arrangement when it was owned by CTC and later CTP.

During the time of the late Skate Government a decision was made to transfer the shares of the State to these two provincial governments. That decision had not been effected by the previous Government.

04/04

I have made an undertaking that as soon as the assets of the general Business trusts of IPBC are released from the security that we mortgaged to the IPIC under the Oil Search Shares and then I will take back to Cabinet so the current government can make a decision on what to transfer –

Mr Garry Juffa (Governor Oro) – Point of Order! Clarify! I am aware of that process and we are working with the Minister on this side.

My question is on the every year dividends that are paid and we never received a toea on this side.

So, I am asking if those dividends can be made available to the provinces. Thank you.

Mr BEN MICAH –The dividends are held by IPBC, the equity at the moments does not belong to Oro Provincial Government alone or Milne Bay Provincial Government.

There was a decision that was made to transfer the equity and that decision has not effected meaning that you are not entitled to dividends to something you do not own.

Mr Speaker, at the moment the shares are held by the State and I have advised the two Governors that as soon as the encumbrance on the DBD Assets which include three per cent that the State owns in New Britain Palm Oil is released which has now been done.

I am now in the process of taking this paper to the current government to make a decision to whether this three per cent is transferred to Oro Province or Milne Bay Province, or 1.5 per cent each orwhatever the Government will do I will take a submission which I have assured the two Governors and Cabinet will make a decision I will shortly, when the decision is make advice the two Governors subsequently.

Thank you, Mr Speaker.

Ms LOUJAYA KOUZA – Thank you, Mr Speaker for according this time to address this question to the Honourable State Enterprise Minister and put the Community Development Minister on notice as well.

I would like to first and for most commend the State Enterprise Minister and all those Departments parked under his ministry especially Air Niugini for its new look and the changes that are happening by a way of customer service.

But the question that I would like to pose to you this morning is in regard to persons with disabilities that are finding it extremely difficult to make the narrow stairway into the aircraft.

I have been tasked by Dr Niblet who resides and takes care of patience in my electorate to his situation where he finds it extremely difficult to be lifted up into the aircraft with a narrow passage way. He almost had the risk of being toppled over and the request really is, with regards

to the number of disabled people with special needs is travelling now, thanks to your Tura Airfares.

I would like that you payspecial attention to the conventions that we have signed ratifying this country to honor those conventions and one of them the first and for most that needs to be attended to is how we assist this people on to the aircrafts.

I leave that to your customer relations to improve on that because in the New Year we will be increasing our scarcity for our travel, bringing in people for the South Pacific Games and the disability category of people need to be attended to.

Not only our public relation service to the rest of the South Pacific Region but our own people in this country. Thank you, Mr Speaker.

Mr BEN MICAH – Mr Speaker, the Member has raised a very important issue which really should not be raised on the Floor.

It is a matter that Air Niugini should really take into consideration and I will ensure that this concern is with them and addressed immediately.

Thank you, Mr Speaker.

Supplementary Question

Mr KEN FAIRWEATHER – I have a handicapped son and for five years I have been battling with this and for ten years he has been battling it.

He even put up his suggestions on what could be done on machinery to be purchased there not very expensive, before they use to use the food carrier and now they do not.

05/04

This is affecting a great number. I saw a man a few months ago, who had to climb down those stairs on his hands. This is just dreadful and we have been battling this year after year. I really thank the Member and hope something is done about this.

Could you please do something about it, rather than just telling the Air Niugini management about it?

Mr STEVEN DAVIES – Because he gave a supplementary question, I will give a supplementary answer, reaffirming the earlier response as to instructing Air Niugini to immediately look into addressing this concern.

Mr MARK MAIPAKAI –Thank you, Mr Speaker. I understand that there has been a decision made on the appointment of a new administrator for Eastern Highlands and the Acting administrator, Mr Alwin Inamoi was removed and Mr Solomon Tato, has been appointed by the NEC. Can the Minister for Public Service explain to the people of Eastern Highlands as to what criteria was used?

Is this due to the dirty politics that is being played here, because the Governor of the province was a Member of The Party and she crossed the Floor or what is the reason as to such a decision being made without consulting her as the Governor?

In relation to the appointment of Provincial Administrators, the governor concerned must be consulted on this issues and this was not the case for Eastern Highlands Province. And the appointment of District Administrators the consultation is done through the Open Members; however, we need clarifications on this.

Sir PUKA TEMU – I thank the Member for Kikori for raising this question on behalf of the Governor for Eastern Highlands. There is really no need to further explain this issue, unfortunately what has transpired is that through the leadership of the Governor of the province, the PEC has rejected three times, those citizens who had made an effort to apply for those positions once they were advertised.

And three times the Governor asked me as Minister for Public Service to help her to continue providing an acting appointment because the PEC has continuously rejected the short list.

Three times is a very unfair period because when we go through the process of advertising these positions, many good citizens with good faith will apply for this positions and to be rejected three times is too much. This has brought a lot of disharmony.

Ms Julie Soso – Point of Order! I asked the Minister twice; so can he stop misleading the Parliament. The *Public Service (Management) Act* is already in place. It was advertised that all provincial administrators must be appointed in consultation with you. The PEC and the governor must consult with you before making appointments, so that was what we did on two occasions only and not three as you are saying.

The NEC did their own appointment without my knowledge and I believe this is to do with me; using my own principles to cross the Floor.

Mr Patrick Pruaich – Point Of Order! This appointment was not even in the public domain and how did the good Member for Kikori and the Governor of Eastern Highlands have access to this information.

06/04

This information is not public yet and it is not even signed.

(Members interjecting)

Sir PUKA TEMU– Thank you, Mr Speaker. I am explaining the process and Cabinet has to look at it and deliberate on it, it is not yet formal and how the Member of Kikori has got it is part of the issues.

But let me assure the Honourable Governor that it has nothing to do with politics or gender issues.

This is an issue where public servants in the Eastern Highlands Province and the Leaders have been frustrated over for many years. It is unfair for leaders, whether it be me or the Governor of Eastern Highlands, to continue to reject sub-missions that have been properly assessed to be considered, Mr Speaker.

(Mr Mark Maipakai interjecting)

(Members interjecting)

Mrs Julie Soso – Point of Order! The Minister of Public Service does not understand the situation we are facing in Eastern Highlands, only I can understand what the situation is like in my province.

