

FOURTH DAY

Tuesday 29 March 2016

DRAFT HANSARD

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FOURTH DAY

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The Acting Speaker (**Mr Aide Ganasi**) took the Chair at 2 p.m..

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

Sitting suspended.

Mr Acting Speaker, again took the Chair at 2.30.p.m., and invited the Member for Sohe and Minister for Community Development, **Honourable Dellilah Gore** to say the Prayers:

‘Dear Father we thank you for bringing us this afternoon, Lord we bow our head in reverence to your supremacy and may you lead us through the decisions that we make is for the benefit of this Nation and our people. We pray Lord, that you lead us by your Spirit through this afternoon and we thank you on this day that your son Jesus came and died for every one of us. We ask you, Lord, to lead our leaders especially our Prime Minister, the Opposition Leader and the Speaker that will lead this House this afternoon, we ask you for a portion of your wisdom from heaven above, please lead us.

Thank you, Lord for listening to this simply Prayer and may you accept this prayer that we all join our voices to recite the prayer that our Jesus taught us to pray.

Our Father thou art in Heaven, hallow be thy Name, thy Kingdom come and thy will be done on earth as it is in Heaven. Give us this day our daily breathe and forgive us our trespasses as we forgive those who trespass against us. Lead us not into temptation but deliver us from our evil. For thy is the Kingdom, the power and the glory forever and ever, Amen’

QUESTIONS

Logging License Ownership

Mr ATI WOBIRO - Thank you Mr Acting Speaker, for recognising the people of Western Province. My questions are directed to Minister for Forest and Climate Change.

Mr Acting Speaker, as you know Western Province is a very important logging province and has contributed a lot for this nation.

I have two questions, the first is with regard to the ownership of logging licenses. We have been talking about ownerships of mines, gas and oil but it seems that very little discussion is taking place in the area of logging.

My first question to the Minister is whether or not his Ministry is thinking about looking at also changing the license ownership within this important sector so that development license are given to the landowners rather than the developers, than the landowners can invite potential developers to apply and the landowners will decide whom to select?

02/04

I think the time is now overdue for this kind of change to take place.

With regard to the Carbon Trading, when our Prime Minister represented our country in the Paris Climate Change Conference, I understand he committed Papua New Guinea to make available up to 2 million hectares of rainforest to this course. Western province has over 900 thousand hectares of rainforest and the landowners and the government are willing to make available this portion towards Carbon Trading.

(2) Can you kindly inform the Parliament and the people of Western Province what your ministry is doing with regard to Carbon Trading and whether or not the 900 thousand hectares of rain forest we have can be considered under this scheme?

Mr DOUGLAS TOMURIESA – Mr Acting Speaker, first of all, let me take this opportunity to thank the Governor and the people of Western Province for these questions. I would also like to pay my respects and homage to rightful landowners of this country.

Mr Acting Speaker, in the last 40 years or so, the forest industry has been the backbone of this country. In terms of internal revenue for this country, forestry has been the front player before mining and other industries came in.

Firstly, let me discuss the logging licenses that have continuously been misreported by the media that all the logging licenses are in the hands of foreigners. When I first took office about two years ago, one of the key issues that we took upon ourselves is to ensure certain that most of the logging operating licenses are returned to the landowners. It bothers me a lot when I read in the print media and facebook about some of us leaders seated here talk about illegal operations in the country and licenses that are held in the hands of foreigners.

Mr Acting Speaker, let me make it very clear that about 90 per cent to 94 per cent of operational licenses have been transferred back to the landowners. It is those landowner companies that work with the Department of Forest to nominate or choose which operators are to work in those logging areas. Please find comfort that whilst we don't talk much in the media or the facebook and tell you what we are doing, there are certain measures that we have taken where about 94 per cent of licenses have been taken away from foreigners and given back to our local landowners.

Secondly, when I took office, there were three agendas that I put before me. (1) To make certain that we completed the remote sensing equipment that was put in place by JICA. My predecessor who is now the current Treasurer took that on board and completed it. Every operation in this country is being monitored at the forestry office.

