

## FIFTH DAY

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Tuesday 31 January 2017

### DRAFT HANSARD

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## FIFTH DAY

**Tuesday 31 January 2017**

The Deputy Speaker (**Mr John Simon**) took the Chair at 10 a.m..

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

Sitting suspended.

Mr Deputy Speaker again took the Chair at 11a.m, and invited the Member for Sohe and Minister for Community Development, Youth and Religion, **Honourable Mrs Delilah Gore**, to say Prayers:

‘Almighty God in Heaven, we thank you Lord for your love so great that you sent your only begotten son to come and die at Calvary for our sins. Thank you Lord for this day that we assemble. Lord before we shall go into business of this great nation, we assemble before your throne with heads bowed and ask you for your forgiveness of our sins.

Father accept us before your Heavenly throne as your children and as chosen leaders of this nation. Father we are here to deliberate on matters that can affect, bring blessings and change lives or our people. Lord every one of us bowing our heads represent our own people in our own districts in this great nation.

Father this morning we bring our Deputy Speaker as he leads this meeting in this Chamber. May you give a portion of your wisdom from Heaven to lead him through?

We pray for our Prime Minister, the Opposition Leader and all the leaders of this country. Lord, we represent our people and we ask for wisdom to make decisions and deliberate that can bring blessings to our people and our country. Once again thank you for your son Jesus Christ whom came and died for us. Amen’.

## MAINTAINING THE PARLIAMENT HOUSE RULES – STATEMENT BY THE DEPUTY SPEAKER

**Mr DEPUTY SPEAKER** – Honourable Members of Parliament, before we continue with the business of the day, I would like to set some in-house rules for all of us.

I would like to remind all of us that the House rules must be obeyed and followed by leaders every time we meet in this place. As I have said in couple of sessions and our conduct according to the House rules are not as per the Parliamentary *Standing Orders*.

Honourable Members, it is no secret that people have publicly made negative comments that parliamentarians are acting like kindergarten children and our behaviour is being criticised everywhere. Such comments only bring disrespect and mockery to the Parliament. I think it is time that we must change the image of this great House and bring respect back to Parliament. We need to uphold the status of this House.

Let me for that same reason warn all of us that as long as I sit in this Chair, I will go by the books and the *Standing Orders* of this House by enforcing the Parliament *Standing Orders*. We must respect and honour this House with strict observation of the House rules.

I have my Sergeant-At-Arms and other officers who are ready to deal with unparliamentary behaviour, which means we as elected leaders and representative of our people must shape ourselves, our conduct and behaviour every time we come and meet. We are here to discuss important issues and make decisions that affect our people. We all know the rules and if you do not know then I can get the Clerk to give you a copy of the *Standing Orders*.

Therefore honourable Members and colleagues, I am sure the message is loud and clear. We will all respect the House because it is supposed to be for our people, by the people, and we are just custodians at a time that they have elected us. With that I expect all of us to follow the *Standing Orders* of the Parliament and let us all behave like leaders.

**02/05**

## **QUESTIONS**

### **Natural Disasters**

**Mr GARRY JUFFA** – Thank you, Mr Deputy Speaker. My questions are directed to the Prime Minister and they are in relation to the very important matter of natural disasters.

As we all know Papua New Guinea sits on the Ring of Fire where tectonic plates meet and their interactions cause significant disasters and disaster like situation throughout the year, every year. Last year was recorded as the hottest year in the history of the earth and this year it is going to be more different. A nation must be prepared at all times to be vigilant so that whenever disasters occur and save as many lives as possible. Last year we were informed by

this Government, by the honourable Member for Tari-Pori that the Government had not been prepared for El Nino, that disaster caused significant lives and problems for this country.

Today, none of our provinces or the entire country have been placed in proper disaster mitigation policies and my questions relate to that.

But before I go into asking my questions, I must commend you, Mr Deputy Speaker for setting House Rules. Sometimes we have seen the Parliament degrade itself to a zoo or a circus and we can't have that, we must debate matters of policy as the Prime Minister has always told us with maturity.

There is confusion as to who is in charge of matters to do with natural disasters. When we approach the Department of Provincial and Natural Disaster, they tell us that the money is with the Prime Minister's Office and so we have to go there to seek funds to attend to these matters.

My questions are:

(1)Can we have some clarification of who is in charge when there is a Natural Disaster? Is it the Department of Provincial and Local Level Government or is it the Prime Minister's Office?

(2)Does the country have a National Policy that would mitigate disasters or does the Government have any plans to have in place provincial disaster mitigation policies and provincial disaster management coordination functions office and emergency coordination mechanisms which it currently doesn't have in place?

*(Sir Puka Temu interjecting)*

**Mr GARRY JUFFA** – Be quiet, listening is a virtue, Sir Puka, and you should practise it more often.

**Mr DEPUTY SPEAKER** – Governor, ask your questions.

**Mr GARRY JUFFA** – I will continue but they are just breaking the very laws that you just spoke about here. You have set the rules and already Sir Puka Temu, has broken the law, just instantly.

**Mr DEPUTY SPEAKER** – Ask your questions.

**Mr GARRY JUFFA** – Minister for Planning, please take note. In 2012, the Prime Minister came to Oro Province and pledged K5 million at the Independence Oval. There were natural disaster like situations in the Wanigela area, where his wife comes from. Only K2 million was given, K500 000 to each of the Open Members and K1 million to the Provincial Government. So, that leaves K3 million to this day is still outstanding. Despite numerous efforts and assurance we have not yet received the K3 million.

**Mr DEPUTY SPEAKER** – Governor, just ask your question.

**Mr GARRY JUFFA** – (3) When is the K3 million going to be given to the people of Oro Province? We have earmarked it to build a National Disaster Centre but it's taking so long.

I was informed by the secretary of NEC, on a number of occasions that they would make the payments, he even went to the extent of telling me that the cheque was being printed. Is this cheque being printed in a different country or different planet? Is that why it is taking so long to get to me? Why should a head of a department mislead an elected member?

Mr Prime Minister, are you going to take any action so that the people of Oro Province can get the funds that they deserve?

Thank you very much.