The person appointed by the NEC is still under investigation that is why I need consultation. I am the Eastern Highlands Governor and I have played on the same level field as all the other men in this Parliament.

I am the mandated Governor of Eastern Highlands and I need some consultation. Thank you, Mr Speaker.

Sir PUKA TEMU – Thank you, Mr Speaker. Consultations have been done and for a long time and there is a lot of frustration in Eastern Highlands Province at the moment from all the leaders and public servants.

And in the national interest the Cabinet has taken on board that issue and that decision is yet to be formalized and, therefore, there is no reason to worry about it as yet.

Thank you, Mr Speaker.

Mr NIXON MANGAPE – Thank you, Mr Speaker, for recognizing the people of Lagaip-Porgera. My question is directed to the Minister for Treasury.

In this year's Budget the Government has allocated K10 million for the Porgera -Tari road but that money has not reached the Works Office yet and at the end of this week, we will be closing the offices and accounts.

(1) When are you going to release this K10 million for the Porgera-Tari road?

(2) In the Budget Paper, I also noticed the outstanding MOU funds that are well overdue but are not included in the Budget, so where are we heading?

Can the Minister clarify to the people of Laigaip-Pogera when these outstanding MOU funds will be paid?

Thank you, Mr Speaker.

MR PATRICK PRUAITCH – I would like to thank the Member of Lagaip-Porgera for his questions.

In relation to the K10 million funding for the Porgera road, I am not aware of this so I will check it and provide an answer in writing after this session of Parliament.

07/04

Secondly, on the outstanding MOA, I understand the Member is aware of this. These funds were transferred to Works Department under his recommendation.

These funds have been recalled and we are in the process of having that paid to the landowners.

Mr ROBERT GANIM – My questions to the Minister for Education are in relation to some of the issues raised by PNGTA. Some issues raised by PNGTA were not properly addressed so I think I will raise these issues again in Parliament.

Mr Speaker, in relation to the tuition fee and free commodity component, that is the money paid directly to the firms to deliver materials directly to schools, as the years draws to the end many schools throughout the country are yet to receive their materials.

For instance, there are some schools in NCD who have missed out like the St Paul's Community School and Gerehu Primary School. If schools in NCD have not received their materials, Mr Speaker, can the Minister guarantee that schools in much remote areas of the country have received their materials?

Mr Speaker, the company, Treid Pacific, involved in delivering these materials, I believe, is a foreign-owned company. A contract of K40 million was awarded to them to distribute the materials.

My questions are:

(1) Can the Minister confirm to this Parliament and the people of Papua New Guinea whether this company has fulfilled its contract by distributing all materials to schools throughout the country?

(2) If not, why?

(3) As I stated earlier, we are approaching the end of 2014, so can the Minister confirm or deny the fact that the National Department of Education is using the out dated data. That is one of the reasons why most of our schools are not receiving most of the materials.

(4) Can the Minister confirm that the department is using data from 2012?

(5) Can the Minister issue instructions for K40 million to be directed back into the schools so that they can buy quality materials because materials distributed by this company are sub-standard. These materials are yet to be distributed to many of our schools.

The other issue raised by PNGTA and did not receive positive answer from the ministry and the department is regarding teacher's appointment. There is still lot of blunders in the gazettal that was issued for next year's appointment.

(6) Can the Minister assure the teachers of this country that you will address this problem immediately with the Department and ensure that all teachers take up their appointments before the school year resumes in 2015?

Mr NICK KUMAN - Thank you, Mr Speaker. I want to thank the Member for Wabag for raising couple of issues in relation to the commodity component and the gazettal of teachers' positions.

Let me answer the question from the last to the first.

08/04

On the issue of vacant positions, I do admit and the department is aware of the mistake that was made in September that it was based on the information supplied by the teachers' colleges and the province on vacant positions.

We have taken actions and corrected that and the supplementary gazettal that came out at the end of September was corrected so all the positions that were supposed to be advertised were advertised in that supplementary in direct consultation with the PNGTA and they are fully aware of the actions taken by the department.

That's the answer to the last question.

In relation to the first question, yes, I agree that the database that was used to roll out the commodity component of the TFF was the 2012 database. The 89 districts were given an opportunity to supply the database through the K100 000 given by the Government.

We were all given that opportunity because the database was the 2012 database and the responsibility was on to supply those facts.

I want to assure the Parliament that the commodity component that was rolled out was an NEC decision to award to Treid Pacific, a partner in education. They have been in that business for a very long time, over 20 years in fact.

Honourable Members for Wabag, as you have been a partner in education before becoming a politician, you should be fully aware of that company because they have a lot of credential and credibility.

The issue is rolling out that commodity component as a demo-kit. Every school that is registered in this country will receive those items. The issue of whether or not we supply those materials to every child in this country is the question because the database used was the 2012 database.

Obviously, that TFF should have been rolled out in 2012. The number of children entering schools in 2013 and 2014 has changed but we are rolling out the materials in mid 2014. There should be some discrepancies in terms of the total number of enrolments in 2012 and those in 2014 so I believe some students will miss out in the roll out.

But, it's a demo-kit and we all know that, but the Government has to fully roll out this programme in one term, and we are talking about four terms in one year. So to fully roll this programme, the TFF component, in terms of students' and teachers' resources, must be built into the TFF.

That money is not controlled by the National Government. We disbursed all this money to the schools and we are trying to demonstrate to the schools that this is how we do it, that's how the demo-kit works.

The second part of it is the quality issue. Now, you go to Australia, New Zealand and anywhere else, even in some parts of Papua New Guinea, the materials that are distributed by Treid Pacific in this country is made by the same factory in the places mentioned already.

Even if you go to Woolworths, Coles or K-Mart the same items are there which are made in China. Even if you buy it in Goroka, Kundiawa or Wabag you will see the label made in China.

The materials distributed by Treid Pacific are made in China, so what quality are you talking about? It is the same material. All we are doing is we make sure that we bring them in in an organized manner through public-private partnership. The private sector knows how to do it. That's why you see that the Government is going right down to the students and the teachers in the rural communities. You see that we are rolling it out right throughout the country. We went to Wabag, but unfortunately you were not there. I was in Wabag with the Governor and because you were not there I distributed those things. And so I did my part and the Government did its part. We distributed these things. Mr Speaker, please, let's make sure that we are honest and be responsible in what we do.