03/04

(2) We made sure that a review must be done on all operations in the country, and please be patient it's not something that we do over-night. We have already started the ball rolling by reviewing all operations in the country. Mind you, and take note that when I took office, we had more than 100 companies operating in this country in the logging industry.

To date, we brought that figure down to 62 companies operating in this country; more than 50 per cent reduced and we will continue to bring that figure down.

Thirdly, after the review just two weeks ago, our good honourable Prime Minister launched the National Inventory Plan for the Forest Department, and its first of its kind after 40 years for PNG.

For the first time, you would know different species of trees that are growing here in our forests in PNG. We will also know the different species of animals, flora and fauna that

we continue to talk about and say that PNG has got 8 to 10 per cent flora and fauna in this country. Now, we can confirm that so please be patient we will get there.

On the Carbon Trade issue, it comes under the Ministry of Environment and Conservation so honourable Mr John Pundari will answer that.

But let me make it very clear in terms of Carbon Trade here from the forest perspective. When we went to Paris, the Prime Minister announced that we will be planting 800 000 hectares of forest and it's already started.

A few weeks ago, we launched the Mount Hagen project and Governor, Julie Soso is also launching a project there and another launching was done here up at Kuriva.

My good Governor, I do agree with you that Western Province has more than 1 million hectares of forest, you said 900 hectares but it's more than 1 million hectares of forest in your province. It is still intact and we need to protect it and ensure that it is sustainably harvested if it has to. We have already started off the 2 million hectares of forest that is to be conserved. This 2 million hectares of forest conserved are not for logging but preserved for next generation's future use and conserving the biodiversity that we have in this country in the flora and fauna.

Mr JOE SUNGI – Mr Acting Speaker, I want to direct my questions to the Member for Kompiam-Ambum and the Minister for Environment and Conservation.

Part of the question has already been asked but because it was directed to the wrong Minister, I want to ask that question again to the right Minister.

Firstly, I would like to acknowledge the Minister's strong leadership that was shown recently in Paris COP 21 Conference on Climate Change in which the Prime Minister also attended. It is very well overdue for PNG to be on that step ahead with the rest of the world.

I have a series of questions in relation to the Carbon Trading with REDD and others that we have signed with, some of us are ex-science students, it was in the past so let us be refreshed.

If the good Minister can clarify on the meaning of some of this scientific terms, it will not only benefit us but our people in the remotest parts of PNG as well.

For instances, in my electorate we are not actually into cutting any trees, we want to preserve the little forest we have. Before we take any further actions, I want to ask the Minister to educate some of us so that we can go ahead and plant for our electorates.

04/04

Mr Acting Speaker my questions are as follows;

- (1) Can the Minister simply explain, what is Global Warming?
- (2) Can the Minister simply explain in brief, what is Carbon Trade?
- (3) Can the Minister highlight how my people of Nuku can access assistance through carbon trade?
- (4) Can the Minister explain, what is RED Plus?
- (5) Can the Minister explain, what is the focal point of Climate Change issue in RED Plus, Carbon Trade trading and access climate change financing in Papua New Guinea?
- (6) Can the Minister confirm and inform this Parliament, if we have any RED Plus projects in the country?

Mr JOHN PUNDARI – Mr Acting Speaker, I thank the Honourable Member for Nuku and its about time I got a question on the Floor of Parliament too. He is a good Member because he has decided to ask me a question this afternoon.

(Members applauding)

Mr JOHN PUNDARI – Those are very important questions on climate change, Mr Acting Speaker. Let me say, that I will be making a statement on the Floor of Parliament on the outcomes of the Paris Agreement which will have some fair bit of information for all of us including the general public so that Honourable Members can make your contributions.

Mr Acting Speaker, let me begin on what the Paris Agreement is all about. Papua New Guinea has been a member of the United Nations Frame Work Convention on Climate Change or the UNFCCC when it was established in 1992. We signed it in 1993 and the UNFCCC entered into force in 24th March 1994.

Today there is a new universal membership, about 195 countries that have rectified the Convention are called parties to the Convention.

The United Nations Frame Work Convention on Climate Change's ultimate aim is basically to prevent dangerous human interference with climate systems.

