

**TENTH DAY**

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**Wednesday 24 August 2016**

**DRAFT HANSARD**

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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.

A handwritten signature in black ink, appearing to be 'LEE SIROTE', with a large, stylized flourish on the right side.

**LEE SIROTE**  
**Acting Principal Parliamentary Reporter**

## TENTH DAY

Wednesday 24 August 2016

The Deputy Speaker, (**Mr Aide Ganasi**) took the Chair at 10.00 a.m..

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

Sitting suspended.

The Speaker (**Mr Theo Zurenouc**) took the Chair at 11.00 a.m., and invited the Member for Goroka, **Honourable Bire Kimisopa** to say Prayers:

‘Heavenly Father we thank you so much this morning as we come into this House knowing fully well who we are and knowing also that you have chosen us to be here. You could have chosen somebody better but you have chosen us to represent our people.

Father we come into this House with only one agenda and that is to serve your people.

Father we come into this House lacking wisdom, knowledge and understanding. Endow us with the strength we need, give us the wisdom that we need so that we can apply our skills to the trade you have called us.

Father we thank you so much that our people expect a lot from us and we know this is a unique responsibility, an honourable opportunity that you have given us to serve. So many people in this country would have given an arm and a leg to be in this House but no, you have chosen us and we thank you for this sacred calling knowing also our mistakes, our failures and we bring all of that before you. And as we come before you, we realise that we are standing in front of a Holy God.

And Lord, search us deeply, remove all our inefficiencies, remove all our prejudices, remove all our biases and as we stand united in this cause, Father we sincerely ask that you will bless us richly.

Father we thank you that in this House we are all equal, regardless of which side of the aisle we sit, regardless of the positions that we hold. We came here naked and we will go out naked. And Father we thank you so much that this is a privileged calling and Father we will be held accountable to you one day for the decisions that we make on this Floor. This House is a House worthy that you have chosen to sit at the head of our Constitution. And Father we thank you so much for this privilege and this opportunity to serve you once more in this Chamber.

Bless each and every one on the Floor and bless the many people in the Gallery, our foreign visitors as well and many of our people right throughout the country who are watching patiently, eagerly listening to our debates, listening to the issues that come before this House.

And Father, we cannot do it without you, and for that reason we ask that you be with us today. And Father we thank you so much as we come together with one voice as we relay the Lord's Prayer to you. Amen.'

## QUESTIONS

### Payment for Ward Councillors

**Mr EREMAN TOBAINING Jr** – Thank you, Mr Speaker, my question is directed to the Deputy Prime Minister and Minister responsible for Provincial and Local-Level Governments.

Mr Speaker, there has been a lot of speculation on the salaries of the ward members in Papua New Guinea and on that note, I would like to thank this Government on behalf of the people of East New Britain for releasing K7 million to the ward members throughout Papua New Guinea.

My simple question to the Minister responsible for Provincial and Local-Level Governments is, if he can give correct data on the ward members who have yet to be paid. This is because today, there is a lot of confusion at the ward level since some have been paid and others are yet to be paid.

That is why, I wish to seek his clarification for the benefit of the provinces, this honourable House and also the people of this country as to how many ward members have been paid and how many are yet to be paid?

**Mr LEO DION** – Thank you, Mr Speaker, I thank the Governor of East New Britain, my Governor for asking this question for the information of all the ward councillors, presidents, members and recorders in this country.

**02/10**

Mr Speaker, as we know that today, 6,182 Ward Members of this nations and of that, there are 300 Presidents and of course Deputy Presidents as well.

Mr Speaker, to simply answer the question raised by Governor of East New Britain, it is this Government's initiative and foresight to ensure that all these people working at the grassroots level in our government in this country must be rewarded for their work throughout

the years. I want to thank this Government for having that foresight in making the decision to reward them.

So far, we have paid all the councillors or ward members of this nation; you don't call them councillors anymore because they are ward members according to the change in the law. So all of them, I would confirm now that they have been paid throughout this nation. They were paid a lump sum of over K3 000 after the decision was made.

Mr Speaker, I want to make this very clear that when this initiative was brought forward by this Government, we decided that their pay should be back-dated to the time when the NEC decision was made and that was in 2014.

So all in all, the councillors were paid K3 000 lump sum and then at the later date, they were also paid another K1000 over K1000 kina back-paid. And these are the councillors that have sorted out their personal accounts with the bank.

Mr Speaker, the Department of Provincial Affairs is responsible for administrating the paying system that we have. It is one of the better system that we have but provided that all the Governors of this nation give us the right information as we speak about data so that information detailing personal particulars of each of the 6 000 ward members as well as the president and deputy presidents because they also affected by this increases.

Mr Speaker, so I would say that there is no problem in that but the problem that I see is for only those that yet to verify their information and be confirmed.

Mr Speaker, I will come to you as to actually and may be report to Parliament in relation to the exact figure of those that have been paid and I will through my Department ask the respective Governors to make sure that they do the job. I'm not there to make sure that that each councillor bring in right information, therefore, we are asking all the DDAs and of course, the provincial governments to take the responsible in ensuring that the right details are received by my Department in terms of collating those information so that the ward councillors are appropriately remunerated.

On consistency, yes, I am in the Department and we will continue to pay them as long as we acquire those information. I don't have the data base right now but I can produce that to all Governors at the later date when I come up with that type of information.

Mr Speaker, this Government should be thanked, all the Members of Parliament must be thankful to this Government simply because it saw the need for this people to be remunerated.

Mr Speaker, majority of our people are based at the ward level and of course, the local-level government. This Government is now considering recognising and forecasting on the wards level as well. We were the first Government to fund the local-level government and

thank the Opposition Leader when he was the Treasurer to participate and ensure that my request was recognised so that we recognise local-level government. It is very encouraging that both sides of the House make sure that those people are remunerated.

**03/10**

Mr Speaker, we are not focussing and there is a submission that is coming through to NEC to ensure that appropriate funding is also given to wards level. As I said, we have about 6 182 Wards in the country. The laws says that there must be five members of the development committee. In that development committee, the law strictly says, and I hope that we are complying with the law to make sure that two or three women must be on the ward. At the same time the law allows the chairman of those wards to make sure that when they are planning development in those areas.

**Mr Belden Namah** – Point of Order! The Deputy Prime Minister seems to be taking too long answering only one question.

**Mr SPEAKER** – Mr Deputy Prime Minister, with the greatest respect, can you shorten your answer?

**Mr LEO DION** – Mr Speaker, it is very important because they are the structure of government at the lowest level that you and I normally forget. The Opposition Leader knows that very well too. I can make a statement later on but the Government talked about us acknowledging and provide funding to make sure that the Wards are given certain amount of funding. Mr Speaker, I do not interfere when the Opposition ranks are debating.

### **Supplementary Question**

#### **Two Performing Councillors**

**Mr JOE KOIM KOMUN** – It is a good policy for our Government to remunerate our councillors throughout Papua New Guinea and it's a credit to them.

My question is, some of us had failed elections so now we have the incumbent councillor and the new winner are both performing councillor duties in our electorates. With regard to that can you clarify how you are going to remunerating them both?

**Mr LEO DION** – The simple understanding of the law says that they cannot be recognised and as such they cannot be paid by public funds. They must be elected councillors.

### **Porgera Landowners Share**

**Mr NIXON MANGAPE** – I direct my questions to the Prime Minister. When Bougainville stopped operations back in 1989, Pogera Gold Mine and Ok Tedi shouldered the country up till now including Misima Mine.

My question is; can the Prime Minister inform the Parliament and the country that you gave 53 percent to the provincial governments and 17 percent to the landowners so what are you going to do about the rest of the country?

In the case of the Porgera Mine, we bought the 5 percent therefore will your Government reimburse the 5 percent that we bought or how do you intend to address it?

**04/10**

**Mr PETER O'NEILL** – I want to say that it is not 53 percent and we must give the correct figures. In Ok Tedi there is 33 percent which is one-third of the mine and in Bougainville the Government has given 17.4 percent as free gift that Rio Tinto has given us and we are giving it back to the landowners and our people of Bougainville.