So on the commodity component, you are talking about the quality but I know that the PNGTA General Secretary came out -

09/04

As for the commodity component and your reference to quality, and I know that the PNGTA General-Secretary came out and stated that it was of low quality. Nevertheless, you will find them in Australia and Papua New Guinea in places like Wabag, Chimbu and everywhere else in this country.

Can he then tell me what actual quality he is referring to? Is he talking about the ones that are made in Australia, New Zealand or in America? Regardless, they are all made in China, and am I right by saying this?

With regards to the schools that missed out in NCD, there are about 107 schools throughout NCD. These are the schools that should be the first to receive every single material. The National Government should not be the only one providing resources to the schools. The responsibility also belongs to the National Capital District and the provincial Governor. The DSIP that works in the districts also has the responsibility as well. Therefore, come on, let us all work together in partnership to ensure that every child in this country must have accessibility to school materials.

I hope that I am answering your questions, but this is the reality. We have a lot of money in the education sector. Next year the 89 districts will experience K3 million more for funding and this will continue until 2018, and by the time we finish, all schools in this country will be fully kitted for every child to enter into the education system. The only thing that we need to do is to be stringent in making sure that our children both male and female must enter the school system.

That is why the Government continuously rolls out free education to give accessibility to every child whether you are in Kaintiba, Telefomin or Karimui.

Mr Speaker, that is what we are doing, thank you.

Supplementary Question

Ms LOUJAYA KOUZA – Thank you, Mr Speaker.

I would like to repeat the quote that was given by the Minister for Education and that is, 'we have a lot of money in the education sector.'

Thank you, very much, please service the bill now because there are teachers being led in the Lae district by the principal of Lae Secondary School, who informed me yesterday afternoon when Parliament adjourned that they are waiting for funds from the Education Department to bring them across to Port Moresby for the Grade 11 selections. They were told by an official within the Education Department that there is no money to fund their coming over. They are supposed to come on Sunday for the selection that is going to be happening here in Port Moresby next week and they have informed me that Education Department had no money. They have then asked me to service their debt.

This is an unbudgeted expenditure and we are now at the end of the year –

Mr SPEAKER – Honourable Member, please ask your question.

Ms LOUJAYA KOUZA – Can the Minister affirm that, his statement that there is a lot of money in the education sector, and take care of the bill so that my people are there to do the marking and the selection in Port Moresby by Sunday?

Thank you, so much, Minister for Education.

Mr NICK KUMAN – I would like to thank the Mayor of Lae and who is also the Chair for the Lae Interim Authority.

This matter is an operational area and let me just echo to you that all the students of all the schools of excellence in the country do not have a budget for this year. Therefore, I am currently looking for recurrent funding to have them repatriated back to their home provinces at the end of this academic year.

As for the officials who are to come to Port Moresby to select Grade 10 school leavers for Grade 11 next year, yes, this is within the operational area and there is funding available. This is not free money as they are all tied down to recurrent expenditure and PIP Programmes. And there is an ongoing PIP Programme that is assisting in the building of education institutions in this country. Therefore, there are no free handouts, so every funding has been allocated for good intentions and you need make sure you manage these funds so it is used for the purpose it is intended for.

Therefore, I am assuring the Member here that, all the selectors will be here in Port Moresby for the selections for Grade 11 for next year. With that, rest assured that I have given this assurance on this Floor of Parliament.

Mr DON POLYE – Thank you, Mr Speaker, for recognising the people of Kandep. I would like to ask my questions in regards to the district and provincial services funds.

My questions are directed to the Minister for Finance, the Honourable James Marape, and the Prime Minister, the Treasurer and the Minister for National Planning should take note.

10/04

Mr Speaker, the PSIP and LLGSIP funds were put together by both the Government and Opposition and it is very encouraging to see that the Government is consistent in these programs.

Mr Peter O'Neill – Give credit where it is due.

Mr DON POLYE – Mr Speaker, can you order that the Prime Minister doesn't disturb me.

(Laughter in the Chamber)

Mr DON POLYE - Mr Speaker, just because I just gave one credit doesn't mean Prime Minister has to get excited. You have done many things wrong. This is just one. I also designed these policies too.

Mr Speaker, my questions are as follows;

(1) Can the Minister clarify in those DSIP, PSIP and the LLGSIP Funding, whether each Member is at liberty to use that discretionary component of that fund at their own discretion?

Mr Speaker, this has been the question raised everywhere and has caused much confusion as such and leaders are aware of the risks.

(2) Can the Minister inform this Parliament whether the Government has allocated the K10 million DSIP Funds to all the districts because most of the Opposition Members have not received these allocations and it's almost the year's end?

Mr Speaker, it seems that the Finance Minister has been unfair in distribution of cheques and has intentionally left out the Opposition Members in his distribution.

Mr Nick Kuman – Point of Order! Mr Speaker, can you ask the Member for Kandep to withdraw his statement on unfair distribution because my electorate of Gumine has not yet received K10 million since last year to this year. I am still very much an integral part of Government.

Mr SPEAKER – Minister, that is just his way of expressing his views.

Mr DON POLYE – Mr Speaker, every time I use these English words like hoax and unfair, Government Ministers get excited and they jump up and down.

(Laughter in the Chamber)

Mr DON POLYE – Mr Speaker, I will not withdraw because I am using the right word to describe the right situation.

Mr Speaker, if that Minister has not got his K10 million when the others have got their K10 million it simply means that you have been unfairly treated and you better talk to your Prime Minister and your Ministers there.

(1) Why does the Government have to discriminate the Opposition Members and selectively release funding to certain Members only when the Government Members all have their allocation paid in full?

(2) Aren't we all serving the people of Papua New Guinea?

(3) Can the Minister explain to this Parliament, what distribution system this Government is using because the only two that I know of are direct transmission into the district accounts and the other is picking up cheques at ORD Office?

11/04

Mr JAMES MARAPE – Thankyou, Member for Kandep, for asking very important questions that some of his colleagues have very keen interest to ask all the time.

I hope my answer is not a hocus-pocus.

(Members laughing)

Mr JAMES MARAPE – Mr Speaker, the three questions are all similar so I hope in my answer, I can embrace the questions and the issues that he has raised.