**03/05**

**Mr PETER O'NEILL** – Thank you, Mr Deputy Speaker and I thank the Governor for Oro his question.

Mr Deputy Speaker, yes, the natural disaster office is an important office to manage. We have a separate office that comes under the Department of Provincial Affairs and it manages all the provincial disaster offices throughout the country. It is governed by a separate law itself and of course when the office does not respond as quickly as it should, my office gets involved. That has been the case for many occasions whether it be drought, El Nino, landslips or flooding or even when bridges collapse.

Mr Deputy Speaker, this has been the case from time to time over the past four or five years. Mr Deputy Speaker, for 2016 and 2017, for the first time as National Government we are deliberately putting money for national disaster as a separate item budgeted for itself. There is now funding directly for many of these disasters taking place throughout the country but, Mr Deputy Speaker, in many cases the cost involved sometimes far exceeds the amount we have budgeted that is why sometimes funding is slow to come through. To answer the question about

who is in charge, yes, there is a natural disasters office and there is a director general who is in charge of that.

Mr Deputy Speaker, in some provinces, the provincial governments have the provincial disaster offices which work in conjunction with the National Disasters Office as well.

Mr Deputy Speaker, in terms of Oro, our Government committed K5 million when the Cyclone Guba took place and devastated Oro Province.

**Mr Garry Juffa** – Point of Order! Just to correct the Prime Minister, Cyclone Guba occurred in 2007. In 2012, we had natural disasters in the Tufi-Wanigela area, this was in response to that.

**Mr PETER O'NEILL** – Mr Deputy Speaker, of course, Cyclone Guba left a legacy which resulted in many of these events to take place and that is why the Government made a huge commitment of K5 million. Immediately after that, I took it upon myself to make sure that K2 million was forwarded to the various agencies in Oro province to attend to this.

Mr Deputy Speaker, unlike many other provinces throughout the country, some of them are not receiving the funds so the Governor should be thankful that at least some funds were released.

**Mr Garry Juffa** – Point of Order!

(*Mr Davis Steven interjecting*)

**Mr Garry Juffa** – Why are you disgruntled? Come, remove me from the Chambers!

**Mr DEPUTY SPEAKER** – Governor, let me say here, that the statement you made is inappropriate. You are given an opportunity to talk, so raise your point of order and speak but do not use phrases like ‘husait bai kam rausim mi’ in the chamber. I have been hearing this line since I took Chair and it’s totally uncalled for. We have House rules and I don’t want to hear these words anymore as long as I sit in this Chair. If someone uses the line ‘kam rausim mi’, I will get the Sergeant-at-Arms to remove him from the Chamber. I am making it clear now so please raise your point of order.

**Mr GARRY JUFFA** – Firstly, I withdraw my statement. My brother, I will talk to you later.

(*Members laughing*)

**Mr GARRY JUFFA** – My point of order is this, I am thankful of the funds that have been given but not all the funds have been given. The Prime Minister still owes us K3 million and that is the point I am trying to make. We want to use these funds to do the work we would like to do. We appreciate what he is doing but it's an insult to his Government and his office if his secretary and his department don't act upon his directives.

I apologise to the Chair and the Members of Parliament who may have been offended by what I said.

**Mr DEPUTY SPEAKER** – Thankyou, Governor, I think the Prime Minister was on the track to answering your question

**Mr PETER O'NEILL** – Thank you, Mr Deputy Speaker, yes I will follow up on the outstanding K3million and make sure the Governor is notified.

**04/05**

**Supplementary Question**

**Military Engagement - Assist National Disaster**

**Sir MICHAEL SOMARE** – Mr Deputy Speaker, every time we ask questions the Prime Minister relates it to the Minister for Provincial Affairs to talk about national disaster. It is good that the military is sitting there doing nothing. Can they appoint someone as the director of the operation so that military is more responsible and they can quickly react and set up a special fund for national disaster in this Parliament?

**Mr PETER O'NEILL** – I thank the Governor of East Sepik for his supplementary question. He knows that when we are faced with natural disaster that is what we do. We call out the Defense or the security forces to assist us. That is a normal conduct of business when we need help to restore services in some of the areas throughout the country affected by disaster.

So we will take that on board and advise through the National Disaster office to engage meaningfully with the Defence Force and the security services. Thank you.

### **Sale of land in Manumanu**

**Mr BEN MICAH** – Thank you Mr Deputy Speaker for giving me this opportunity to ask my question. Before I continue, since this is the first sitting for 2017, I wish you all belated happy New Year.

I direct my question to the Prime Minister. My question relates to the acquisition by Kumul Consolidated Holdings of a land in Manumanu.

**Mr DEPUTY SPEAKER** – Member for Kavieng, I think we have raised this issue in the last meeting so if it is the same issue, I will not entertain it.

**Mr BEN MICAH** – It is the same issue but different matter. The issue relates to the re-location of the naval base.

The Prime Minister is aware that when I was the Minister we made a decision NG116 in 2012 that we will re-locate the port of Port Moresby to somewhere towards the western end of the Fairfax Harbour.

We made the decision to look at Tatana or Motukea. To cut the long story short, thanks to your capable leaders Prime Minister when we worked with the Cabinet, IPBC, BSP and won a brand new port facility on the other side of Motukea Island.

Part of that decision was to re-develop Port Moresby Harbour that is the reason why we made the decision to re-locate the naval base. It must be re-located to an area identified by the State.

**Mr DEPUTY SPEAKER** – Ask your question.

**Mr BEN MICAH** – We are all aware of this issue. I have in my possession information that now connects your Minister for State Enterprise and Member for Hagen, Honourable William Duma, to the sale of K46.6 million of this land at Manumanu where it is 10km in-land. I do not understand how you can build a naval port 10km in-land.

The company name is Kurukaram and it is the name of a river in the Minister's electorate.

**05/05**

The residential address of this company, Section 30, Lot 6, Granville, Port Moresby and the postal address is 4556 which is the same as the private company of the Minister, Kopana Investment. There is a director of this company called Mr Christopher Polos, he is from Meteral Village, Ward 14, Gabaga LLG Kavieng District. He is the sole director of this company –

**Mr James Marape** – Point of Order! The Member has been around since 1992-1997 and now he is back. He is a very senior member of this Parliament and he knows very well that he must not mention people's name on the Floor to defend themselves, Mr Deputy Speaker.