Mr Acting Speaker, The UNFCCC is the only global convention that has 195 Members that collectively deals with the issue of Climate Change.

Mr Acting Speaker, most developing countries that are vulnerable to the impact of climate change need support from developed countries to deal with this. So this Convention ensures that support is assured.

Mr Acting Speaker, the 21st Convention of Parties in Paris, reached an historical agreement to combat climate change and to accelerate and intensify the actions and investments needed for sustainable lower carbon future.

Mr Acting Speaker, the Paris agreement central aim is to strengthen global responses to the threat of climate change to keeping a global temperature for this century well below 2 degrees Celsius or above pre industrial levels to ensure efforts to limit temperatures to increase even further to 1.5 degrees Celsius.

Additionally the agreement aims to strengthen the ability of countries to deal with the impacts of Climate Change.

To reach this ambitious goals, appropriate financial flows, a new technology framework and enhanced capacity building framework will be put in place, supporting actions by developing countries and the most vulnerable countries in line with their own national objectives.

The agreement also provides for enhanced transparency of action and support through a more robust transparency framework.

In conclusion, to the first question the Paris Agreement requires all parties like this country to put forward their best efforts to nationally determined contributions and strengthen the efforts in the years ahead.

05/04

There will be a global stocktake every five years to assess the collective progress towards achieving the purpose of the agreement and to inform further individual actions by parties.

Questions on, what is global warming? Let me put it simply, as a Christian country we all know that when God first created the universe and our world. There was this natural balance of order of things, but man's activities have caused and hurt that balance. We have accumulated so much carbon and other greenhouse gases causing global warming resulting in extreme weather events that the global community is confronted with.

Mr Acting Speaker, the pre-industrial years measure carbon molecules by what they call, parts per million and before the pre-industrial years, research tells us that 275 parts per

million was the concentration of carbon. From the 1800's, as a result of man's entrepreneur activities, the carbon concentration has increased to what is now about 400 parts per million.

The ideal carbon concentrations as told by scientists is about 350 parts per million. Recently, I, was informed that it has further increased to about 440 parts per million. When the global community is emitting greenhouse gases at two parts per million annually, which is continuously increasing, that rate is a great concern for us.

At the end of the day, the more heat that is collected results in the increase in global warming and the fact that climatic events are going to become catastrophic globally. Instead of going into scientific details of what global warming and its effect are but in the most simple terms as the Member for Nuku wanted, that is the answer to that question. On the issue of carbon trade, under the parties and protocols of the Kyoto Protocol we have accepted the call to reducing emission as mentioned.

Emission trading is set out in Article 7 of the Kyoto Protocol and I will ask countries that have emission units to spare emissions permitted but not used to selling the excess capacity to countries that are over their target. If a country is emitting more carbon they can be able to trade with nations that emit less greenhouse gases. Thus, a new commodity was created in the form of emission with the reduction or removal, since carbon dioxide is the principle greenhouse gas, people speak simply of trading in carbon. It is now tracked and traded like any other commodity in what is known as the carbon market.

Mr Acting Speaker, there are also other carbon markets called the Voluntary Carbon Trading Schemes. These are basic signs the Member alluded to and when it comes to carbon trade in Papua New Guinea think of our rainforest and the carbon that it has. This is so that we can be able to trade that with great corporate institutions of the world that are emitting large volumes of carbons so they can acquire some credit against their carbon emissions. Carbon sinks can be the calls that we have and ability to mine the oil reserves that are still sitting there and we haven't been able to extract and export yet. These are commodities that can be seen as commodities for carbon trade.

Mr Acting Speaker, regarding our rainforests, it is something that is very important for our country and we have to ensure that we secure an article that promotes sustainable revenue to help our people conserve the rainforest. The rainforest is an asset for adaptation as well as mitigation. The simple science of the natural process is through photosynthesis.

All these carbons and the pollutants out there and stress them as carbon and releases fresh oxygen for us. But when you cut down trees and burn it you are actually emitting carbon. So, how do we preserve it? One way is to ensure that we translate that into a commodity and be able to trade that.