Mr Speaker, firstly, let me put on record my appreciation as a local Member for the interventions the Honourable Peter O'Neill and the Honourable Patrick Pruaitch made in a meeting in Madang to raise the issue of DSIP and PSIP in 2007. This is where the history of DSIP and PSIP originated from.

On record, these two leaders of our country must be given that prominence in as far as bringing into best the concept of PSIP and DSIP.

Mr Speaker, this issue of PSIP, DSIP and now the LLGSIP, is not embedded in law, in an Act of Parliament or in the Organic Law, neither is it embedded by prescription in the *Constitution*. Although in spirit the *Constitution* defines the distribution of wealth. The DSIP, PSIP and LLGSIP are fund allocations, a result from policy developed by the Government, culminated in the Budget process through the Budget bills that we pass.

Mr Don Polye – Point of Order! You look at the goals of the principles of the *Constitution*. It talks about equitable distribution of the country's wealth. So can you please not deviate saying that it is not legislated. It is in the *Constitution*.

Mr JAMES MARAPE – Mr Speaker, the Member would appreciate and I know he has an MBA like I do, to appreciate that I did mention that it is.

Don Polye – I am talking about the *Constitution*, come on Minister, please.

Mr SPEAKER – Member for Kandep, please take your seat.

Mr JAMES MARAPE – In my early remarks, I state that the principles are embedded in the *Constitution* but it is not prescribed that you must give K10 million every year as PSIP and DSIP.

Mr Speaker, by Government policy on every occasion when we come to Budget since PSIP and DSIP was first introduced by the Somare Government and followed on by the O'Neill-Dion Government, it is an appropriation that is secured for development Budget through annual Budgetary process. It is a policy statement of Government that this Government has run. The previous Government decided to give in accordance to availability of funds. It started with two million in 2008 and today the O'Neill Government has decided to give to DSIP and PSIP K10 million and K5 million kina. I ask, where in the law, apart from the Budget is it specified.

Mr Mark Maipakai – Point of Order! When you pass the Budget in here, I understand that it is a law in its own rights so what law are you questioning? When the appropriation is passed in here it becomes a law.

(Members interjecting)

Mr Mark Maipakai – Whatever you want to say, but I want to clarify myself because every time you keep on using that term saying that it is not legal for us to collect that but when we pass a Budget in here, I would have thought that's an Act of Parliament to pass an appropriation.

(Members of injecting)

Sir Michael Somare – Point of Order! When the honourable Member was asking the question, the Minister for Finance should have listened to him first instead of standing up and both of them exchanging. This is not a night club. Thank you Mr Speaker.

(Members laughter)

Mr JAMES MARAPE – Thank you, Mr Speaker. I take your directions. The good Member for Kikori being one of the longest serving Minister ever in this country will appreciate that and I know and I was coming to it. The Budget that we pass and Acts of Parliament that we pass are laws but this Budgets is based on Government policies. It's not directly embedded in the *Constitution*. Government policies pass through Budget as development budget or development funds.

(Members interjecting)

Mr Sam Basil – Point of Order! The Minister should clearly state whether it is the Government's decision to allocate these funds.

12/04

He should give a clear answer whether the Government is ready to release the funds rather than telling us a lot of stories. If he is not ready then say so.

(Members interjecting)

Mr SPEAKER – Member for Bulolo, please allow the Minister to answer the questions.

Mr JAMES MARAPE – The issue is on the annual Budget because it's a development fund similar to the K70 to K80 million. When Honourable Sam Basil was then Minister for National Planning, he kept all the money in Finance and never gave me any money; he only gave it to the Government Ministers.

Mr Sam Basil – Point of Order! I think you're getting out of hand mate. I am challenging you to print the list and show it to me.

(Laughter in the Chamber)

Mr SPEAKER – Honourable Member for Bulolo, I want you to withdraw the term 'mate' because it's un-parliamentary. Please, address the honourable Member accordingly.

Mr Sam Basil – I withdraw the word used on my uncle from Tari.

Mr JAMES MARAPE – Mr Speaker, we are use to calling each other mate, that's why he is calling me mate.

Anyway, coming to this issue, the former treasurer knows it very well that it's based on availability of cash flow. Every time when we go to the Public Debt Committee we sit and decide on which programs to be rolled out first. Sometimes when there are limited funds we implement priority areas first.

Secondly, on how much funds were released so far on PSIP and DSIP, it is around 80 per cent for some districts and 60-70 per cent on some districts and provinces.

But let me refute some allegations coming from the other side of the Parliament saying that only few districts have got theirs. I will publish in the media next week to point on which allocations have gone out including Honourable Sam Basil's district. He will know exactly how much he got but by next week, I will prove to this Parliament who is the better liar.

(Laughter in the Chamber)

Mr SPEAKER – Order! Minister, answer the question please.

Mr JAMES MARAPE – Mr Speaker, the status of the funds on record, some districts have received 80 per cent of appropriation.

And as for the criteria of distribution as the former Treasurer has asked; the only criteria of distribution is based on cash flow and no discrimination but purely on cash flow.

Let me put on record, the O'Neill-Dion Government is not here to discriminate between Kandep and Tari or between Wau-Bulolo and Tari or anywhere for that matter. But purely on cash flow and the opportunity cost is on me to decide.

It's empowered by the *Public Finances Management Act* under the principal of opportunity cost and I decide on which priority areas invest first, my friends.

Please Opposition, I have raised the fact that I scarified other programs only for you to receive more than K3 million that you mentioned. Check your district treasury account. Honourable Don Polye, you left this side of the Parliament seven months ago yet money went into your district treasury's account in May, for goodness sake. Why are we crying like a spoilt child?

The O'Neill-Dion Government is not in the business of damaging any one district or the development agenda of this country. If we feel that the districts or LLG is not implementing programs correctly then we also have the power to implement it at the provincial or national level. So we are here to release full amount to everyone based on cash flow and it's been

released to all sectors and if we have stressed Kandep, Wau Bulolo or any other districts, some districts have not yet received their full grants as yet.

13/04

PERSONAL EXPLANATION

Sir MICHAEL SOMARE (East Sepik) – Mr Speaker, I would like to seek leave of the Parliament to clarify the issue surrounding some of the statements that is being spread in the media.

Mr SPEAKER – Do you claim to have been misrepresented?