Mr Speaker, for the other mines in the country it is different because in the case of the two mentioned mines they are 100 percent owned by Papua New Guinea and the Papua New Guinea Government has a significant interest in them. That is why we are able to look after the landowners the way we have done and also taken into account the sufferings that the two provinces and their communities have gone through. So, that is why the Government was able to do that.

But in terms, of the other mines throughout the country as I have said last week we have a new *Mining Act* which is before Cabinet for discussion and we will be bringing it into this House so for the Parliament to approve it That will specifically clear the new benefit arrangement that we are trying to work out for all the other landowners, communities and provinces throughout the country.

In terms of Porgera, I understand that five percent paid by landowners, in fact two percent is by Mining Law so it is free carry. So, we are working through it but I hope that the Member has time to debate this when we present the new Mining Bill to this honourable Parliament.

Thank you.

### **State Land on Samarai Island**

**Mr GORDON WESLEY** – Thank you, Mr Speaker, I direct my questions to the Minister for Lands and Physical Planning.

Mr Speaker, my questions relate to the acquisition of State Land on Samarai Island been sold to private owners and over 60 percent of State land is owned by Peter Sharp which leaves no land for genuine investors or the growing need for public servants housing and other physical development on the Island.

Mr Speaker, these land were acquired some 20 to 25 years back but since then there is no evidence of physical developments by owners of the land and this situation has denied all my development plans for the Island.

Mr Speaker, my question to the Minister is, can the National and the Provincial Lands and Physical Planning Board forfeit all undeveloped land on the Island back to the State and if so how long will it take wait?

Mr Speaker, I brought this matter up on several occasions before and I am bringing up again on this Floor.

Therefore, for the sake of the development and our people the State must reclaim all undeveloped land back to pave the way for public servants housing and other public infrastructure on Samarai and also for genuine investors to come in.

Thank you, Mr Speaker.

**Mr BENNY ALLAN** – Thank you, Mr Speaker, and through you I wish to also thank the honourable Member for Samarai-Murua for asking this very important question relating to the land on Samarai Island.

Mr Speaker, the Samarai Island land case is similar to that of Woodlark Island and as I mentioned on the Floor, during this sitting, for Woodlark Island we have forfeited the land and it is now in the hands of the traditional landowners.

With regards to Samarai Island, I will get the Department to find out on the status of the land and as the Member has mentioned, the title is with Mr Peter Sharp so we will find out.

But, for the benefit of the Member and the Parliament, there are different types of leases; we have the State Lease which is 99 years lease, straight forward for anyone who applies and the Board deliberates on the application and issues a 99 years lease to the successful applicant.

Secondly, we have Crown leases, for example, Holiday Inn has a Crown lease and what I discovered is that they pay AUS\$2 annually under their crown title.



**05/10**

We also have freehold leases where the Government will not make any decision, the title remains with the titleholder even if they don't develop it for five years or any length of period, the law does not allow the Government or any Minister to make any decision over that land.

An example of a freehold lease like Kenmore down at Gabutu has remained undeveloped, for many years because it is a freeholds lease.

I will get the department to check on the type of lease we have with Samarai island and I want to assure the Member and this House that if it is under Urban Development Lease, we will do everything to forfeit the title and restore as the State land or vacant land so that the Member can do something because the land is in his electorate. I will write to the Member to inform him on what we will do to address that issue.

### **Issuing of Housing Titles**

**Mr ANTON YAGAMA** – Thank you Mr Speaker, for recognising the people of Usino Bundi. I would like to direct my question to the Housing Minister but since he is not here, I will direct my questions to the Prime Minister. My questions are in relation to Housing

I have three scenarios. The first Scenario is in relation to the official; residence of the Madang Governor. In 2013, the National Housing Commission threatened the Madang Governor to recoup the House if, Madang Provincial Government failed to pay K1.9 million for that State property. Eventually the Madang provincial government made the payment but the Madang Provincial Government was not awarded the housing title.

Mr Speaker, it seems inappropriate that one institution of government threatens another institution of Government to pay K1.9 million.

(1) Can the Prime Minister clarify that issue?

Many Papua New Guineans have paid large sums of monies to obtain the National Housing Commission properties. But once they pay they don't receive the titles. For some it takes years and others are still waiting.

(2) When will these people be given their title and how soon can it be done?

(3) Why do we Papua New Guineans remove our own fellow men from the NHC houses?

Papua New Guineans should be given the first preferences to obtain or purchase the title of the house. The Government should create ways which will give first preference to Papua New Guineans before any other foreigner for the title.

**Mr PETER O'NEILL** – Thank you, Mr Speaker, and I thank the Member for Usino-Bundi for his series of questions. Mr Speaker, housing is a priority for us in the country and we want our people to live in affordable decent homes. The Government has been trying to making affordable housing more available to our citizens and as many of you know we have deposited K200 million with Bank South Pacific who is managing these funds for us and rolling out to Papua New Guineans all throughout the country. We have given them four per cent fixed interest loans over 40 years.

Mr Speaker, this has enabled over 4000 Papua New Guineans to participate in the program, these are Papua New Guineans who did not have homes yesterday. We want to increase those numbers all throughout the country but the issues about land titles and availability of land is always a problem that is being encountered by the people who want to participate in the program. We will continue to partner with private sectors like BSP and other banks and we have also talked to WESTPAC and ANZ Bank about that.

For the first time we are trying to make affordable housing for Papua New Guineans a reality throughout the country.

Mr Speaker, the issues with National Housing Corporation is becoming a concern over many years. We thought that it will improve but it is becoming worse from the reports that we have received, it is getting worse.

Mr Speaker, I am surprised that an agency of government is asking another agency to pay for an official residence of a governor. It's not a transfer that is taking place between a private owner and NHC. So I will certainly look into that matter and make sure that if the title is not made available, I will direct that the title is made available and issued to the Madang Provincial Government.

Mr Speaker, the same directions will go to the Minister for Lands.

Mr Speaker, I have heard that Papua New Guineans are paying large sums of money to NHC which is becoming a business. NHC is not supposed to become a business, it is supposed to provide affordable housing to Papua New Guineans.

**06/10**

Mr Speaker, I know that many of the houses that are being built and now owned by the Housing Corporation have no proper titles. In fact, when they were built they were given a certificate of occupancy. This means that they can just occupy and build a house but the titles were supposed to follow later on. Unfortunately, the titles were not made available and cannot be transferred quickly. Therefore, I will direct our officials to give this priority.

Mr Speaker, I will present a full report in our next sitting of our Parliament so that Parliament has a full stock of it, and I will get our officials to conduct a thorough investigation into the conduct and management of the National Housing Corporation forthwith.

Thank you, Mr Speaker.

### **Supplementary Question**

#### **Housing woes in Goroka**

**Mr BIRE KIMISOPA** – Mr Speaker, we also in Goroka also have a dire situation where a number of PNG citizens who are not locals from Goroka or Eastern Highlands but notably from the coast and who have served a number of years in various vocations. Some as teachers, some working for Department of Health and a number of them have held senior positions within the Department of Works.

Mr Speaker, recently, the Goroka District Office engaged a lawyer to prevent the forceful sale of houses which were done illegally and engineered out of Port Moresby through the Office in Goroka. And we have citizens of this country, two from Sepik, one from Madang and one from East New Britain who are literally living on the streets of Goroka. So, I have initiatives to stop the National Housing Corporation from forceful selling of houses.

Mr Speaker, my plea to the Prime Minister and perhaps he could, through this Parliament and notify the NHC that there should be a moratorium and a permanent stop for any sale of house within the NHC. This is because it is inhuman and illegal and cannot be happening like that.

Mr Speaker, a number of citizens who have served in the Public Service in Goroka have paid for their houses from their fortnightly deductions for more than 20 or 30 years and they can't be on the streets.

So, my supplementary question, again, to the good Prime Minister is, would you assure this Parliament that there will be a moratorium imposed immediately advising the senior head of NHC to cease all sales?

Thank you, Mr Speaker.

**Mr PETER O'NEILL** – Thank you, Mr Speaker, and I thank the good Member for Goroka for his question.

Therefore, let me assure this Honourable Parliament and good Member that, yes, while the investigation is going on. I will instruct that all sales be stopped until I submit a report to this Parliament in the November session of parliament.