**Mr DEPUTY SPEAKER** – Your Point of Order is in order.

**Mr BEN MICAH** – Thank you, Mr Deputy Speaker, so the name of the company –

**Mr DEPUTY SPEAKER** – Ask your question.

**Mr BEN MICAH** – My question is directed to you, Mr Prime Minister;

(1)What is the connection to the Minister?

(2)Is this sale fraudulent?

(3)Mr Prime Minister, did you receive advice from Kumul Consolidated Holdings which has given you this –

**Mr DEPUTY SPEAKER** – Is that your question? Ask your question.

**Mr BEN MICAH** – Since the day of the brief to you, Mr Prime Minister, no title has been issued to Kumul Consolidation Holdings. K46.6 million of KCH money has been paid to a company owned by the Minister and no title has been transferred. How much more closer to fraud can you get, Mr Prime Minister?

Since you have been talking a lot about the issue of corruption, I would like to ask;

(4)If you are going to discipline the Minister and when will you do that?

(5)Are you going to set up a commission of inquiry that will investigate this Minister, other ministers, public servants, the board members and management of Kumul Consolidation Holdings who have de-frauded the State of K46.6 million?

These moneys come from Motor Vehicle Insurance Trust while we are watching all the roads get run down in this country. Some of your Ministers can see fit to get these money from Motor Vehicle Insurance transferred into Kumul Consolidated Holdings and buy a piece of land to build a naval base which is 10 kilometres in the bush and no title has been transferred.

(6) These moneys were paid in instalments first; on the 14 October 2016, then on the 26 October 2016 worth over K46 million.

I understand, Mr Prime Minister, that you have given instruction to Kina Bank to freeze this account but I know K15 million has already been spent.

So, Mr Prime Minister, you will give one instruction to freeze the account and then you will give another instruction to retrieve the money of the people of Papua New Guinea to come back to the State and can you give it to us as DSIP to develop our electorates or roads or what are you going to do?

**Mr PETER O'NEILL** – Thank you, Mr Deputy Speaker, and the Member for Kavieng

—

**Mr Fabian Pok** – Point of Order! Can I also answer these questions because there is a lot of things that he stated which are misleading?

**Mr DEPUTY SPEAKER** – I will give you the opportunity but now we will allow the Prime Minister to respond.

**Mr PETER O'NEILL** – Thank you, Mr Deputy Speaker, and I thank the Member for Kavieng for his questions.

Mr Deputy Speaker, I am aware of these transactions that have been taking place as I correctly stated, our intention was to try to relocate the naval base to a location that the former Minister has alluded. That was the intention of Government to rebuild an entire new port after the former minister concluded the deal at Motukea, where we shifted the operations there.

Mr Deputy Speaker, on the transactions, I was notified by the Chairman of Kumul Consolidation Holdings and he was concerned that large amounts of transactions were made from the company's account during the festive season. This was done outside Cabinet's Approval.

**06/05**

Mr Deputy Speaker, that investigation is ongoing and we have frozen the account as you have stated. But the earlier payments have been withdrawn at some stage. There is a Court case before us by the vendors of that particular land who are suing the Government for the balance of that money and before I make any decisions I want a full information on this transaction that has taken place.

I have instructed the Chief Secretary and the Police Commissioner to investigate this matter and I will report to the public in due course as soon as possible.

### **Supplementary Questions**

#### **Investigate Fraud**

**Mr KERENGA KUA** –These a very serious matters of fraud affecting Papua New Guinea, to which the Prime Minister has now admitted to. Can he now proceed to undertake to this Parliament.

**Mr James Marape** –Point Of Order! The Prime Minister has not confirmed or made a statement of fraud. He just said he will stage an investigation into this one. Can you correct the member for Sinasina-Yonggamugl?

**Mr KERENGA KUA** – All, I said was that he admitted to an alleged fraud. It is a matter of allegation and it remains to be proven but on the basis of this alleged fraud.

**Mr James Marape** – Point Of Order! He is now putting alleged inside. For Parliament record, he needs to get himself corrected.

**Mr KERENGA KUA** – On the basis of this alleged fraud, I just said alleged fraud, I am qualifying what I said and rather than wait for that process to take place.

(1) Could the Prime Minister suspend the Minister for State Enterprise and the Minister for Defence, together immediately?

(2) Could he refer this matter to the Ombudsmen Commission and demand immediate action?

(3) Could he also refer this matter to the Fraud Squad and have it investigated, bypass the vetting committee which he has set up which is going to block this matter if it goes through

that committee. So all instruments of the Government responsible for accountability are brought into action to deal with this matter.

**Mr PETER O'NEILL** – Mr Deputy Speaker, I want to say thank you to the Member for Sinasina-Yonggamugl for his supplementary questions. He is one of the very learned man in terms of law in our country and is aware of the process. But the person responsible for the investigation is the Police Commissioner and he is aware of this matter. And I want it to be investigated because the Cabinet is not aware of this transaction. That is the only right thing to do.

They are only implementing part of the NEC decision; that was to relocate earlier and the Member for Kavieng has already informed them. The decision was made when he was the Minister responsible so I have to make sure that I have the right information before I make any decisions.

I cannot go around accusing leaders of fraud when I do not have the evidence before me. These are allegations as the good Member has stated. They will now be put forward to the Chief Secretary and the Police Commissioner.

When they give me the facts that are available to me; then I will make some decisions. I have never been afraid of making decisions so I will make the decisions.

*(Laughter in the Chamber)*

**Mr Don Polye** – Point Of Order! The issue here is very critical and it implicates important key Ministers. So can you not water down this issue and stay focused on it? Because what you are doing is belittling this issue.

**07/05**

It is very critical and very important and it implicates one of those very important key Ministers. So, can you not water down this issue and stay focus on this because what he is doing, is belittling this issue. It involves a very key Minister in your Cabinet and it involves you as the Chairman of the Cabinet, and it talks about fraud here, Therefore, address this issue.

Thank you, Mr Deputy Speaker.