Sir MICHAEL SOMARE – Yes, Sir!

Mr SPEAKER – Go ahead, leave is granted.

Sir MICHAEL SOMARE – Mr Speaker, I wish to clarify issues on news carried on the media in the past few weeks that is in relation to the past and the present leadership tribunal. I want every Papua New Guinean to remember that during my time as the Prime Minister in the last Parliament; a leadership tribunal was set up by the Honourable Chief Justice Sir Salamo Injia.

The aim of this process was to look into allegations that as a leader, I failed to submit and complete timely annual returns to the Ombudsman Commission. The Leadership tribunal was established after the Ombudsman Commission referred me to the Public Prosecutor for those breaches of the leadership code.

The reason for my referral was very clear. My office was late in submitting my annual returns as required by the leadership code. Every elected Member and some appointed office holders are subject to the leadership code. The code is a long list of rules that demands transparency and accountable behaviour where the public interest is concerned.

The leadership code is a reminder, according to the clarity of the written set of rules of our sworn obligation as elected representatives of the people. This purpose of a code of conduct is our adopted system of an accountable Government. I would like to stress that when the tribunal was set up by the Chief Justice, I stepped aside to protect the integrity of the higher office in our country and appointed the Honourable Don Polye as acting Prime Minister.

I personally felt this was an issue of morality, the precedent established must be remembered, for the sake of the principles of accountability. I knew I had to step aside as I required by my own conscience.

Mr James Marape – Point of Order! You said you appointed Mr Don Polye but from the Government records and you appointed Mr Sam Abal and I just want to clarify that.

Sir MICHAEL SOMARE – Mr Speaker, I have been accused by the press about my not stepping aside when I was accused of no return of my statements. I am trying to clear this administrative matter. Personally I felt that this was an issue of morality and the precedent established must be remembered for the sake of the principles of accountability.

I knew I had to do that as required by my own conscience. This was done to instil confidence in the people of Papua New Guinea that I too am subject to every law of the country. After stepping aside I then applied to the tribunal requesting to return as the Prime Minister, while the tribunal was being run, due to the administrative nature of the offence; the tribunal granted my request.

Mr Speaker, the tribunal found that being a leader, I failed to comply with the rules of leadership and after so much deliberation and the tribunal saw fit to impose a penalty of two weeks suspension. I was the prime Minister and I was not above that ruling.

14/04

I just like to reflect and further want to suggest that the timeframe for a special project delivery would have allowed diligence.

Mr Speaker, as I said I have listened with much interest for the last two and a half years while debate has aired on the media about this major decision my Government took regarding

the commitment of our peoples present and future sovereign wealth fund. I refer to the IPIC transaction and the Governments back-in and accusations of 19.9 percentage share in PNG LNG Project.

Mr Speaker, I am compelled now to state that all aspects of transactions were covered by NEC which is a proper thing to do, all expenditure items in my transactions in my fiscal year were covered by Appropriation Bills.

This commitment of Public Monies requires the consent of Parliament prior to the executions of those major commercial transactions involving the Independent State of Papua New Guinea.

Mr Speaker, I am compelled to ask the Parliament as to who is the ultimate benefiter to the transactions, I can only see Oil Search and State taking risks of a major commercial entity.

This is because Oil Search walks away with AUD\$1.2 billion, delusion of share volume and no risk of an eminent takeover from shareholders of the Australian Stock Exchange, UBS hold shares in case of defaults and the Government of Papua New Guinea bears the burden of debt –

Mr SPEAKER – Honourable Governor, this matter is before the Court and I thought you were doing a personal explanation it has gone beyond a personal explanation. You have done your personal explanation already honourable Governor.

Mr Don Polye – Thank you, Mr Speaker. With respect to the Chair, this matter the Grand Chief, former Prime Minister and the Governor of the East Sepik Province is referring to matters that we have discussed in Parliament through the Budget process and also the debate is out in the Public.

It is affecting him because when the transaction took place when he was the Prime Minister and I believe he has got the right to explain himself and he is doing that.

Thank you, Mr Speaker.

Mr SPEAKER – I think your point of order is in order so continue.

Sir MICHAEL SOMARE – Mr Speaker, as I said Oil Search walked away with AUD\$1.2 billion a delusion of shared volume and no risk of an eminent takeover from shareholders of the Australian Stock Exchange, UBS hold shares in case of defaults and the Government of Papua New Guinea bears the burden of debt by one of the largest companies of the Australian Stock Exchange.

Mr Speaker, I am compelled to advise the Parliament that the right investment would have been a direct investment in Inter-Oil Project where the people of Papua New Guinea would not have paid risk Capital to a highly risk proportion by Oil Search –

Mr Peter O’Neill - Point of Order! With due respect to the Grand Chief, he has now engrossed way beyond personal explanation into Government Policy domain, Mr Speaker.

15/04

Sir MICHAEL SOMARE - Mr Speaker, in that case if there is something to be heard I would like to have my statement incorporated into Hansard and I will forward a copy to the media. I would also like to say, next time I return for Parliament meeting I am sitting over there. Therefore, I ask leave of Parliament to have my statement incorporated into Hansard.

Leave granted.

The rest of the Statement reads as follows:

The risky proposition for an indirect equity stake of 10.1 per cent with effective returns of about 1.5 per cent if we are lucky. The government should have allowed IPBC or NPCP to simply exercise the State’s “back in” rights to own 22.5 per cent direct equity in the InterOil Project at approximately the same price.

Mr Speaker, I further suggest that the time frame for project delivery would have been allowed for far greater diligence around a debt management structure in this budget.

Mr Speaker, I would also like to reflect on the past decade of economic growth under my leadership as Prime Minister. I am pleased to say that I led a team of bright energetic politicians who created a vibrant policy environment that fostered foreign and local business confidence.

Businesses grew knowing that their immediate investments were protected due to fiscal certainty in the longer term and they delivered their projects in our country on time.

Mr Speaker, I delivered a stable and conducive environment where heads of departments were communicating with their Ministers and Statutory heads of companies and CEOs of State owned enterprises were able to grow their asset bases and increase their revenue as they were able to interpret clearly articulated government policies and develop strategies to deliver targets that they had set without fear or favour.

Mr Speaker, it is in this context that I now emphasizes the absolute need for our leaders not to squander the fruits of the seeds that were sown in much harsher financial conditions.