Thank you, Mr Speaker.

### **Vanimo – Wutung Power Supply**

**Mr AMKAT MAI** – Thank you, Mr Speaker, for giving recognition to the people of Sandaun Province.

Mr Speaker, I want to direct this question to the Minister for Government State Enterprises.

My questions are, I see that, people think that Vanimo is sleeping and is not moving forward economically. Nevertheless, I have been asking the dear Minister to come to Vanimo and help improve the problems that we are facing at the border.

Right now, we are thinking about putting power from Vanimo to Wutung.

**Mr Belden Namah** – That's your job!

**Mr AMKAT MAI** – Therefore, all that we have been doing as of date is just talking. I have spent around K1.2 million to buy a diesel generator from Jakarta. The generator only generates 1000 KVA and it is not enough because it will give about 0.2 MW of power.

Now, the Indonesians are doing the Batas from that side and the government has planned to open it. I don't want to embarrass the Prime Minister but when you open Batas Market Trade Border there will be no power. All the equipment have now been fitted, all the machineries, scanning and everything and I have seen these myself. So, everything has now been fitted on our side.

When will the Minister direct PNG Power to put the transmission lines from Vanimo to Batas? It is a simple task. All you need is K8 million and that is the cost that I got.

**07/10**

To put the transmission line from Vanimo to Batas, it's a simple task, all you need is K8 million, that's the costs I got. And on that note, I want to ask the honourable Member for Vanimo-Green to use DSIP to help PNG Power.

**Mr SPEAKER** – Honourable Governor, you can't be directing your questions to other Members of Parliament.

**Mr AMKAT MAI** – Sorry, Mr Speaker, but because right now we have a cocoa project in Kochau. I have inspected the area where there is 600 hectares of cocoa from which 60 tons were exported to Surabaya through Jayapura and we also have the Bewani Palm Oil Project coming up so we need power.

So, I would like to beg the Minister to send PNG Power to carry out inspections and connect the power.

**Mr WILLIAM DUMA** – Thank you, Mr Speaker, I thank the good Governor of Sandaun for his important question.

Mr Speaker, what has happened is that the former Minister, my predecessor entered into an arrangement with an energy supplier from across the border, from Irian Jaya to produce and supply power to Sandaun, which, in my opinion, when I assumed ministerial responsibility thought was not the way to go because we already have our own power company. And the good Governor is very familiar with that arrangement.

We have been waiting with the good Governor and my predecessor to come back to us and tell us whether or not the arrangement that they entered into will or will not be going ahead. If it will not then PNG Power stands ready to move in.

So, Mr Speaker, really, to use his words, the ball is in the governor's court, he has to come and tell us whether or not they are going ahead with that arrangement because we don't want to go around dishonouring commitments that were made by people who represented this country. And it will not send a good signal to our friends on the other side of the border, the Government of Indonesia. If the arrangement was signed and is going ahead then we will assist where possible but if it is not then PNG Power will take over.

So, Mr Speaker, we do not want to dishonour arrangements made by our leaders from this side of the border so it is incumbent on our good Governor to let us know if that arrangement is proceeding. If not, then I can assure him that PNG Power will do its best to help him.

#### **Act of Piracy**

**Mr PETER ISOAIMO** – Thank you, Mr Speaker, my question is directed to the Police Minister and it is regarding piracy in the waters around Port Moresby.

As he and everyone will be aware, my electorate surrounds the City of Port Moresby and piracy or the act of piracy seems to be on the rise around Port Moresby City and its electorates and my electorate as well.

In recent times, in fact in the last week, at Paga Hill Point a death occurred to one of my constituents from Roku Villge through piracy.

Also, with the betel nut ban, all the betel nut are ferried through the western end of the electorate to the partially lifted ban areas at the Motu-Koitabu villages where acts of piracy also occur as they come.

So, my question to the Minister are:

(1)Do we still have in existence the Water Rats or the Water Police?

(2)Are they operational to look into incidences of piracy around Port Moresby and the Central Province waters?

(3)With policing, when Minister Charles Abel was acting as Minister for Tourism he announced that there will be tourism police reservists established along the Kokoda Track Area and every other areas that has tourism potential to prevent a repetition of what has brought tourist in Papua New Guinea recently with attacks on foreign tourists. Are those plan being announced as government policies by ministers and yourself with regard to water police in existence or not?

**08/10**

**Mr ROBERT ATIYABA** – Mr Speaker, thank you for the two questions raised by the Member for Kairiku-Hiri.

Like all the former Ministers that come in, they had good plans or intention for the Police Force. When I took over from the former Minister for Police, I brought in a big submission to NEC which was approved.

Due to financial constraints, we have not actually looked into it. I thank all the Members on both sides of the House, the Ministers and Governors who have been assisting the Police in terms of housing, vehicles and also boats.

Secondly, I thank the Prime Minister and the Government for making available two hundred and seventy five million over five years for modernisation program. Through that program, we were supposed to fund boats for the Police Department to contain piracy through water Police.

However again due to the financial constraints, more than fifty per cent of the funding have been recalled so we also have issue of funding.

In terms of whether or not we have in existence the Water Police, we do have. Ten years ago, the government at that time had engaged some boats for Sea Policing for the Marine time Provinces. As I am speaking now, there are none of these boats in existence. They have lack of maintenance or have been broken down. All the Provinces have no boats and I have been receiving reports of sea piracy throughout the Marine time Provinces especially in Alotau, Morobe, Madang and also in Central and East New Britain provinces.

I call on the Parliament and also our government. As we are going to put in place all developments, major developments likewise in parallel, we have to look after national security interests in terms of funding.

Now that we have the NEC approved funding arrangement in place, it will cost more than K1.5 to K2 billion to fund the Police Force over the next five or six years.

Mr Speaker, you all can appreciate that a lot of the institution houses, and the Police stations throughout the country in rural districts as well as the provincial centres have gone down. The cells have been condemn. The cells were meant for the population thirty years ago of two million. The population has increased. We will need to put in a lot of funding to develop the Police project in terms of capital development, build new office complex throughout the country's provincial centres, build new cells and also provide all other able assistance to get the Police working. So my answer to the questions, we have these plans in place, but we don't have the funds to mobilize.

In terms of Tourist Police. There are plans on it but again we have the same issue. I am appealing to the Government that after election 2017, if there is a way forward for this country, we will need to spend a lot of money into improving the Police Force.

We do have the manpower now. We are on time, but there are no houses to house them, Mr Speaker, that would be my answers to the questions. Thank you.

**09/10**

### **LLG Salaries Need Assurance**

**Mr WILLIAM POWI** – Thank you, Mr Speaker. My question is directed to the Deputy Prime Minister. My question is In relation to the good work the Government is doing about addressing the Local-level government issues. I think for the first time, Opposition or Government, if we put our councillors on payroll then it would have been a great achievement for the country. It has been 40 years and we should not think this is an insignificant issue.

Mr Speaker, in my province when the ward councillors got the news many of our fathers cried. Through the Chair, can the Minister tell the country whether this is a policy for the

Government? Will it become a law? Will it continue or not? Our people must be made aware of these things. We have people who served for 35 to 40 years as councillors and they have been asking me if they have retirement entitlements? I tell them that this is a National Government function that we in the provincial government are only coordinating and managing.

Mr Speaker, it would be a significant achievement for this country if we put the 6 thousand plus councillors on payroll. You and I can come and go but these councillors will hold the breath and length of this country. Can the Deputy Prime Minister make a confirmed announcement about this issue?

**Mr LEO DION** – Mr Speaker, I thank the Governor for Southern Highlands for his question. I totally agree and I think the Parliament agrees that it is very important that we embrace it. It is true there is no policy for the last pay for councillors before but it is the prerogative of the government to consider this things.

As I mentioned, I will be presenting a statement in relation to this particular subject matter and the views of the government in future in regard to the wards, the Local-level government and how they work together with the DDA and the provincial government.

It is a challenge to the Government and I hope that before this Parliament rises next year, I should be able to give a statement.

### **Shortage of Drugs in Aid posts**

**Mr GARRY JUFFA** – I direct my questions to the Minister for Health but since he is not here, I will redirect them to the Prime Minister. My questions are in relation to health issues especially with cancer and HIV/AIDS and the distribution of drugs to the aid posts in the country.