**Mr PETER O'NEILL** – Thank you, Mr Deputy Speaker, and no one here is trying to water down these transactions as I have told you and this Parliament.

When I heard this concern from the Chairman of KCH and because I am a trustee of KCH I then took action immediately. I told them to make sure that this account was shut down and it has been shut down.

**Mr Kerenga Kua** – Suspend them!

**Mr PETER O'NEILL** – Mr Deputy Speaker, now, we are going through to find out how these things happened. And once I have all the necessary information before me I will make those tough decisions.

Mr Deputy Speaker, the former Minister and Member for Kavieng knows quite well and he has his friends with the police. Therefore, forward those documents to the Police, as you have done with other documents in the past, so that they can process them. I will certainly report back to Parliament as soon as I take a decision.

Thank you, Mr Deputy Speaker.

*(Mr Ben Micah interjecting)*

**Mr DEPUTY SPEAKER** – Minister for Defence, you may seek leave to make your personal explanation after questions.

#### **Incomplete Upgrading and Maintenance of Vanimo/Tazi Airports**

**Mr AMKAT MAI** – Thank you, Mr Deputy Speaker. My questions are directed to the Minister for Civil Aviation.

My question is in relation to two important airports in my province. The first one is Vanimo Airport which is now half complete. The parking area for aircrafts is half complete and the 500 metre extension to the eastern end is not complete. And the two storey terminal is also not complete.

The other critical airport is the old Tazi Airport used by the Americans and the allied forces during World War II. This very important airport also needs maintenance because occasionally we have to get off at Wewak and drive to Vanimo or Aitape. And sometimes the road conditions are not very good. Therefore, we need these two very important airports to be completed immediately, especially for the Vanimo Airport because it also needs lighting for night landing. It is at the border and it is critical for emergency landings by the Defence, Police or the Government if there is a need for important security reasons.

If there is funding, when will work on these two projects commence?

**Mr DAVIS STEVEN** – Thank you, Mr Deputy Speaker.

First of all, I would like to thank the Honourable Governor of Sandaun for his important question because it also gives me an opportunity to address the issue of our airports and what important work that the current government is doing. Mr Deputy Speaker, I will start by addressing Tazi Airport.

In fact, Mr Deputy Speaker, I know that we have 22 certified airports that are under the current oversight and management of the National Airports Corporation the scheme of legislation. Tazi Airport is not one of them, so that is news.

Mr Deputy Speaker, I will therefore look into this particular issue if it is indeed one of the certified airports or that is within the peripherals then obviously we will advise on that. Therefore, I will respond in writing to the Honourable Governor for the sake of our people in Sandaun.

With respect to Vanimo Airport, Mr Deputy Speaker, there is no doubt that Sandaun Province being one of our border provinces deserves prominence and attention it deserves. And the airport infrastructure is one key investment that this Government and successive governments in the past have tried to address. Therefore, I am grateful to say to the Parliament that under the current programme that we are rolling out, Vanimo Airport is one of those included.

## **08/05**

Yes, there has been some delay in the fully implementation of this particular project in Vanimo. I have been there with officials from NAC to see exactly what the progress of the work is.

Mr Speaker, the issue is one of funding and I am grateful that the honourable Governor and his party leader, the Treasurer, can be able to alleviate our concerns in NEC by an expedited release of the much needed funds to complete this project.

Mr Speaker, I have been assured on several occasions that funding for Vanimo would reach us and that the cheques are being printed. Unfortunately, that has not been the case as from advice received from the National Airports Corporation.

But the Governor must be rest assured that as soon as the funds are available the Vanimo Airport will be completed according to plan and as promised.

I'd like to make a final point in regard to the lesson we are learning from Vanimo, Mr Deputy Speaker. We always talk about national participation in important public contracts. But in Vanimo we are learning, for the first time, that our own national contractors, even though they have been paid and have assurances of payment, when faced with difficulties, they just pack up and leave.

Vanimo is a case where even when funds in excess of K46 million was paid, and assurances given that there was going to be a slight delay in further payments, still they packed up and left.

Whereas in some instances where we have contractors from overseas, long term contractors who have partnered with the aviation sector, when met with similar circumstances, they continued to endure, used their own resources and waited for the government to come good.

So, this is a case in point and, once again I take this opportunity to highlight the fact that the discussion on who does public contracts on important infrastructure such as transport sector infrastructure, in particular the airports need to be reviewed and we need to debate that.

But, for the sake of the good governor, yes, we are doing all we can to ensure that Vanimo is completed this year.

### **Indian Exim Bank Loan**

**Mr SASINDRA MUTHUVEL** – Thank you, Mr Speaker. I would like to direct my question to the honourable Treasurer and ask the Foreign Affairs Minister to take note.

Mr Deputy Speaker, there was a visit by the Indian President last year and there was a commitment from the Indian Government of an Indian Exim Bank funding of about US\$100 million which came with the lowest interest rate compared to many other funding from ADB or China Exim Bank and others with 1.57 per cent interest which is lower than the devaluation of the dollar.

Mr Deputy Speaker, the question is, what is the delay in processing that US\$100 million, especially at this time when we also need a lot of foreign currency.

This money is meant for three earmarked projects which my province stands to benefit from and also the Madang-Baiyer Road and the National Court House in Mt Hagen City.

Mr Deputy Speaker, we'd like to know what happened to the processing of this US\$100 million facility and what is the delay?

**Mr PATRICK PRUAITCH** – Thank you, Mr Deputy Speaker. I thank the Governor of West New Britain regarding a possible financing option from the Indian Exim Bank.

Mr Deputy Speaker, this is the first time that the Indian Exim Bank is trying to deal with us as a country as such there are protocols and agreements to be observed before we can entertain this facility.

I want to assure the Governor that negotiations are ongoing and once it is finalised we will enter into an arrangement and agreement with the Indian Exim Bank before we can start to drawdown on the facility that is available for us through that particular bank.

**09/05**

**Supplementary Question**  
**Unfair distribution of money**

**Mr FRANCIS POTAPE** – When you borrow this huge sum of money, can you make sure that it is evenly distributed? It seems that in this country, some provinces are getting money all the time for impact projects while some of us are still waiting.