Mr Speaker, we have in the last decade created a secure platform for our present and future leaders to launch from. We are in a position where future revenue is guaranteed for generations to come and it is therefore our responsibility now that we are diligent in our decision making processes now for our future generations.

Mr Speaker, I wish to advise Parliament that I will move to the middle bench beginning today as I do not believe that due processes were followed creating a massive debt of over K3 billion particularly because this debt is not reflected in our total debt stock of Papua New Guinea in our Supplementary budget for 2014 and the 2015 Budget.

PERSONAL EXPLANATION

Mr PETER O'NEILL (Ialibu-Pangia – Prime Minister) – I seek leave of the Chair to make an explanation to what the Governor of East Sepik has mentioned particularly in reference to the tribunal.

Mr SPEAKER – Do you claim to have been misrepresented?

Mr PETER O'NEILL – Yes, Sir! Mr Speaker, I think it is important to note that the tribunal has not been set up yet and there is no need for our friend on the opposite to get excited. The due process is taking –

Mr SPEAKER – Prime Minister I have to interrupt. I have just noted the *Standing Order* says, any explanation is not supposed to be a subject of debate. It will be seen as a debate after he makes a personal explanation so we should leave –

Mr PETER O'NEILL – So this is a personal explanation and I have already sought leave.

Mr SPEAKER – Leave has been granted so I will allow it but take it as a reminder.

Mr PETER O'NEILL – Thank you Mr Speaker, it is merely a personal explanation because Member for Kandep is so determined. We all know that he has a desired outcome.

Mr Don Polye – Point of Order! It was not the Member of the Opposition raising the point. It was the Grand Chief, the former Prime Minister and Governor of East Sepik in the Government bench raising important issue why is the Prime Minister calling my name?

Can the Prime Minister withdraw because Kandep is very special so do not destroy it.

Mr SPEAKER – His Point of Order, is in order so Prime Minister withdraw.

Mr PETER O'NEILL – We appreciate the explanation given to us by the Grand Chief Sir Michael Somare and we appreciate his thoughts on how the UBS deals should be structured.

Mr Speaker, the referral by the Ombudsman is not on the decision that reflects a personal matter, it reflects a NEC decision. Those matters are subjects of court proceedings and they are before the tribunal. Therefore, we will allow the tribunal to proceed.

Mr Speaker, this is not the first tribunal in the country. It is one of many that happened in the past and there are processes in place that we can follow, thank you.

**AUDITOR-GENERAL OF PAPUA NEW GUINEA –
ANNUAL REPORTS, 2011 PART 1 AND 2013 PART IV –
MOTION TO TAKE NOTE OF PAPERS**

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

Auditor-General of Papua New Guinea – Annual Reports –

*(a) Part I, 2011 Report on The Public Accounts of Papua New Guinea,
and'*

*(b) Part IV, 2013 Report on the Accounts of Public Authorities and
Statutory Bodies Established Under Acts of Parliament and
Government Owned Companies Established Under the Companies'
Act.*

Motion (by **Mr Bob Dadae**) agreed to –

That the Parliament take note of the Papers and the Reports referred to the Permanent Parliamentary Committee on Public Accounts for deliberation.

Debate adjourned.

**THE PUBLIC SERVICES COMMISSION OF PAPUA NEW GUINEA –
ANNUAL REPORTS 2010-2011, 2012 AND 2013 –
MOTION TO TAKE NOTE OF PAPERS**

Mr SPEAKER – Honourable Members, again, pursuant to statute, I present the following Papers:

Public Services Commission of Papua New Guinea

(a) Annual Report 2010 and 2011,

(b) Annual Report 2012, and;

(c) Annual Report 2013.

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

That the Parliament take note of the papers and the debate be adjourned to a subsequent sitting day.

Debate adjourned.

16/04

**DISTINGUISHED VISITORS –
STATEMENT BY THE SPEAKER**

Mr SPEAKER – Honourable Members, let me interrupt Parliament and make an announcement. We have some very important dignitaries amongst us in the Parliament today, from Fiji we have Honourable Faiasidia Koia, MP, Minister of Trade, His Excellency Ramanut Tokotiko’a, High Commissioner of Fiji is also here accompanying him, both are present in the Speaker’s Gallery. Let’s acknowledge their presence here.

**PAPUA NEW GUINEA IMMIGRATION AND CITIZENSHIP SERVICE
AUTHORITY – ANNUAL REPORT 2013 – PAPER AND STATEMENT –
MOTION TO TAKE NOTE OF PAPER**

Mr RIMBINK PATO (Wapenamanda – Minister for Foreign Affairs and Immigration)
– I present the following Report pursuant to statute:

Papua New Guinea Immigration and Citizenship Services Authority 2013 Annual Report.

I ask leave of the Parliament to make a statement in connection with the report.

Leave granted

Thank you, Mr Speaker, I am pleased to present the Second Annual Report of the Immigration and Citizenship Services Authority and to note the agency's many achievements during the reporting period for the year 2013.

I will not cover the report in detail and I urge Members of this honourable House to take time to read the report because it is very comprehensive and it covers a whole range of activities for the year.

In the short time that the ICSA has been an independent authority it has transformed itself from an understaffed office with a poor public reputation to a highly performing agency of this government.

As you will all be aware 2013 was the O'Neill-Dion Government's period of implementation and the PNG Immigration and Citizenship Services Authority certainly delivered on that theme. It's activities directly supported the key priorities of the government. In 2013 the government determined that Papua New Guinea should join the citizens of more than 60 modern countries and enjoy the right to hold dual citizenships.

PNG Immigration and Citizenship Services Authority facilitated constitutional amendments that were passed by the Parliament to enable dual citizenships. It is now working on sequential amendments, including sub-ordinate legislation to implement this important change to the Constitution.

Mr Speaker, the IPA has been a key enabler of government focus on tourism promotion. In 2013 it removed visa fees for tourists, eliminated backlogs, reduced visa processing times and streamlined entries processing of cruise ship passengers.

17/04

It also opened a border post in PNG's new international travel hub, Tokua in East New Britain. These innovations have been hailed by the travel industry as milestones for our country.