Prime Minister, we have a situation where the anti-retroviral drugs to treat HIV/AIDS patients are falling short. They probably have only one or two months before their supply runs out. Our patients and the people treating them are all becoming very anxious. Money has been allocated but it has yet to be given in order to purchase these drugs. Therefore, my question are as follows;

(1) Can the Government address these issues?

With regard to cancer, it is becoming a real problem for us in the country today. Many of our people in the remote areas are travelling into Port Moresby and Lae to get treatment. But when arriving here, they find that there are no medicines. Our staff in our premier hospitals are



writing prescriptions and telling the patients to go and buy their own medicines. It is a real problem for our people who cannot afford these medicines.

**10/10**

(2) Mr Prime Minister, are you aware of this situation?

(3) Does the Prime Minister and his Government know how we can resolve this situation?

This is so that patients who have cancer can get the treatment that they deserve.

My next question relates to some years ago, we gave a contract to a controversial company to distribute drugs throughout Papua New Guinea. Nevertheless, one concern that I had raised was that this company imported drugs from a company in China, which the World Health Organisation (WHO) indicated that this company was sighted to have distributed counterfeit drugs.

I was assured that the government would build a laboratory where it would test all the drugs that are imported into the country, review the drugs and make sure that the drugs imported are not counterfeit. Nevertheless, to date, this laboratory has not been built yet for the last two years.

(4) When will we build this laboratory?

The company who is now distributing drugs throughout the country – for example in Oro Province, I had the opportunity to inspect some of the small rural aid posts where I found out that about 60 per cent of the drugs needed to be administered by doctors. These aid posts had no doctors assigned to them.

Apart from that, these drugs had no markings or labels on them to identify what type of drugs they were and whether these drugs were either genuine or counterfeit. Also, this company is distributing equipment to rural aid posts that they do not need them. For example, electric beds were given to these aid posts.

Most of these rural aid posts do not have power supply. What will they do with these electric beds?

(5) Can the Government and especially your Office conduct an inquiry in to this company because health is a huge problem and a national issue for the country?

We need to find out whether this company has fulfilled its requirements to distribute drugs and whether it is giving the right drugs.

So, once again, when will we build this Laboratory so that we can be assured that the drugs that are distributed to our people are not counterfeit and killing them as well?

These are my questions, thank you, Mr Speaker.

**Mr PETER O'NEILL** – Mr Speaker, I thank the Governor for Northern Province for those questions.

Mr Speaker, yesterday, the Minister for Health presented an Annual Health Report which clearly highlighted some of the things that we are doing in this sector. It also highlighted some of the challenges we have before us.

Mr Speaker, there are many challenges and these are things that the Governor is alluding to. After years of not putting funds into this sector and not funding the complete health plan for the country for many years. Since coming into government in 2012, we are the only government that is fully funding the health sector for the first time in our history.

Mr Speaker, it is very evident in all the infrastructures that we are building right across the country, and I have been to Popondetta. And I am sure that the Governor is very proud of the hospital that we are building in Popondetta. This is for the first time that the Health Department or the government is doing something in Popondetta for that matter.

Mr Speaker, this is happening right across the country but again, let me agree with the Governor that, there are challenges but I am hoping that the provincial governments and DDAs and the National Government continue to work together. This is so that we can overcome there is no one fixed solution for all the challenges that we have. We are rebuilding all the hospitals throughout the country. We are reequipping many of them, for instance, recently we opened four new operating theatres of world class standard in Madang for the first time. Where we can now conduct operations on patients there directly without having to refer them to Angau or Port Moresby.

Mr Speaker, across the country we are doing that and I am happy to say that one of the priorities of our Government is to make sure that the Cancer Center. That the Governor is talking about rather than having it all in Lae. We are now focusing on trying to rebuild one in Port Moresby. We want to build one fully equipped cancer centre that will take care of the patients all throughout the country.

**11/10**

Mr Speaker, cancer is a growing disease because of lifestyle changes and it is becoming a problem for our country. That is why it needs the attention it deserves and the government is prioritising on that by working closely with the Department of Health and the Port Moresby General hospital in providing designs and the costing for building a cancer unit in Port

Moresby. I'm hoping Mr Speaker, all this will be ready before the end of the year so that some work can commence before we go for elections.

Mr Speaker, health sector is also a priority for this Government. That's why when funding becomes available, apart from education and health, this is the top priority of our Government. So we make sure they get enough money to keep the hospitals running and today we are putting money directly to the hospitals for their infrastructure needs. Like every provincial hospitals, we are giving them K10 million in the budget so where the provincial hospital boards are working properly, you can see remarkable work and improvements. Care and maintenance are taking place, new infrastructures are being built and I think this kind of program must continue Mr Speaker so that outcomes we are seeing continues to improve.

Mr Speaker, on the distribution of drugs, I know there is regular testing, this is the advice given to me by the Health department that they do regular testing of all the drugs that come through. I know we are long overdue to build a lab, one of our own but due to funding constrains that has not progress as we want to. Mr Speaker, it does not mean these drugs are not tested on a regular bases. I understand the Governors concern about some drugs that have been distributed to the hospitals, if he has specific issues, I want him to put it in writing to my office and I will make sure there is an enquiry into that drug company he is talking about.

Mr Speaker, the drug distributions contract has come to an end, it will be advertised publicly in the country and outside the country so that we can get the best company to again distribute drugs throughout the country for us. It is a huge responsibility and we must give to a company that has the capacity and the capability so that our people are not running out of drugs and getting sick throughout the country. Mr Speaker, I would ask the good Governor to give it to me in writing, thank you.

**Mr Garry Juffa** – Point of Order! Mr Speaker, I thank the Prime Minister for his assurance but there are two specific questions that I asked and just wanted clarification. The cancer patients have run out of chemo medication and the anti-retroviral drugs which will run out in two months' time.

Can the Prime Minister assure us that the Government will look into this in a timely manner so that these patients can be assured that they will receive the treatment they deserve? Thank you Mr Speaker.

**Mr PETER O'NIELL** – The Minister and his department will give directions on that issue the Governor is raising but I know that some health centres and hospitals do run out of

medicines or some equipment or some medical supplies from time to time. That does not mean that our medical stores at Badili has run out. Sometimes the distribution is slower so I will find out on that but I don't believe that the drugs for HIV/AIDS can be afford to run out. We will make sure it is available and if that is the case than I will make sure the Department looks into it immediately, thank you.

**12/10**

**DEPARTMENT OF EDUCATION – INTEGRATED TUITION FEE  
FREE POLICY (TFFP) – 2016 – MINISTERIAL –  
MOTION TO TAKE NOTE OF PAPER**

**Mr NICK KUMAN** (Gumine – Minister for Education) – Mr. Speaker, thank you for giving me the opportunity to present this statement to Parliament on the new single integrated Tuition Fee Free (TFF) Policy of the government for implementation commencing in 2016.

We take note that a good education underpins a good start to life and it is essential for the growth and development of every country including Papua New Guinea. Education is a basic right for every person and provides the means to develop their personal capacity and to contribute to the productivity and the development of the country.

Hence, the Honourable Members of this Parliament and the stakeholders throughout the country are fully aware that this government's Free Education Policy is now into its fifth year. It benefited all students attending schools and institutions within the National Education Systems (NES) that are registered and operating.

This Ministerial Policy Statement (or MPS) intends to inform this Parliament and the people of this country the new TFF policy approach for implementation from this year (2016) and onwards.

Mr Speaker, the government has made a significant appropriation of more than K2.7 billion which will be by the end this year since 2012. This is an unprecedented policy shift in education since Independence by giving opportunity to every school aged children in this country the right to receive basic education.

Mr. Speaker, by the year 2050, we aspire to have a society of people who are healthy, wealthy, smart and happy. This cannot be achieved without the right policy choices and investment in our human resource. I thank the Prime Minister and this government for advancing steps towards realizing the 2050 Vision by initiating the TFF Policy. We are not only talking but showing our commitment through action, and this landmark policy that is now

benefiting all children irrespective of background across our country. As a responsible government, we know and are practically ensuring that education for our children is a "right" not a privilege.