**Mr PATRICK PRUAITCH** – I do share the same sentiments as the Governor of Hela however, as we all know that any funding that we get is all project based. I stated to our development partners that there will be a need for us to look at how we use our development funds in terms of making sure that they are spread evenly across the country. Maybe we can improve not only with our concessional partners but also the commercial borrowings. We need to look at how we are going to distribute this funding across the country.

**Environmental Study**

**Mr HAVILO KAVO** – I direct my questions to the Minister for Environment and Conservation. I would like the Ministers for Fisheries, Transport and the Prime Minister to take note.

There are a lot of earth works taking place in the Highlands of Papua New Guinea and much is causing water pollution. We must know that Gulf province is the only province in the country that holds 14 rivers coming from the Highlands into the Gulf of Papua. The earth works in the Highlands are causing a lot of filtration into the Gulf of Papua and therefore causing a lot of problems with the access to many of these rivers by many of our boats.

More to that we also host the PNG pipeline for the PNG LNG Gas that runs across the mouth of those 14 rivers. It is becoming like a catchment and the filtration is now causing a lot of effect to the marine life and the travelling public in Gulf province.

Mr Minister, before the laying of the pipeline there were these environmental impact studies conducted by the developers.

My questions are:

(1) Does the Department have the capacity to conduct its own environmental studies before the laying of the pipeline, and after the laying of the pipeline? This is so to see the variations in the cost of the environmental impact to the level of the sea floor. The elevation of the sea floor has now caused a lot of swelling up of waters such as the king tides that are now washing up into our villages.

(2) Has the Department conducted any studies after the laying of the pipeline in contrast to the initial environmental impacts that was conducted by the developer?

(3) If there are some variations, what actions will the Government take to rectify that issue?

**Mr JOHN PUNDARI** – I thank the Governor of Gulf for his questions. Before an impact project is initiated, there is an impact environmental study done where consultancy are involved.

Mr Deputy Speaker, I will take the question on board and further consult with the Governor as to where in particular he is referring his question to so that my department can be able to assist in answering his question.

## 10/05

Over the years, my agency had to manage about 400 plus different permits across the country and, Mr Deputy Speaker, it's never been easy. But thanks to this Parliament that passed a Bill that ensured that my organisation became an authority and is now at the capacity that it's able to go forward and is able to effectively and efficiently manage these permits.

Mr Deputy Speaker, our focus is basically been on some of our major extractive industries in the country. The challenge for us is managing other permits but now with the support of the Bill that has been passed we will be able to successfully manage going into the future.

**Mr TITUS PHILEMON** – Thank you very much, Mr Deputy Speaker.

Mr Deputy Speaker, I direct my questions to the Prime Minister. Before I do, I would like to thank the Prime Minister on behalf of the people of Milne Bay on the issue of Woodlark land.

Mr Deputy Speaker, as you may understand, many times during this term of Parliament, we have raised this issue on the Floor of Parliament and it has resulted in our favour and I thank the Government especially the Minister for Lands and the Prime Minister for giving the land back to the people of Woodlark.

Another issue that I have always been vocal about in Parliament is the Jomad Passage, which my questions will be based on.

My questions are directed to the Prime Minister and I would like the Minister for Foreign Affairs and Minister for Transport to take note.

Mr Deputy Speaker, I am sure the Prime Minister is well aware of the efforts that my government and the National Maritime Safety Authority have been pursuing over the recognition and the protection of the rich and diverse marine ecosystems of our country, especially for Milne Bay waters. These efforts have resulted in the International Maritime Organisation (IMO) granting a Particular Sensitive Sea Area (PSSA) status for the Jomad Passage sea area in Milne Bay province during their 70<sup>th</sup> IMO meeting, which I attended. There are only 14 PPSAs in the world and the Jomad passage PSSA status is the first for the South Pacific Region. The PSSA status is a step up from the IMOs approval and adoption of a two way routine for the same passage earlier in 2015.

### **Protect Marine ecosystem**

Mr Deputy Speaker, my questions to the Prime Minister are,

(1) Are you aware that there is been a marked increase in the volume of international ship traffic passing through our waters causing major threats of pollution and destruction to the rich and diverse marine ecosystems on which our people rely for their livelihood?

### **Loss of Revenue – International Sea Route**

(2) Are you aware that PNG's water is being used as the cheapest and direct route for export of commodities from Australia and New Zealand to Asian ports, missing out on a lot of opportunities to gain revenue?

These huge ships also carry dangerous cargoes that possess major threat to the marine environment and the lives of the people who live around that area and we can't do anything about it.

### **IMO Representative**

(3) To safe guard the interest of the country, especially the maritime provinces, can the Prime Minister and the government honour its membership to the IMO and immediately appoint a permanent representative?

Since there is no permanent appointment to the IMO and smaller pacific islands countries like Cook Island and Vanuatu have permanent representatives.

**11/05**

I wrote you on 5 December, 2016 about this and the need for PNG to have a representative in the IMO. I have recommended Captain Nuru Raman, who was the Chief Executive Officer Operations at NMSA and who was behind the successful push to have the Joma Passage declared a TSSA and granted a protection.

Can the Prime Minister now inform this Parliament and my people in his response and actions taken on this matter so far?

Thank you, Mr Deputy Speaker.

**Mr PETER O'NEILL** – Thank you, Mr Deputy Speaker, and I thank the Governor of Milne Bay for his important question and also I want to thank him for the leadership that he has been providing together with our people in NMSA and the Transport Department on this particular issue. And his attendance on the International Maritime Organisation meetings with our Government Officials which provided many of the basis on which Joma Passage declaration was made by IMO.

Mr Deputy Speaker, I want to assure the Honourable Governor that I have received his report and I have made some notes and passed it on in particular the Transport Department and the PNG Ports Services.

And of course, Mr Deputy Speaker, I am aware that there is an increasing volume of large ships using that passage and our people are not getting any revenue out of it and of course it also is not safe for many of our smaller boats crossing back and forth on a daily basis for our people as well. So, I am very grateful to the National Maritime Safety Authority and the Department of Transport for taking some leadership in resolving this issue.