ICSA has also helped to make international travel easier for Papua New Guineans. It has opened provincial offices who issue travel documents to our citizens. It has also convinced Australia to provide access to online visa applications, reduce documentary requirements and dedicated arrivals at Brisbane and Cairns international airports. It is also implementing a visa waiver with Israel and negotiating reciprocal visa arrangements with other key countries such as Indonesia.

Mr Speaker, the Government is proud to provide a regional leadership to provide refugees and prevent the deadly trade of people smugglers. A very large body of work that has gone to enabling the regional processing center in Manus has gone in. It is speedily managing asylum seekers, developing and implementing refugee stratus laws, and planning for the settlement of genuine refugees in our country and elsewhere. This work is saving the lives of many people and many of the world's vulnerable people.

Mr Speaker, ICSA is carrying this excellent work forward in 2014. In April, ICSA successfully hosted a regional forum of the Pacific Nations and Immigration and Border Security in Rabaul, East New Britain. It is implementing new migration legislation, dual citizenship and improvements to our passports and visa systems.

As I said in answer to a question in Parliament this week, it is undertaking a major review of the *Migration Act* and the regulations to make it more efficient and consistent with the trends of this modern day and age. This is to make PNG part of the trends in the regional and global community on peace, security, sustainable development, border protection, electronic visas, processing and many more as we aspect to run APEC in 2018.

This will include approval where necessary of undesirable elements including foreigners whether they are missionaries, NGOs or contract workers who do not comply with the laws of our country, who do not act according to our principles and ideals of our *Constitution* and our communities, and who fail to work with established institutions, including the churches and local leadership where funding today not an issue for our Members of Parliament, especially in delivering programmes in the rural areas where this Government has provided substantial

funding to improve the lives of our people. And, particularly, where such foreigners failed to act in accordance with orders of institutions such as the highest court of our land, the Supreme Court.

Looking at many other impressive achievements outlined in this annual report for 2013, I am confident that the agency is more than up to its challenges ahead in terms of leaders commitments, which were given at the beginning of this year and in 2013.

Mr Speaker, I would like at this juncture to acknowledge the excellent contribution of the Chief Migration Officer, Mr Mataio Rabura. He has been doing an excellent job and his leadership has been very instrumental in transforming the RCA into a modern and highly performing government agency.

Mr Speaker, Immigration is therefore, truly leading the way for many other government agencies. It is continuing to implement its ambitious reform agenda and will continue to lift the bar in service delivery and public administration.

I commend this Report to the Parliament.

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

18/10

**MINERAL RESOURCE AUTHORITY – CHIEF INSPECTOR OF MINES –
ANNUAL REPORTS 2012 AND 2013 – PAPERS AND STAMENT –
MOTION TO TAKE NOTE OF PAPERS**

Mr BYRON CHAN (Namatanai Minister for Mining) – I present the following Papers pursuant to statute;

*Chief Inspector of Mines –
Annual Reports, 2013 and 2014*

Mr Speaker, before I make my statement I would like to take this opportunity to congratulate the Prime Minister for introducing the *Eleventh Ok Tedi Mining Act* yesterday and I congratulate the Members of Parliament for supporting that. Next week we will be having a

conference in Sydney, Australia, with my counterpart Minister for Petroleum and what we achieved yesterday is a good sign and a boost to the industry for confidence in mining in Papua New Guinea.

The Eleventh Ok Tedi Amendment is setting a precedence by way of direct benefit to our people and its also by way of free carry of shares and equity and also direct shareholding agreements for other mining activities in our country and I hope that the proposed amendments can reflect some of the achievements made by the Prime Minister yesterday.

Mr Speaker, the Prime Minister also took into consideration the environmental issues and we also take note of the Minister for Environment and Conservations discussions yesterday and it may not be a miraculous decision but it is a responsible decision by a way of including a tailing dam. As you all know this is not a new mine but it is a long and existing mine.

Mr Speaker, the decision of a tailings dam may not really solve the problem but it shows that the Government is responsible.

Mr Speaker, I congratulate the Prime Minister for showing leadership in the mining industry and it is very good news for us. As we prepare to go down and tell the rest of the world in Sydney about mining in Papua New Guinea.

Mr Speaker, I like to take this opportunity to inform you all of the operation of the Mining Inspectorate within the MRA Authority.

The Mining Sector is an important priority sector for the economic and social well being of the people of Papua New Guinea.

19/04

This is because of the fact that PNG economy has largely depended upon the mining sector for the revenue generation since independence and continues to do so. Over 50 per cent of Papua New Guinea's annual total export revenue comes from the mining sector. Honourable members, if you have with you the Chief Inspector's mine report my speech is inside the thirteenth annual report. While our economy is largely dependent on the export of natural resources, no progress can be considered worthwhile if it ultimately does not result in safe and healthy society. As is well known, mining is considered to be one of the most hazardous peace time profession the world over.

We take pride in the fact that our vibrant mining industry is globally comparable and domestically resilient and to maintain our leading position in the international arena every stakeholder needs to work collectively and responsibly. The necessity and importance of health and safety in our daily lives and the level of competence and preparedness in handling and managing emergent situations can't be over emphasized as its implications spreads far beyond an individual to our families and our friends, to our society and our nation at large. My ministry through the office of the Chief Inspector of Mines is quite aware of the concerns and importance of safety and health to tens and thousands of people who toil daily in the mining industry to gallon the economic landscape of our nation with very beat of their sweat and blood.

In the same breath, may I quickly add that the mines inspected under the leadership of our Chief Inspector Mr Moaning is scaling new heights in transforming the mining regulatory environment in our country. To name a few of these landmarks initiatives and achievements in that aspect, firstly, the National Mining Emergency Response Challenge, the people of our country witnessed the first National Mining Emergency Response Challenge in 2011, which was organised in Lae. The fourth in its sequence was held in September this year in Kavieng, a record number of ten teams including women's team from the mining sector including one from the oil sector participated in the recent challenge. As such, we have had four such events over the last four years without fail in engaging our resource sector to compete there and raise their efficiency bar in handling and managing emergent situation at any given point of time. Mutual aid agreement was also signed amongst the resource companies as a commitment to collectively respond to any emergency at any site which not only enhances our operational ability but also binds various stakeholders into a big family

Secondly, the first National Mining Safety Week was witnessed in 2012 which not only embraced the mine works force into its strong hold but also surrounding communities as well as the school children thus redefining the chapters on safety and health. The third Mining Safety Week was staged this year in March which was another resounding success. Through the week long celebration, various events were held and organised to remind employees and the communities about the importance of safety and health in their daily lives. I very much congratulate the Chief Inspector and the industry for these initiatives.