Mr Speaker, the sustainability of the TFF Policy going into the future is a challenge and this is driven by this government, and may not be supported by future governments. Hence, legislative changes are now on the way to the review of the *Education Act* to ensure the provisions of free education will mandatory for any governments that come after this government.

When the government first announced the free education policy, critics from all corners of this country had different views, but over the last four years this Government demonstrated going through financial downturn in this country – we have committed to ourselves to pay the school fees, including this years' first and second terms with a total of K301 million, which is about 50 per cent of the 2016 appropriation. We have proved them wrong. This Government is committed in delivering our TFF Policy to date and to date we have expanded K2.3 billion.

The impact of TFF has seen increased growth and let me inform the Parliament that there is a net enrolment by 7 per cent. By the end of 2016, we will have a student enrolment of 2.1 million.

There is higher retention of students in schools unlike before. We have seen a lot more girls entering into the schools systems and the retention of girls in the school systems have increased over the same period.

Mr Speaker, whilst we experience positive impacts the increase in enrolments have put pressure on existing resources. These include our classrooms, teachers' houses, more teachers are needed, teaching and learning resources. We have seen teacher to student ratios have increased from 25 to 45 for one teacher is to 45 students. This impedes students 'centered learning.

However, and let me repeat this, this Government under various interventions have experienced significant growth in the education system of Papua New Guinea.

### **13/10**

This Government under various interventions, such as the DSIP, PSIP and others, has experienced significant growth in the education system in Papua New Guinea.

And, may I at this juncture, thank the honourable Members of this House, the provincial governments, the local level governments, all the stakeholders and the private sector who

continue to support the education system in ensuring that our young people in this country are better educated.

Mr Speaker, again let me highlight to this House that some of the biggest challenges the department has faced since the introduction of TFF. Since 2012 we have seen fictitious schools being registered fraudulently to obtain funding under the TFF programme.

We have seen schools inflate student enrolment numbers to get funding under the TFF Programme. We have some very good schools, site leaders, principals and headmasters right throughout the country. We have about 56 000 or more teachers in this country with less than 10 per cent being headmasters of principals.

There are reports of mismanagement or misapplication of funds by schools administrations and boards. There are a few classical examples of the bad apples in this country but that does not reflect the entire teaching service we have in this country.

The challenges also include the misapplication of TFF, particularly the infrastructure component. And the teaching and learning resources that were given to the school since the inception of the TFF.

However, Mr Speaker, I am pleased to report to this Parliament that the department has taken measures to ensure that there is zero tolerance on fictitious school registrations. Those schools which are operating without registration in this country will obviously not attract TFF.

The challenges on the students' enrolment figures and database have been rectified to a stage where there is some reliability three years ago as I report today.

And there are issues with the mismanagement of TFF by the school managements and boards.

Mr Speaker, once again I want to assure this Parliament that the Education Department has done its best to ensure that the correct students' enrolment database is obtained, correct number of registered schools information is provided by the district and by the provincial education system and the management of TFF funds are appropriately administered during the academic year.

Mr Speaker, I want to also assure this House and the people of this country that the O'Neill-Dion Government has demonstrated significant commitment to improving education standards.

Through its investment in basic education policies and institutional reforms the government recognises broader responsibility across the education sector in the last four years to improve primary school enrolments.

With this, Mr Speaker, I now want to turn to the new policy, the Integrated TFF Policy 2016.

The government, through NEC has approved the Integrated TFF Policy to reform and improve the management and disbursement of TFF funds to achieve the intended outcome in December 2015.

Mr Speaker, to ensure that TFF funds are expended as per guidelines to meet all aspects of students' education and training it is therefore categorised into three main components and are paid quarterly.

Mr Speaker, the first component is the cash grant, a 40 per cent administration component is paid and will be disbursed as cash grant on a quarterly basis directly to all school accounts in the country. This is an unconditional grant to the school to be used to cover the administration of the school.

#### **14/10**

This is an unconditional grants to be used to cover the administration of the schools,

Mr Speaker, the second component of the new policy is 30 per cents TFF funds on infrastructure. The 30 per cents TFF is for the schools infrastructure projects and will be held in trust account by the district treasuries. It will be used for both routine maintenance and new capital works. Department of Educations and the Finance Department will establish trust accounts to hold this funds and release to schools base on school learning and improvement plans. These funds will be guaranteed for each school at the district level. Districts Treasurers, Principals, Headmasters, of those schools will be signatories to the trust accounts. Until trust accounts are established, the infrastructure components of the TFF funds will be distributed directly to the school accounts.

Mr Speaker, the finally component is the teaching and learning component which is the resources grants. The remaining 30 per cents will benefit schools to the provision of consumable, capital assets, equipment and curriculum materials to support effective teaching and learning in all schools. The lessons learnt from the commodity component trial in 2013 to 2015 have been dissected and analysed to hold the department of education to build an effective and equitable systems, these improvements will include the following;

Mr Speaker,

(1) Teaching and Learning resources are specific and they have to be the highest quality on the market and there has to be a bench mark against the reputable stationery suppliers in Papua New Guinea and Australia. The teaching and Learning resources must arrive at the

beginning of term one and term three, in other words the students resources or teaching and learning resources must be supplied to the schools before the academic year starts at the being of each year and in the middle of second part of the year.

(2) Base on the value for money, we scale for procurement is been mooted, but we also looking at provincial options where provincial suppliers can be contracted to supply schools materials to the school. At the mean time we want to also make sure that for 2017 provisions are consistent, but we will now go for centralize or regional procurement will be a way for us, for the government.

(3) Regional procurement distribution system will be established and further say that the cost to deliver the school materials and any government services right throughout the country is a very expensive exercise and it's no exception to the teaching and learning resources. Experiences of going into Teleformin, Kaintiba, Karimui is a very expensive exercises.

Mr Speaker, let me turn to the second policy reform. The second policy reform is the establishment or an oversight body to improve the bodies to enhance good governance and accountability. Here are three components of this policy reform, the first is the inter-governmental steering committee. The inter-governmental committee is established under the new policy and had its first meeting couple of weeks ago.

## **15/10**

I have also directed the inclusion of churches and women and youth representatives. Its function is to monitor disbursement of the funds, advise the Minister on policy matters and report to the government on a timely basis.

The second strategy is the establishment of District Education Committee. This is an interim committee the Department has established as a default committee which will eventually become the District Education Board to oversee the planning and implementation of education services including TFF.

Mr Speaker, the third strategy is preparing mandatory reports to parliament, NEC, the NEB and other stake holders. The third reform will be to ensure accountability at the school level and throughout the last four years we had a lot of complaints that came from schools and the Floor of Parliament of mismanagement of the TFF Funds. This will include audit of funds when and where necessary. The school accounts will have compulsory district and provincial treasurers to countersign school cheques accounts. No procurements or expenditure less than K100 to be in cash form. All transactions will be in cheques. The financial instruction on this will be issued this year.



Finally, Mr Speaker the fourth significant reform is to the intent of new policy to enhance capacity to improve efficiency in the management of TFF and reporting on outcomes. The Department has increased its capacity to manage TFF issues with the establishment of a dedicated unit that reports directly to the Secretary. We have appointed a TFF coordinator or a TFF inspector in nearly all provinces up to today. This officer will be a mini-Ombudsman on TFF in the provinces.

All stake holders like parents and those in authority including the Members of Parliament who may have any issues with schools regarding TFF mismanagement we have officers in the province now to report to. They will then report directly to the national authority or the Office of the Secretary.

Mr Speaker, with that I would like to touch on the project fees. Despite it being a mandatory requirement under the *Education Act 1983* for the National Education Board (N.E.B) to impose parents to pay project fees early this year, the Government made a deliberate decision to put a stop to all types and forms of fees including project fees in February 2016.

The Government further directed that all schools that already collected project fees must now refund it back to the parents or sponsors. That decision has been conveyed to all school administrators and sponsors. The Government is giving priority to TFF payments and for management of infrastructure component held in trust at the district treasury will enable DDA to support the construction of much needed infrastructures at the school level. There is no need whatsoever if the Government is paying the school fees which the parents responsibility has been taken up by the Government. No church agencies will be encouraged in the future.