Mr Acting Speaker, let me thank this Honourable Parliament for the recent passage of the Bill that we passed. We are one of the only three countries in the world that has got a regulatory framework to deal with the challenges and opportunities that climate change provides us. The window of opportunity is there for our people to voluntarily come forward and surrender land to measure carbon stock and get that assistance. So we can be able to trade it.

Mr Acting Speaker, is that a good form of mitigation? I do not think so because at the end of the day polluters will continue to pollute. They will come and say, give some credits and I'll give you some money so you continue to have that carbon sink. But does that directly address the root causes of greenhouse gas emissions? No.

The right mitigation will have to be the reduction of greenhouse gas emissions and investment in green technology. This will help enable us to secure our one and only planet we call Earth.

Question number four; how will Papua New Guinea get access to climate financing? This is a very important questions. One challenging issue for vulnerable nations like Papua New Guinea and other nations in the Pacific as well as less developed countries around the world is that, we are confronted with the fact that developed nations nationalise a country's flag as billions of dollars.

Then they say you can access funds for adaption and resilience to support your reckless programmes et cetera. Nevertheless, when it comes to actually accessing those funds they make it so difficult for us.

Therefore, nations got together and we secured an article that would make it easier for us to access those funds. That was one of the successful outcomes of the Paris meeting and I must thank the Honourable Prime Minister and the Minister for Foreign Affairs for all the support they provided and motivation.

Just recently as a result of bilateral relations I had over there, we had a high level executive member of the Green Climate Fund who visited us last week with the honour and privilege of meeting our Prime Minister. They are committed to help support us to ensure that we have an institution that is directly in tune to the Green Climate Fund. They are willing to

help us build capacity making it easier for us to access funds in our areas of needs and what the funds provide for.

Mr Acting Speaker, I would like to assure the Honourable Member that Papua New Guinea is on track. We have done very well for ourselves and we have developed a Climate Change Policy that all other agencies of the State and good corporate citizens of this country can dovetail into and be able to develop their own policies.

I would like to also thank the Minister for Agriculture and his team for developing climate smart agriculture policies. I think we need to start developing policies in our infrastructural development that are also climate smart so that our infrastructural development can be able to withstand and be resilient against the phenomena of natural calamities.

Mr Acting Speaker, what is REDD PLUS? REDD PLUS in short stands for, reducing emissions from deforestation and forest degradation in developing countries including forest conservation. PLUS, basically stands for; to conserve and it is not about forest degradation. It's about sustainable management of forests and announcement of forest carbon stocks. It is an effort to create financial value for the carbon stored in forests. Offering incentives for developing countries to reduce emissions from forest headlands and investing lower carbon parts to sustainable development.

Mr Acting Speaker, question six, who is the focal point of climate change issues? Like REDD PLUS, carbon trading and access to climate financing in Papua New Guinea.

Mr Acting Speaker, by the *Climate Change Management Act* that this Parliament recently passed, I must on the Floor of this Parliament thank again the Honourable Members.

07/04

It was the *Climate Change Management Act* that I was able to reflect on so that whatever we negotiated on was sovereign and it helped us paved the way to have powerful discussions and be able to sell our point.

Mr Speaker Acting, as a result of which we were able to secure Article number five on REDD PLUS.

Mr Acting Speaker, UNFCCC requires one focal point, not two or three different focal points, otherwise we as a country will lose integrity and credibility and we will be all over the place. We must be able to plan, monitor, evaluate and be able to report back to UNFCCC. Therefore the *Climate Change Management Act* helps us ensure that we have one focal point

in our country and that has given us that credibility when we negotiated at the Paris Agreement. For Papua New Guinea, it was overall a successful outcome.

Proposed SME Legislation

Mr DE KEWANU – Thankyou Mr Acting Speaker, for recognising the people of Mendi.

My questions are directed to the Minister for Trade, Commerce and Industry, Honourable Richard Maru. My questions are in respect to small to medium enterprise or SME Policy and the subsequent legislation and Act on SME operating in Papua New Guinea.

At this juncture, I wish to commend the Prime Minister and Minister for Trade Commerce and Industry on the successful launch of the SME Policy at the Sir John Guise Indoor Stadium.