Mr Deputy Speaker, it may mean that we will have to pass some legislation. I have spoken to PNG Ports Services Management and they tell me that there has been suggestions before declaring that particular area as a port but the difficulty there is that because there is

lack of port infrastructure they are not able to declare it where they can use pilot boats to guide the beach back and forth.

Mr Deputy Speaker, it may mean that we need to come to Parliament and to change some legislation to cater for that, but I agree with the good Governor that we must make sure that we protect our people's interest and also get some income out of our people in that passage.

## **PERSONAL EXPLANATION**

**Mr FABIAN POK** (North Wahgi –Minister for Defence) – I ask leave of the Chair to make a Personal Explanation.

**Mr DEPUTY SPEAKER** – Do you claim to have been misrepresented?

**Mr FABIAN POK** – Yes!

**Mr DEPUTY SPEAKER** – Go ahead, leave is granted.

**Mr FABIAN POK** – Firstly, I would like to thank the Prime Minister for making me the Minister for Defence.

The Government have made some decisions;

- To relocate the Naval Base downtown and the land will go back to IPBC to build Lakatoi City,
- To move Taurama Barracks out because before it was located outside the city and there was training grounds but now the city is moving out that way and there is no placing for a firing range,
- Because of Joint Services College, they have asked us to move the engineering battalion out, and
- By 2017, they want to increase the force to 5000 and by 2030 it will have 10 000 soldiers.

These decisions were made and the Government, in the 2014 Budget, allocated K30 million for us to look for a place that we could relocate to.

In fact, the Commander himself had decided on two; areas one around ATS to relocate the Joint Services Force and the other at Manumanu, which is 300 hectares because he wanted Taurama to move there.

## 12/05

Based on the decision that IPBC was going to purchase that land the National Government made another decision, and the former Minister for State Enterprises, who is now in the Opposition is misleading Parliament because he was totally involved in trying to get Kumul Consolidated Holdings to pay for the land down there so that we could relocate the wharf.

The NEC decision stands that Kumul Consolidated Holdings will purchase the land and assist the PNGDF to build that wharf.

We also had a look at the land in Tatana which was reported in the *Newspapers* but the Ports Corporation wrote to us stating that they were moving to that land in Tatana and for reasons of being congested they advised us that we had to look elsewhere.

There are two portions of land. The first 800 hectares is over the sea and the second 800 hectares is what we are talking about here.

The Lands Department advised that State Lease has expired on that 800 hectares that we are talking about and a CAO was issued for that.

The information is misleading because we have a total of 2000 hectares and the other portion of 800 hectares goes towards the sea and we have to access this portion of land to go to the next portion.

Based on all of these facts, Papua New Guinea Defence Force and the Kumul Consolidated Holdings went into a joint agreement to search for land to move the naval base. Because we acquired the other land Defence Force wrote to the Lands Department because those two lands were procured through compulsory acquisition.

Mr Deputy Speaker, it is misleading that the funds that will come from Defence Force is to purchase the land and some of it will be done to do the feasibility studies.

**Mr Bire Kimisopa** – Point of Order! Mr Deputy Speaker, my Point of Order is not to correct the Minister, but my point is that the Prime Minister gave an undertaking in his response on this issue that he will commission an inquiry. For the Good Minister to give a prompt response without respect to what the Prime Minister has been saying all along this morning, he runs the risk of perjuring himself without a prepared statement and on record if there is a

formal inquiry, Mr Deputy Speaker, the *Hansard* will be used against him. It will be proper that he restrains himself and prepare a proper submission or statement after which the Prime Minister in due course would have completed the inquiry.

**Mr DEPUTY SPEAKER** – Thank you Member for Goroka. Minister continue.

**Dr FABIAN POK** – Mr Deputy Speaker, I am trying to outline the facts of the matter here. It is all on record. Because of all of these the Defence Force have a legitimate CAO over the 2000 hectares. So what happens in the Kumul Consolidated Holdings Board Meetings, I am not privileged on all of that. Now Defence Force has enough land –

**Mr Don Polye** – Point of Order! Mr Deputy Speaker, the Member for Goroka raised a Point of Order and you ruled his point was in order and therefore I think the Minister should not speak because that explanation might not be good on the face value of this Parliament and let investigations which the Prime Minister alluded to continue. He should be stopped because you ruled in favour of the Goroka Member's Point of Order therefore he should speak.

**Mr DEPUTY SPEAKER** – I didn't rule that but we should allow the Minister to finish his explanation because I granted him leave and allowed him to give his personal explanation.

**13/05**

**Mr Kerenga Kua** – Point of Order!

**Mr DEPUTY SPEAKER** – I will allow the Minister to complete his statement because this is the same question directed to the Prime Minister and we will allow the Minister to finish his statement. He is not answering a question, he is explaining.

**Mr Kerenga Kua** – Point of Order!

(*Members interjecting*)

**Mr DEPUTY SPEAKER** – I will allow the Minister to continue and finish his statement.

**Mr Kerenga Kua** – Point of Order! The Minister is out of order.

**Mr DEPUTY SPEAKER** – Member for Sinasina-Yonggamugl, please resume your seat. Minister, go ahead please.

**Mr FABIAN POK** – Thank you, Mr Deputy Speaker. I will conclude soon. I am just explaining the facts and what happened in Kumul Consolidated Holding which I am not a party to.

**Mr DEPUTY SPEAKER** – This is a personal explanation and we should not debate it. I agree that the point of Order should take precedence but he is doing a personal explanation.

**Mr Kerenga Kua** – But he is out of track! It is a matter for the country.

**Mr DEPUTY SPEAKER** – Member for Sinasina-Yonggamugl, you have already asked the question and the Prime Minister has responded, please resume your seat. I will allow the Minister to finish his explanation.

**Mr FABIAN POK** – The Defence has written to the Lands Department. The Valuer General valued three portions of land. It was a government decision to move the wharf and Taurama Barracks and to house the Special Forces. I did not make the decision.

**Mr Peter Isoaimo** – Point of Order! While the Minister has the Floor in explaining himself, can he also apologise for using unparliamentary language like me having an issue with him last week on the same issue. I am the aggrieved Member of Parliament here and a lot has been happening over the weekend which will be brought to this Parliament during this session.