## **16/10**

Mr Speaker, in conclusion, Mr. Speaker, The new policy will enhance and improve on the challenges faced during the course of implementation in the past years. All of us leaders must by now, come to understand and accept that free education is here to stay.

By the same token, parents, guardians and school administrators must understand that educating a child is a shared responsibility. We do not just drop off children at schools each morning and expect teachers to perform miracles.

I take this opportunity to commend Hon. Members who put education as their top priority and investing heavily in schools infrastructure to address overcrowding and improve education standards.

I also extend my appreciation to implementers in the Education Department for the smooth and successful implementation of the TFF so far and look forward for further

improvement under the new policy.

Finally but not the least, I acknowledge the untiring officers at the Provincial and District levels including, Provincial Administrators', Provincial Education Advisor's, District Administrator's, District Education Advisor's, Inspectors, School Principals and Teachers. It is their untiring commitment and at times under extremely difficult resource constraints that drives TFF and education in this country.

Thank you, Mr. Speaker.

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

That Parliament take note of the Paper and debate be made of an order of the day for a subsequent sitting.

Debate adjourned.

**DEPARTMENT OF HEALTH – ANNUAL MANAGEMENT REPORT, 2015 –  
PAPER AND STATEMENT – PAPER NOTED**

Debate resumed from 23 August 2016 (see page ...)

**Mr ELIAS KAPAVORE (Pomio)** – Mr Speaker, firstly I will thank the Minister for Health and HIVAIDs for the National Department of Health Annual Management Report 2015, presented to this honourable Parliament on Tuesday 23 August, 2016.

Let, me from the outset acknowledge all the Health workers throughout the country, from the main centers to the remote parts of this country we thank them for their services to our people. I join the health minister in providing up to 47 percent totalling up to 2608 health facilities in the country.

Let me acknowledge the funding commitment by the O'Neill-Dion Government in ensuring important – commitment under the *Alotau Accord*, making health one of the top priority of this Government. We acknowledge our development partners in supporting us in our health interventions.

Mr Speaker, I understand that there is a Report from honourable Bire Kimisopa, the former Chairman of the Parliamentary Committee on the Public Sector Review and Service Delivery 2013 Health Report, I won't be making any reports but I will just give my views based

on the 2015 Health Report as the new Chairman and as a former CEO of a Provincial Health Authority and the Member for Pomio District.

**17/10**

Mr Speaker, the overall performance of the National Department of Health as described in the Mid-Term Review of the National Department of Health was sluggish and that is an adjectives to describe slack, depressed, unresponsive lacking alertness or energy, it's taken from dicionary.com. This is the wakeup call for the Department of Health. The report indicated that the Government investment in the sector has increased by 9.7 per cent in the past four years reaching up to K1.97 billion in 2014 and K1.77 billion in 2015. Such a report presented by the Minister for Health to this Parliament does not reflect or equate to the commitment by the Government We need a document with comprehensive reporting and not table documents like this one.

Mr Speaker, I say this as an advocate for quality health care and a strong believer for improved health services for our people. . Nothing is more important than the feeling that we can trust our health system.

The National Department of Health under the former Secretary Doctor Clement Malau, documented the *National Health Plan 2011-2020* with eight key result areas. It was the first Government sector that had its plans aligned to *PNGDSP 2010-2030* and to *Vision 2050*.

This report should focus on key deliverables from the eight key result areas. The *Alotau Accord* included nine Department of Health priority areas that were supposed to be *assed* in terms of percentages.

Mr Speaker, the funding of K20 million annually for the free primary health care and subsidized specialised services has not been truly quantified by the department of Health. This was the initial amount committed by the Government since the inception of free health care subsidy. The department of Health failed to verify the actual cost for free health care policy to date. Every citizen has the right to basic health care but we must know how much it cost.

Mr Speaker, the Public Investment Program funding in the sector increased by 27. 2 per cent from 2014. The Government committed K428.9 million with development partners giving or committing K139 million totalling up top K568 million in 2015. Most of the PIP funds were controlled or coordinated by the Department of Health. This resulted in the major development in most public hospitals in the country. The report should include various projects in the hospitals, the sources of funding, state of projects, lessons learnt and challenges but these were not presented in the report given by the Minister.

All Members of Parliament would appreciate various projects in our respective electorates. These include the community health projects, district hospital projects, provincial transit medical stores undertaken by the department. For example we would like to know many Aid Post are closed from the 1668 Aid posts presented yesterday by the Department of Health.

Mr Speaker, medical supplies procurement and distribution, in the past this was done by development partners, actually AusAID was doing this. Then this Government took over the responsibility in 2012, making sure there is enough supply of medial drugs in the health system. It committed more than K180 million in 2015. The question is, why do we hear complaints of drug shortages in the rural facilities given such Government commitments? The report failed to indicate the achievements and the challenges faced.

Mr Speaker, implementing the health standards is an integral part of health services delivery ranging from one man power facility as a community health worker in the aid post or design an equipment from a simple aid post to a highly sophisticated setting like PMGH requires compliance to health standards. The NDoH is a well-defined national health services standard in place but lacked proper monitoring. The report failed to present the hospitals or provinces that have complied or are trying their best to comply with health standards. The report should indicate challenges faced with the emphasis to health standards in the future.

Mr Speaker, on medical supply improvement, as stated above, the selection of medical supply varies from level 1 aid post to level 7 like PMGH on functions, according to the functions of health facilities. While the report indicated roll out in 2015, covering more than 36 health facilities it did not show the status of the health facilities involved and the significance of this program.

## **18/10**

It did not show the status of the health facilities involved and the significance of this programmes. The report did not provide details of the hospital steriliser's rollout, emergency generator sets, medical waste disposal incinerators and history of placements of mortuary units. Honourable Members would want to see if the hospitals or health facilities benefitted from this programme.

Mr Speaker, provincial health authority implementation has not been fully presented. The department is commended for implementing this reform but more effort is needed to assess the transition when the hospital structure merges with the provincial health staff.

The lessons learnt from the PHAs are important as it was seen by PHAs provinces such as the Western Highlands, Milne Bay, Eastern Highlands that modelled the PHA in 2009, and

the 2014 inclusion like West Sepik, Enga, Manus and Kimbe have their own stories to tell. PHA is the vehicle to deliver improved health service in our provinces under one board and management with resources correlated from one central location if done properly.

Mr Speaker, the report should have details of personal emoluments both at the national department and at the operational level. Currently, we have some of our highly qualified specialists medical doctors given positions at the National Department of Health headquarter, mostly underutilised.

The Department of Health structure should be reviewed to have all the specialists clinicians attached to the hospitals, for instance, where they are mostly needed. The report indicated health workers in the workforce we have roughly 1, 420 nursing officers – I am just taking a few examples here, and CSWs of 1, 112 in the country as reported yesterday by the Minister. This I think is only for PMGH as the workforce is generally higher at about 10, 000.

To conclude, the Department of Health Medium Term Review of 2015 is lacking performance as an important factor leaves a lot to be desired. This is a wakeup call again for the Department of Health's senior management to reset the department's focus and identify key priorities, and produce results as needed. Importantly in meeting Human Development Index (HDI) expectations to be above the top 50.

Focus must be given to the Department of Health's Research and Monitoring Unit and Public Health to employ key personnel who can monitor key variables and surveillance on a quarterly basis. This is important.

This government is serious about our people's health, and hence, we need to see value for money. This is not about money but I think it is about leadership. Decisive leadership starting the way forward for the health sector.

The department – the report of the NDoH 2015 Annual Management Report, to my view is not comprehensive as it lacks depth and quality and is seen as shallow and needs to be reproduced to include the above mentioned requirements for circulation to the Members of Parliament to the next Parliament.

Mr Speaker, I think that we need reports like this which I am holding in my hands and not bounded documents.

Thank you, Mr Speaker.

**Mr SAM BASIL** (Bulolo – Deputy Leader for the Opposition) – Thank you, Mr Speaker, I also would like to, thank you, to the Health Minister for providing his statement yesterday in regards to the health sector in Papua New Guinea.

Mr Speaker, I would like to respond briefly to the Minister's 2015 Health Sector Annual Management Report.