I would like to commend the O'Neill-Dion Government for taking a bold stand in the history of this nation. This step alone will pave the way for financial freedom for Papua New Guinea. One day I believe Papua New Guineans will control the financial system of this country through the effective implementation of such a policy. This comprehensive SME Policy I believe comes with a Master Plan, 2016-2030 and it targets to improve the SME's from 450 000 to about 300 000 by the year 2030. I believe this is a news welcomed and embraced by all SME's in the country.

Mr Acting Speaker, my questions are as follows,

(1) When do we expect the subsequent legislation and Act on the policy to come before this Parliament, in order to effectively implement the policy?

(2) If so, what do we expect to see in the act in respect to reserved businesses for Papua New Guineans?

(3) What is the Government's plan for funding the SME Policy?

Mr RICHARD MARU – Thankyou Mr Acting Speaker, I would like to thank the Member for Mendi for these very important questions.

Mr Acting Speaker, after the launch of the policy, I am happy to announce to this Parliament that the Minister for Justice has now given instructions for a provident law firm to immediately begin work on the new legislation which now must come to this Parliament this year so that we can bring back the reserve list and by law qualify what businesses are to be reserved only for Papua New Guineans.

Mr Acting Speaker, this is a law that is well and truly overdue and I am extremely happy that the Government has now given instructions and it is my intentions to bring the draft legislations to Cabinet and finally to this Parliament before the end of this year.

Mr Speaker, in relation to funding the SME Policy, I am happy to announce to this Parliament that the Prime Minister has given very specific instructions to myself and the Minister for Agriculture who is responsible for NDB, to prepare a submission to come before NEC in the coming weeks to look at how we will raise and provide up to a million kina to implement the policy. We are now working on the issue of funding and I expect to make some announcements in the next sitting of Parliament on the funding for the SME sector.

08/04

Supplementary Question

SME Taxes

Mr JOE KOIM KOMUN – I would like to take the queue from the Member for Mendi and congratulate the Minister on SME policy and the amount of work his Department has put in. I think with that sort of policy in place, this country will go miles ahead.

My question is in relation to some of the taxes that the SME are faced with on income taxes and IPA, company registrations, taxes returns, annual returns and all of these areas. I think there's been some increases in these areas.

So while we are trying to encourage our SMEs to undertake business ventures, we must also encourage them to do it properly by doing returns and expending our tax base.

I would like to ask the Minister, there's been some areas where fees have risen quit dramatically so if we can look into it and make a statement on this will encourage our Papua New Guineans to take advantage of the Government's policy on SMEs by giving them some taxes holidays or reduction in the taxes they are paying thus encourage them to be in the informal sectors.

Mr RICHARD MARU –Thank you for the important question. Mr Acting Speaker, in relations to taxes, there is a taxation review. The SME sector is also giving its input and we are all waiting for the outcome and the recommendations of the review. I will be very interested to see what the review will provide in terms of any assistances to the SME sector.

In terms of the IPA fees, most fees in government departments go back to 1975. The cost to run Departments such as IPA has increased.

We now file by electronic means therefore the cost of internal charges has gone very high and the only fee increase seen in reasons times is for the lodgement of returns which is no less than K500.

So, I don't think that's asking too much from SMEs because we have not seen increase in fees for a very long time. The Government can't afford to continue to funding operational costs of a lot of services, therefore we had to pass some of that to the users.

Mr DON POLYE – I would like to direct this question to the Prime Minister, the Treasurer and the Minister for Finance can take note.

Mr Acting Speaker, I would like to refer to some of the statistics that are on the O'Neill Government's budget for 2016. In the Budget book volume 1, statistics shows that in 2015 last year, 336 000 tonne cubic feet of PNG gas was sold to outside market at the rate of US\$ 12 and 40 cents.

Mr Acting Speaker, when we calculated each of that TCF at \$12 and 40 cents. According to the budget the figure shows US\$ 4.2 billion or K12 to K13 billion revenue coming into the country in 2015. As I equate this to the 19.5 per cent of the State share in which K12 to K13 billion coming into the country where PNG will get its minimum share of about K2.5 to K3 billion per year under this rate with the quantity of 336 000 this year. The income goes up if the sale goes up so this is big money coming in 2015.