In the course of answering to my questions last Thursday, he said I had issues with him. I had no issues with any Member of Parliament personally and I raised that matter specifically because it concerns my constituent. Thank you.

**Mr FABIAN POK** – Mr Deputy Speaker, I think he must have misheard me because I never said anything personal against him.

Let me complete my explanation by saying, the Defence has 2000 hectares of land because NEC has also made another decision approving up to 800 million to build a wharf and

new Taurama Barracks out of Port Moresby and also to move the general battalion out. We needed land. Concerning the people of Central Province, if there is a contract in regards to this land, then we will sit down and talk to them first. Thank you.

**14/05**

**Mr Kerenga Kua** – Point Of Order! My point of order is in relation to the big elephants sitting in this room. Here is a situation where the allegation states the land is owned by the Minister for State Enterprise so his company or his associates. And it is purchased by another politician and Minister, who is a member of his own political party. Isn't there a case of conflict of interest between the two? Can they explain to the people of this country how they conducted their transactions without getting into a conflict of interest?

**Mr DEPUTY SPEAKER** – Minister for Defence please resume your seat. Member for Sinasina-Yoggamugl, those questions were already answered by the Prime Minister, We will leave it as it is. We also have another personal explanation to be done.

#### **PERSONAL EXPLANATION**

**Mr NICK KUMAN** (Gumine – Minister for Education) – I seek leave of the Chair to make a personal explanation.

**Mr DEPUTY SPEAKER** – Do you claim to have been misrepresented?

**Mr NICK KUMAN** – Yes Sir! I wish to respond to a question raised by the Member for Pomio in relation to the deferral of advertisement on vacant teachers' positions nationwide.

**Mr DEPUTY SPEAKER** – Go ahead, leave is granted.

**Mr NICK KUMAN** – Let me bring some clarity on answers that I provided on Tuesday last week in which vacant teachers' positions nationwide were not advertised in 2015 and 2016. The normal procedure is for all teaching positions to be updated and vacancies gazetted and advertised in June/July each year. The appointments are made immediately after that when all the processes are complete and the appointees take up positions the following year.

This did not take place in the last two years because, there are couple of reasons; one of them is there was no funding to conduct advertisements and appointments. The master position register for all teaching positions throughout the country were not updated and therefore we were not able to advertise the vacant positions in the last two years. The deferral of the vacant positions will now be advertised in 2017.

The Department of Education and the Teaching Service Commission make sure that the master register be updated and I urge all 22 provincial governments ensure that the vacant positions are made available in the beginning of the year.

### **MOTION BY LEAVE**

**Mr JAMES MARAPE** (Tari-Pori-Minister for Finance) –I ask leave of 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 to Notice No.371 of Government Business being called on forthwith.

### **PUBLIC SERVICES (MANAGEMENT) BILL 2017**

#### **First Reading**

Bill presented by **Sir Puka Temu** and read a first time.

## **Second Reading**

Leave granted to move the Second Reading forthwith.

**Sir PUKA TEMU** (Abau – Minister for Public Service) – I move –

That the Bill be now read a second time.

Thank you Mr Speaker, this is a small amendment to the *Public Service Management Act 2014* but it will have large consequences. These changes will enable us to promote the engagement of more citizen technical advisors within our National Public Service. There are many skilled and experienced Papua New Guineans who are capable of occupying positions as technical advisor, unfortunately these positions have mostly been occupied by non-citizens.

**15/05**

Mr Deputy Speaker, it is time we change this scenario. It is time we encourage our development partners to look forward towards our people to provide advice in capacity building for our public servants.

Basically the changes I am introducing today will clear the arrangements for no citizens and citizen technical advisors to be harmonised and brought on a level playing field. This will be achieved by making the new regulation under the *Public Services (Management) Act 2014* which in most regard mirror the new regulation which applies to non-citizens technical advisors.

Mr Deputy Speaker, before this new regulation can be issued it is necessary to amend Section 45 of the *Public Services (Management) Act 2014* to clarify these category of citizen technical advisors as non-public servants and they are not subject to Public Service General Orders and other public service instruments. Instead their salaries and conditions will be met by the aid agencies and not Papua New Guinea. The amendment will also ensure citizen technical advisors as is the case with non-citizen technical advisors are required to sign a performance and conduct agreement with their relevant departmental head.

Despite being employees of an aid agency, these citizen advisors will also be subject to the day to day direction of the Papua New Guinea agency head and will be required to build the capacity of their public service counterparts.

I am sure all Members will agree that this bill which will promote the engagement of more citizen technical advisors in our public service is worthy of support of all Members of the House.

Mr Deputy Speaker, I commend the Bill to the House.

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

Motion – That the Bill be now read a second time – agreed to.

Bill read a second time.

### **Third Reading**

Bill, by leave, read a third time.

Sitting suspended from 12 noon to 2 p.m.

**16/05**

### **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 Order of the Day No. 243 being called on forthwith.

**DEPARTMENT OF NATIONAL PLANNING AND MONITORING –  
MEDIUM TERM DEVELOPMENT PLAN 2, 2016-2017 –  
PAPER AND STATEMENT – PAPER NOTED**

Debate resumed from 3 June 2015 (see page...)

**Mr JAMES MARAPE** (Tari-Pori – Minister for Finance) – Mr Deputy Speaker, as we come to our conclusion of our Ninth Parliament, and as we approach the twilight of this term. Let me take this opportunity whilst debating on this paper to take some retro perspective glance as to what has transpired.

But, firstly, before I do that, Mr Deputy Speaker, let me take time to commend the hard working Planning Minister, my colleague and brother, the Honourable Charles Abel, for his strong leadership in the Planning Ministry and Department. And the many work that he has done thus far in as far bringing to sense the way we in government do business, and to refocus us consistently and congruently to some of big pictures line of thinking that we as the government have had, especially our nation's call for Vision 2050 that we have developed in our last term. And amongst us is the Honourable Sir Puka Temu who was the chief architect who was able to mobilise government resource and capacity to put together our Vision 2050, having establishing the Vision 2050 and established a series of medium term focuses of our government then. With that, the government today was able to base on as we launch into the future.