Mr Speaker, the Minister must come good to this Honourable Parliament about the government's priorities in the health sector. It is also obvious that priorities are facing an uphill battle as we are also having financial problems in the health sector.

Mr Speaker, the Minister's statement must be convincing to the people of Papua New Guinea whom we represent here. This is because they are seeing a different story unfolding on the ground with the hardship of delivering health services to the rural communities.

Mr Speaker, the Minister has discussed the health facility, governance of boards, executive arrangements, the health policy settings, Health Bills and Legislations.

Mr Speaker, the Health Minister has also explained the mid-term review of the National Health Plan and the human resources. The Opposition is concerned that all of these talk about health financing and free health care policy, medical supplies and equipment, health infrastructure and health development could be a distraction from our real and disastrous financial and economic outlook that we are having.

Mr Speaker, the Provincial Health Authorities Partnership and the National Health Services Standards, with the Public Health Programmes are great initiatives and programmes.

## **19/10**

Mr Speaker, the provincial health authority's partnership and the National Health Service standards together with the public health programmes are great initiatives and programmes and we believe in theory.

But, Mr Speaker, the problem we face is that we have a massive adjustment to the 2015 national budget appropriation. We have a K2.5 billion deficit and we had a shortfall in revenue collection. We did not receive external loan funding that we had anticipated this year and we have not yet seen what the new money plan for 2016 will be according to the Mini Budget which is yet to be passed.

While these discussions about executive and bureaucratic changes are taking place on the ground, there still remains some serious issues with regard to the health sector in Papua New Guinea.

Mr Speaker, the biggest issue for ANGAU Memorial Hospital in my province is that the government is not able to find counterpart funding for the redevelopment of the hospital.

Mr Speaker, may I draw your attention to our budget, which is the biggest ever, K16 billion. Why do we keep hearing that there are so many funding shortfalls everywhere? We read from a recent development policy report from an Australian university that our revenue levels are the same as they were in 2006. What Papua New Guinea is making now is the same as what it was making in 2006.

This is post LNG. Why are our revenues so low, including the overall collections? This means that the government has no plan to further enhance the benefit an early gains from the LNG investment. Mr Speaker the government has no revenue strategy that will take the money we make from selling so much gas and turning that into immediate benefits like funding the health sector. Throughout the world, governments plan for turn down in economy in their global and local economies. Why have we failed to do the same here living our major rural and health facilities vulnerable to funding shortfalls?

Mr Speaker the shortfall in counter-part funding in ANGAU has resulted in the master plan being adjusted to the Australian government funding only. The shortfall in ANGAU also need about 200 staff and 300 in Port Moresby and that's the figure I got after enquiring yesterday. 47 per cent of health services delivered to our people are delivered by churches and we agreed that this is the best partnership arrangement given the care of by churches traditionally. But Mr Speaker the Minister came short in answering one of the questions yesterday such as church health workers in Goilala not getting their pay and the Minister hasn't clarify that as to how the government will meet that shortfall to pays or how the government is going to partner with the church on that matter.

Mr Speaker, the health sector policies approved by NEC implemented now, but if the budget cut are so big up to 40 percent, than how will these policies be adequately implemented? We need to see a supplementary budget as soon as possible, maybe tomorrow.

Mr Speaker, I bring my health delivery program back to the bigger picture which is the confusion between the provincial government, the national government and also the emerging of the district board authority.

Mr Speaker, at times we face problems of who is responsible of what and I believe that of-course we can blame the government as in many occasions but we must also look at what the provincial governments are doing. We can blame the Minister but if the Minister can also report to this Parliament which 22 provincial governments are really working in partnership with the health programs. Many Governors are here politicking but are they going back to find out from their provincial administrators if they are delivering their health programs or not.

**20/10**

Many times the District Members ask them for help to fix these issues, they do not care because they are responsible to the provincial administrator. So the health centres shut down because there is a health risks or there is no funding. But we cannot intervene because we find it hard.

May be we should distribute some of these responsibilities to the DDAs. Because we have air and land transport. We are able to reach out to the remote areas.

I walk into the cargo area in Lae, I see a lot of medicines packed to be sent to remote districts but they are not able to. The DDAs cannot intervene because the provincial government is responsible.

So I urge the Minister to tell us which province is leading in health. Which province is cooperating with National Government in delivering health services? Are our partnership with the churches in order? We have to address these issues instead of blaming each other. This is our responsibility to ensure that health services are delivered.

So we support the Minister but there are few issues that is raised by the first speaker and myself in making the provincial government responsible on delivering health programs. Thank you.

**Mr WERA MORI** (Chuave) – Thank you Mr Speaker. Firstly, I commend the Minister for Health for presenting this information for us to consume.

I think the Minister and his Department did a fine job. Health is a primary social service and we owe it to the 8 million people of this country.

It is important that we must have a healthy educated and wise population. There are lots of outstanding issues and health services must not be focused on urban centres or major centres where we basically attract a lot of attention. We must not forget those services are extended in the rural areas of this country where the bulk of the population lives.

Mr Speaker, I can qualify myself to comment on this because in my capacity as a professional career officer, I nearly walked the length and breadth of this country.

Apart from Education, Health Department has been providing services to reach people in the remote places. Unfortunately, the quality of services is not in existence, simply because of staffing reasons. It is the quality of staff that we have. The facilities that can be able to help those health centres and to be able to provide adequately to the rural population. This has been one of the major problems and so this is that the challenge we must face.



Some times when we present reports, the reports must not be tailored to meet what we want to hear but it must also reflect what the truth is. It is important that we must not cheat ourselves.

One of the main bridging cap that reaches out to our population is the District Hospitals. Apart from the provincial hospitals, our district offices must be taken seriously. We must not only build them and declare them as a district hospital but they cannot perform what they should perform.

The required facilities must be there. We must have the required staffing levels. Housing must be made available to those who are able serve at the district offices.

Coming from rural district, I am struggling with my DSIP, because we do not have any other source of incomes. So we have to do our best to maintain the health services. Mr Speaker, it will be fair if the national government in its appropriation, apart from looking at the provincial hospitals must be funded.

## **21/10**

They must also be funded so that they can maintain that level of service that would be able to serve a district. The other thing that I would like to talk about is about the declarations of the provincial health authorities.

This is a good government policy. We have provincial authorities in several provinces but I would like to ask one question. What are the criteria to establish provincial authorities? I know that in some provinces where we have provincial authorities are not performing to standard. Therefore why should we give them authorities and maintain it when they cannot perform. There is so much politics involved in between provincial health authorities, management and district hospitals. As a consequence the people living in those provinces suffer.

Mr Speaker, I want to put on record and I want someone to prove me wrong. Such things are happening in some provinces in the Highlands and so many people who are missing out on basic health care are running to Kundiawa for treatment. But yet Chimbu province does not have a provincial health authority. I can see you are trying to give authorities to five other provinces but what services have they been providing.

For the record, there was an incident in Manus where a child of about 12 years old got his bone broken beyond treatment. When his parents brought the child to the hospital they were told by the doctors there that if they wanted to save their child the only way was to have his leg amputated. The parents asked if it was possible to get treatment in Port Moresby but the doctors

told them that it was going to be the same here. The parents were not satisfied and asked if there was any other hospitals in the country that could help save the child's leg. The doctors there then suggested that they could try Kundiawa Hospital.

The family got on a ship to Madang and took a PMV up to Goroka where they overnighted and then took the highway all the way to Kundiawa. The doctors in Kundiawa brought the child straight from the examination room to the operation theatre. After two hours the doctors came and told the parents that they have fixed the child's leg and that they were not going to amputate it.

This is the quality of service that is provided in that hospital. Minister, I have been telling you so many times that you must not overlook Kundiawa Hospital. If you are going to give authorities to other provinces then you might as well give it to the province that is performing above expectation. This is just one of the many reasons why patients from all over the country are turning up at the Kundiawa Hospital.

I must say here that I am not pleased with the way you are giving out provincial health authorities and overlooking us. It is true we do not have the natural resources but we have the human resource that can do the job including the facilities. I would like to see the Chimbu province is given a provincial health authority to be able to continue with the good services that we have been providing.