Thirdly, the conference of Chief Inspector of Mines, the Chief Inspector's passion for our nation reached its pinnacle when he for the first time in the known history of our country hosted the Chief Inspectors of the Mines Conference in September 2012, and lifted the profile of our country and the mining industry into an entirely new orbit

20/04

Mr Speaker, Chief Inspectors from all State and Territories of Australia and New Zealand visited our country and travelled to some of our mines. I had the opportunity to host the ministerial dinner for them. It was an uplifting experience for me to also hear from them talk about the diversity about our nation and magnetic of our mining industry. It is further a matter of huge pride for us that the Chief Inspector was honoured to chair the conference of Chief Inspectors of Mines which was held in Perth, Western Australia in September 2013.

Mr Speaker, it's a milestone achievement for our mining regulator given the fact for over 50 years, PNG was merely an observer in this forum.

(4) Member of the International Ocean Mining Committee.

Mr Speaker, PNG now is on the threshold of becoming the world's first nation to mine massive sea floor. Whilst the development would put PNG in the forefront of this new frontier it would also bring new challenges for us to effectively regulate these operations. Amongst other initiatives the Chief Inspector has been able to secure membership for PNG on the International Mining Committee which is represented by India, Korea, Japan, China, and United State of America, Germany, Russia Federation, Bulgaria, Czechoslovakia and Cuba. We would now be able to interact and collaborate with other nations for the better understanding of the dynamic of this new frontier and keep up with the latest developments. Papua New Guinea was represented by the Chief Inspector of mines at the 10th Ocean Mining Symposium held in Poland in September, 2013.

(5) PNG's Mining and Petroleum OHS Conference; with a constant trust and encouragement from the office of the Chief Inspector, the Mining and Petroleum Industry came together to host the first PNG Mining and Petroleum OHS Conference in July, 2013. I had the privilege to inaugurate the conference which was attended about 200 delegates and it generated immense interest in the participants and was a grand success.

(6) The Chief Inspectors Annual Report; Mr Speaker, I report to this Parliament that the mines inspectors achieved another milestone by releasing the Chief Inspectors Report 2012, and it was first of its kind at the inaugural function of the PNG Mining and Petroleum OHS Conference held last year in Port Moresby. Keeping up with this crusade in this direction the Chief Inspector also published his Annual Report for 2013, which I had the opportunity to formally release at the 4th National Mining Emergency Response Challenge in Kaveing in September 2014. These are extremely valuable pieces of information on the safety and health performances as well as various safety promotional initiatives of our mining industry. However, these reports eluded all of us for this decades and I am further pleased to inform the Parliament that these reports were very well received by the industry and other stakeholders as mine of information on industries performances in the area of health and safety as well as project updates apart from the spotlight on the mine inspectors itself.

(7) The industry forums and performances reviews; Mr Speaker, the Chief Inspector has been involved in the entire industry through various constituted forum like National APEC Mining Safety Council, National Mining Emergency Response Forum and National Mining Safety forum.

And leading all of them as the president to secure new places in promoting the cost of occupational health and safety across the entire industry.

21/04

His regular performance, reviews and close interactions with the industry and the glimpse of his passion for the work that is writing new chapters of governments in PNG.

I am quite often benefited by his highly professional and visionary advice on various regularity measures of national importance.

The industry safety performance over five years of passionate, pride and perseverance by the chief inspector and his humble team of handful staff finally turned the tables on the other side. There is an exponential drop in fatality rate from 0.43 in 2008 to just 0.2 in 2013; a drastic reduction of more than 95 per cent. It is further satisfying to note that we are enjoying fatality free period from January 2013 and we are still counting. This is apart from the serious injury

frequency rate significantly dropped from 11.83 in 2007 to only 2.04 in 2013, a reduction of 83 per cent.

On the other hand the industrial activity more than doubled over these years, such that it reported about 53.50 million man-hours, an average employment of 22,353 persons in 2013, against 24.8 million man-hours averaging employment of 10,424 persons in 2007.

Mr Speaker, these are amazing results, globally comparable for all of us to be proud of and I am pleased to inform the House that the Chief Inspector formerly initiated another industry wide drive in Kavieng in September to focus on health and fitness of the mine employees, school children as well as surrounding communities through yoga and meditation.

And I am excited about this project as this nation needs a huge thrust and input in the area of public health.

The resource challenger, is quite concerned that the mines inspected has been continuously struggling with only a handful of resources as well as it functional independence of all these years.

22/04

Mr Speaker, in conclusion, let me assure you that our Government will continue to support positive developments in the mining industries by creating pragmatic policies that will further support the development of the mining sector.

I also call upon all stake holders to embrace the world leading practices and be proud of being a member of the PNG mining fraternity. Once again I congratulate the Chief Inspector for his envision and leadership, I commend the entire resource industry for their participation and support to host various safety promotional events in cooperation with the Government.

But last and not the least I present the copies of the Chief Inspector's report 2012, as well as the Chief Inspector's Annual Report 2013 to all the honourable Members of this Prliament for reference and appreciation.

Thank you, Mr Speaker.

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

That Parliament take note of the paper and the debate be deferred to a later date.

Debate adjourned.

SPECIAL ADJOURNMENT

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

That the Parliament at its rising, adjourn until Tuesday 10 February 2015 at 2.p.m..

STATEMENT BY LEADER OF GOVERNMENT BUSINESS

MR JAMES MARAPE (Tari-Pori-Minister for Finance) –Mr Speaker, before I adjourn Parliament, let me firstly, on behalf of my people of Tari-Pori, wish everyone a blessed Merry Christmas to all the members of this House.

On behalf of the Government, let me also, as Leader of Government Business put on record that this year, 62 Legislations, and five Constitutional and Organic Amendments were passed possibly the highest in any one Parliamentary Calendar Year.

So let me pass my appreciation for all your support throughout this year and I wish you all a blessed Merry Christmas and a Prosperous 2015.

ADJOURNMENT

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

That Parliament do now adjourn.

Parliament adjourned at 12.55 p.m..