09/03

It will be the same figure if you add K2.5 billion in 2015 with this year with the approximate of 19.5 per cent share for Papua New Guinea, the minimum is about K5 – K6 billion in two years, reflected in Volume one of the Budget book.

Mr Acting Speaker, the Prime Minister and the Ministers have announced almost 50 per cent Budget cuts to health services, education and all other sectors that the development budget projects, equates to K3 billion despite the influx in the LNG Project.

(1) Can the Prime Minister inform this Parliament and the people of this country where the huge PNG LNG Project returns are, where they are kept and what they are being used for, and why the Budget cuts with this PNG LNG influx?

(2) Can the Prime Minister tell the 8 million people of this nation, where is the K2.5 billion LNG Project returns in 2015 and more so, what has he done with it including this year's LNG returns?

I have studied the 2016 National Budget and have found that nothing is published in any of the volumes of the Budget Book, regarding where the PNG LNG Money is accounted for. There is no indication where these monies are accounted in the expenditure in the Budget books. I had to check over and over to justify my statement here.

The only statement made is in Volume one of the Budget Book, which talks about the sale price and the quantity of volumes sold in 2015.

(3) Can the Prime Minister and his Government explain why the huge amount of PNG LNG return of K3 billion for each year not reflected in the Budget?

Mr Acting Speaker, I was prepared to debate this issue last year and the Government bulldozed this agenda.

This Parliament and the 8 million people of this nation need to know.

(4) Why is the Government hiding this money?

My assumption is, if the Government is not coming out clearly and explaining this issues, than;

(5) Can the Prime Minister honestly tell the people of this country that he is applying these monies to his own business interest and not the interest of Papua New Guinea?

Mr PETER O'NEILL – Mr Acting Speaker, let me thank the Honourable Opposition for asking so many good questions and many of them have good meanings while most of them have no meaning at all.

But Mr Acting Speaker, this is a very serious allegation that the Honourable Opposition Leader is making.

Let me start with the last question regarding the issue where he reckon I am hiding money for my personal interest.

10/04

I will start with the last question. He thinks that I am hiding money for my own personal interest. Let me put it for his record and the Parliament that I have no business whatsoever with the LNG Project at all. If you have any evidence then please provide it for us all. Do not just throw accusations because you are not just anybody, you a leader of this

country. Do not just say things to provoke leaders and the people. It is unbecoming a leader to do that.

When we signed the LNG project he was a senior government minister in his capacity as the deputy Prime Minister. It was not as if I went behind everybody and signed this agreement, he was there and he knows the details.

Let me clarify it for you and that the public can also be aware. The 4.2 billion sales that you are talking about is the total sales of LNG going out. This project is not just for us and we have the smallest stake of about 19.2 percent including the landowner's benefits. The biggest shareholders are our development partners.

Mr Acting Speaker, when we contributed equity the entire partners put in 30 percent. We borrowed 70 percent from many big lenders in the world. We borrowed from over 20 different banks around the world to finance US\$19 billion plus to build this project. When we borrow such an amount money we in turn must repay that loan. The Government and I do not manage this project. ExxonMobil being one of the biggest companies in the world manages this project so, are you questioning their reputation? If you have evidence then provide them.

What we do is that at the end of the day when we pay all the expenses and bank loans then whatever that is left is distributed with all stakeholders that and includes ExxonMobil, Oil Search and all the other big partners. The State gets some money through its shareholders like the Kumul Petroleum Holdings. This is a State owned organisation set-up by an *Act* of Parliament.

They receive money on our behalf and then they pay treasury. It is put into the consolidated revenue account where it pays your salary, the Opposition Leader's salary as well as mine. You know where the money is going so why are you throwing so many accusations?

Mr Acting Speaker, let me say this –

Mr Don Polye – Point of Order! I think the Prime Minister is not answering my question. I said the State's equity is 19.2 percent and that equates to K2.5 billion minimum income in 2015. Where is that money report?

(Government Members interjecting)

Mr ACTING SPEAKER – I don't want any more points of order. Prime Minister continue answering the question.

Mr PETER O'NEILL – I think the Oppositions Leader should get the treasury people to sit down with him and explain but let me explain in the simplest form.