The other issue that we have been dragging for a long time is the issue of a CT scan. It is as if CT scans are very impossible to acquire and install in our hospitals. Why we are only confined to Port Moresby and Lae? For the best interest of our people, we must have at least four CT scans in our four regions or better still let's have them in all our provincial hospitals.

**22/10**

These are services that our people deserve to have. Why do we want to stop them from having these services?

Mr Speaker, forget the costs. The cost should not be an issue because CT scans are very important and our people must not be able to pay penalty when they can be served better. Our people are the noble citizens of this country and they deserve better from us.

Mr Speaker, that is my contribution to the paper presented by the Minister and I urge the departments not to tailor reports basically to present to Parliament but they must put the practical realities in the best interest not only to this Parliament but to the people of this country. They must know that truth. Thank you.

**Mr PETER IPATAS** (Enga) – I commend the Minister for bringing this Report. The Minister has been working very hard.

We cannot continue to talk about blooms in this Parliament. In the last four years this Government has intervened positively in a lot of areas. I come from a province like everyone else where my districts also have poor health services. But there a lot of positive impact happening now.

Mr Speaker, I want to also remind all of us on this Floor that the money that we are seen in the DSIP and PSIP was not there some five years ago. We all came here trying to get some slice of the budget but we failed. There is the result of a lot of services deteriorated over time. It is about time, all Members of Parliament be responsible.

Now that we have K10 million in our districts which is the sectoral money, I think it is for us at the district and provincial government level to take ownership and try to assist the national government. The money that is supposed to be in the national caucus is now at the districts and the provincial treasuries.

We are talking about issues here and I want to remind all of us that this government under the leadership of the Honourable Prime Minister, Peter O’Neill has actually put money where it belongs and that is to the people.

So we as leaders must intervene and improve our health sectors. The Minister for Health will not come down to the districts. He will not come to the provinces to develop our health services.

As we are approaching the elections, we must be happy. After spending almost 20 years on the Floor of this Parliament I have almost wasted 16 years. But I have now seen positive impact because I have seen direct funding come to me. Now it is up to me to make it happen as the Provincial Governor.

For the Open Members it is up to you as chairman of the DDA to make it work. It is about time for all of us to take responsibility.

I take this opportunity to thank the Minister for Health for taking up the leadership and providing it at the national level to assist some of us in the province. I think the Department has opened up in assisting provinces and districts who want to work. If we are getting K3 million per district for health services, I think that is a lot of money.

In the past 16 years, I have not seen any health money allocated so my health services were deteriorated. In the last four years, I have made remarkable progress in terms of health in my Province. Although we were focusing on a deficit for a long time because we did not get

any funding from the National Government. But the last four years we have spent money on health.

**23/10**

As the Member for Pomio has rightly said, if you were to conduct a thorough research on reality check into all the provinces and districts, you will find that the Minister has achieved a lot. Whilst I have the floor I want to thank the Minister who has been at the fore-front in trying to realise a provincial hospital for Enga province where we are not like other landowners in this country who always crying for money and putting pressure. Enga province has been contributing to the nation's economy through Porgera mine since 1989. I want to remind the member for Chuave, my friend Mori that through Porgera, we have been contributing to the national coffers so he had the provincial hospital. Enga does not have a provincial hospital. A province that contributed to the nations coffer has been deprived.

I just want to say that maybe with Porgera money, now Simbu has a provincial hospital, so I want to thank the O'Neill-Dion Government that finally, since 89 we've been fighting to have a provincial hospital and finally we are closer to having one. We believe as a province we will have one because we are designing the hospital and will come up with a design that other province would want to copy. So I just want to take this time to congratulate and thank the Government for pushing this project and I hope that it will happen before the election because everybody thinks that this has to be delivered.

Thank you Mr Speaker and the Government for actually recognising this outstanding project for my province. At the same time, just to help those provinces who haven't got a provincial hospital yet that it is the responsibility of the provincial government to ask the Minister and the department. If you want a provincial authority, ask the Minister and you will be given, there's no criteria being used, every provinces who had one have asked and got one. So that is the situation we have in the country so Mr Speaker as we have this opportunity, because we have only the November session which is the budget session and then we all go into the election. But I believe this Government has been fair in giving us resources to try and change the lives of our people in the districts so sometimes we have to commend this Government. It is very hard because as members of Parliament, you are finding it hard to deliver at your own provincial and district level. We must not keep on putting pressure on the Prime Minister and the national Government. This is the whole country we are talking about, sometimes some areas will lack attention but let's be fair as leaders, look at the big picture and move forward in unity. Thank you, Mr Speaker.

**Mr De Kewanu** – Thank you Mr Speaker, I just want to comment a bit on this debate by giving an over-view and firstly I want all members of Parliament to note that and give credit where it is due. I'd like to give credit to the Prime Minister and this Government for intervening and decentralising power in the districts. This Government has committed and delivered on the DSIP and PSIP funding over the years and you were guaranteed that you will get the full funding by the end of the year. It depends on where you put your different priorities, I have my different priorities for Mendi, where I put infrastructure as the priority.

**24/10**

If all of us look at our priorities, just singling out health sector to get 30 percent of our DSIP funding and if you look at the 30 percent of the K10 million for each districts in the country, K3 million in five years is K15 million per districts in the country. So if we look at 89 districts, it comes to K1.335 billion in a year. This government has made direct interventions into the districts. Let's not lose focus on that, you and I have a responsibility depending on our priorities. K1.335 billion into the districts is a significant intervention. The country should know, apart from the direct interventions into the hospitals, and the Minister rightly said, that was true.

The K1.335 billion is the direct intervention by the government to our districts to improve our health services there. We are also looking at funds going to the provincial governments is K5 million per districts if you looking at 89 districts in the country, K5 million from the provinces to the 89 districts is about K445 million from the PSIP. And if you look at 30 percent of that is about K1.5 billion to the districts from the provincial governments. That's are lot of money going to the provinces and the districts.

So I'd like to commend the government for the direct interventions into the districts and if we have put our priorities right, and if we have the provincial health department and authorities done properly, I tell you, this country is going the right direction but we got to fine tune, refine and align the national health departments plan with the provincial health authorities so that we know what each district is doing and looking at what every provincial government is doing so that we are driving the health sector with one objective to make sure our people are healthy and making sure the service reach everyone in the districts.

So I'm seeing that money is going, irrespective of which side of the House you are in, if you look at the K1.335 billion in the districts and the K1.5 billion going to the districts in health alone, that's each and every one of us have access to.

So if we work cooperatively with the national health plan with our provincial and district health plans, we can tailor make, meaning the services to the districts can be achieved.

I want to have a district hospital in my district, I want to have a fulltime doctor in the district, and I want to see that so that it relieves the general hospitals in our provinces. So we take some responsibilities to the districts that should be our long term focus that we should have a fulltime doctor in the District. The capacity is already with our means, all we have to do is to make it work.

**25/10**

We put health as our priority, like for my district, maybe the next term I will align it differently, maybe health as my priority for my district, so if we do it right, the funding is coming. All we have to do is work together collectively. See the national agenda, see how the provinces can align with the districts, only than we can effectively see, otherwise, it's a good start.

I commend the Minister because health is a very important sector in this country. Without health, without healthy population, without health as a priority, we can't see a better Papua New Guinea. But I thank the Government for taking the right approach here. Health, infrastructure, education, so much is happening in this country like you have never seen before.

Look at the infrastructure, people may say so much is happening in Port Moresby, but if you look at it, you put the money where it is, you put money into infrastructures like we see, and this is the Capital of the nation. This is where people come, nations come, and they see Port Moresby so we are putting money to it. What I'm trying to say here is that the Government is putting money to where it matters most. So for all the sectors, if we have taken proactive approach and work with the respective Ministers, I can see a better future for this country because the Government has taken policies, driving correctly so the onus is on us Members and leaders of this country to work together to achieve the national health programs for the country the Minister is working on.

Thank you, Mr Speaker, for giving me time.

Motion – That the question be now put – agreed to.

Motion – That the Parliament take note of the paper – agreed to.

## ADJOURNMENT

Motion (by **Mr Charles Able**) agreed to –

That the Parliament do now adjourn

The Parliament adjourned at 1.05 p.m..