When you make a sale, you have to deduct costs. It is not free money and you have to pay for your loans and your expenses like the salaries of the LNG workers. You have to deduct costs before you distribute.

Mr Don Polye – You know you are misleading.

Mr PETER O'NEILL – Mr Acting Speaker, how am I misleading? If the Opposition Leader does not want to believe then that is his problem but that is precisely what happens. All the equity and dividends goes to Kumul Petroleum Holding Company. All the taxes goes to the IRC. All the stamp duties and other related duties goes to Customs. They collect the money put it in the consolidated revenue accounts which the Departments of Treasury and Finance manage.

They then distribute the money to pay all our bills through the budget process that this Government and this Parliament approved.

11/04

There is nothing funny going on unless he has got solid evidence then produce it.

Let's just stop coming here and trying to pretend that something wrong is going on. If you have evidence then table it on the Floor of Parliament and I will accept that and we will debate on it.

But anyway he is talking about budget cut of 50 per cent on health and education. Where did you get all these figures? The only cut we know is on the church services program for health and we have agreed to reinstate it. But rest of the school fees and health expenses are being paid, DSIP and PSIP programs are being paid and for infrastructure, all the contracts have been paid.

So this is only in the Opposition Leaders mind and he is so convinced that something is wrong.

Mr Acting Speaker, if we debate on policy matters, I believe we can debate fairly, it's not right for us to come here and debate on emotional issues based on untrue statements that the Leader of the Opposition is making.

MOTION BY LEAVE

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

Leave granted.

SUSPENSION OF STANDING ORDERS – REARRANGEMENT OF BUSINESS

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

That so much of the *Standing Orders* be suspended as would prevent notice No.287 being called on forthwith.

CIVIL AVIATION (AMENDMENT) BILL 2016

First Reading

Bill presented by **Mr Davis Steven** and read a first time.

Second Reading

Leave granted to move the second reading forthwith.

Mr DAVIS STEVEN (Esa'ala – Minister for Civil Aviation) – I move –

That the bill be now read a second time.

Thank you Mr Acting Speaker, the Civil Aviation (Amendment) Bill 2016, is a part of the important work being under taken by this Government that is aimed at developing a safe and efficient National Transport System that can enable and drive our Social Economic Development Strategies going into the future.

Mr Acting Speaker, a clear and comprehensive legal framework for our Civil Aviation Sector is what this (Amendment) Bill 2016, is intended to achieve.

The (Amendment) Bill 2016 before the Parliament is a result of comprehensive review of the *Civil Aviation Act 2000*, and the regulations has amended the primary legislation stating the law governing our nation's civil aviation system.

Mr Acting Speaker, for the first time the Amendment Bill seeks to incorporate into the primary legislation of our country, all international legal obligations under treaties on Civil Aviation that we have entered as participating country.

Mr Acting Speaker, it is not worthy that the Bill before us on the principles has passed in our National Transport Strategy and other guiding and medium and long term development plans for our country.

I am confident that in passing this Amendment Bill, the honourable Parliament will be making an important contribution to the development of our Nation's Civil Aviation Sector.

12/04

I say this for some important reasons that will become apparent or clear in the course of my statement.

Mr Acting Speaker, any government that manages a Civil Aviation system like ours bears the paramount underlying obligation to ensure safety and security of the traveling public.

Our people expect their Government to ensure by legislation and policy at all times air transportation must be safe and secure in this country.

More so, when resources are limited and capacity lacking in many respects, we must prioritise our activities and focus on ensuring that safety and security is paramount always.

Mr Acting Speaker, therefore, our primary legislation in the Aviation Sector needs to be very clear about the roles of the institutions and various aviation entities and persons comprising the total aviation system. That is the very important objective of this amendment Bill.

PARLIAMENTARY DEBATES CORRECTIONS TO DAILY DRAFT HANSARD

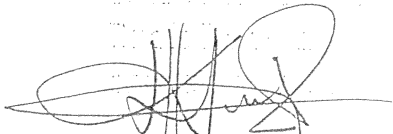
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LEE SIROTE

Acting Principal Parliamentary Reporter