As for us, Mr Deputy Speaker, in our term of Parliament when we assembled in Alotau as elected leaders of this Parliament we were able to come under the umbrella of the *Alotau Accord*. And since then our Planning Minister was able to pick up all the different reasons, aspirations and hope that we have as a team of leaders and was able to ensure that we aligned. He also brought those into clarity as the government arrest some of the need of development that our country were faced with, Mr Deputy Speaker.

We came out of Alotau with the *Alotau Accord* basically on the premise of five main strong pillars. The provision of basic education and education to our people, hence our free tuition fee education policy, free basic health and the delivery of health services to our people, our infrastructure planes, our plan to make intervention in our economic sector as well as our law and justice sector.

Mr Deputy Speaker, in hindsight as we come to the twilight of term as I said earlier and looking back, I will be the first to admit that whilst we have not done all that we wanted to do

on record and the last matrices that the Planning Minister gave to us, we stand on average above 80 percent delivery of our *Alotau Accord* endeavours.

## 17/05

Looking back as we conclude this fiscal year, the *Alotau Accord* ambitions would have ensured that we have spent K3 billion in the education sector in as far as free education is concerned.

For our district programmes by the conclusion of this fiscal year, we would have spent K4.45 billion to all our districts. We have consistently spent on our free basic health programmes. When you look at all the infrastructure programmes that is going on throughout the country, we continue to invest whilst more still remain. Some of my own district infrastructures and provincial infrastructures in Hela province and the Southern Highlands province remain unfulfilled. But speaking holistically in terms of our national delivery averages, we have done well as a Government.

The Planning Department and the ministry were able to clearly put to us what we delivered in our medium term that has concluded and what we will deliver in the future and that is something commendable.

Mr Deputy Speaker, whilst speaking on our need to deliver to our people and our country, let me impress on us the kind of scenario that has stared us in our face and continues to stare in our face going into the future.

For instance, with education to fully deliver to the 3 million plus children we have in this country on average expenditure item of K1 000 per student, it will cost us about K3 billion every year to deliver basic education.

For our 8 million citizens in our country, to deliver fully at an average expenditure of K500 per citizen to run an efficient health system for them in a year, it will cost our country K4 billion per year. Those are for two sectors alone so an average expenditure for the two sectors will require us to find K7 billion for a year.

Mr Deputy Speaker, when I bring this into picture the need for our infrastructure for instance, the National Works Department data base reveals that our national highways stand at 8500 kilometres of highway. If I throw in all our districts and provincial roads then it will average at around 20 thousand kilometres of existing roads. The Minister responsible will have his average but if I say that on an average maintenance bill of K1.5 million per kilometre then this will run to almost K30 billion need for intervention to be able to dispense to our country.

When you add the 100 airstrips that we have and the 10 plus major ports in the country and the little rural areas that need jetties then the cost of infrastructure goes over 30 to 40 billion kina.

## 18/05

The three key sectors alone; education on an average cost of K1000 per student for 3 million children arrives on an annual recurrent need of about K3 billion, Health sector cost to satisfactorily delivering basic health to our people, at a cost of maybe K500 per citizen, that means paying and housing doctors and delivering medical services amounts to about K4 billion in a year at the cost ratio of K500 per citizen.

When you look into these sectors we are looking at money that we do not have every fiscal year. Need for development funds and recurrent expenditure funds every year is far more than the actual money we have on hand to run a Budget, to pay for recurrent as well as meet priority development needs that all of us as Members of Parliament bring to the Planning Minister, the Treasurer, myself and the economic Ministers to try and put as priority.

So, as we come to the twilight of our term and as we stand in concluding this Ninth Parliamentary Term, I am the first to admit that much of the development challenges remains still unfulfilled in the context of us as Government comparing governments of the past with Budgets they have had, today, we have delivered to the best of our expectations. It is important that we build on from this foundations.

Now let me comment in concluding my short speech to commend the journey that we have come as a Government. Let me commend the Planning Minister for setting the template correct for us to use as a basis to go and launch development endeavours into the future. He has brought The Medium Term Development Plan, 2016-2017. He has also being able to put our *Stars Program* that talks about introducing sustainable aspect into where we as Government do business and plan. We have the *Alotau Accord* as a performance measurement benchmark in which we can assess ourselves as we conclude our term, something that we will go to the election with.

If we have failed our people will scrutinise us and if we have delivered we will stand to reflect on our deliveries but hopefully something that lies close to August or July 2017, a Government that is assembled in can build on the gains of this government to launch our country into the future. The challenge remains big, as I said. When we started out, Mr Deputy Speaker, no one thought that we will continue to fund free education. Critics were commenting that these are political gimmicks that ran at 2012 Elections and will fall flat on our face but we

have now shown them that Government commitments can deliver free education four to five years on. Arm chair critics both in Waigani and in the coffee shops elsewhere around the world and in the urban areas finding that K1000 is affordable for us to pay for your child's high school fees. But when you go to the rural outskirts of PNG, let alone their income does not surpass K1000 in a year. If they have three children who need to be in high school finding K3000 is a mammoth task for them.

We have shown the way and we are able to deliver free education and today our statistics shows that we brought into a school system one million new children who were otherwise not in school.

## 19/05

We hope that the Government after 2017, will continue to ride on the fundamental policy drives of free education to ensure that Government continues to expand on that as well as bringing the quality interventions that are needed.

We hope that our basic health programs continues. On top of that, hopefully, we can be able to expand into very specialist care centres in our country so that we don't have Papua New Guinean citizens flying elsewhere looking for specialist interventions.

We hope that government continue the DSIP program, Some criticize the DSIP program and we have been fair and I am yet to receive a thankyou from one of my core critics of DSIP His district continues to receive funds but he criticises me all the time. Others have thanked me, not me but this Government, we have been able to fairly distribute to all the districts.

When people attack the Government in the front of SME interventions, may I say that K890 million on the front every year is spent on districts. I don't think large scale international companies have participated in the disbursement of these contracts. These are SME contracts nationwide. Small district and provincial base contracts nationwide have participated and K890 million is disbursed every year. Combined for five years, K4.5 billion every year. Where does it go? It goes to that trade store owner in the village. Because when the contractor receives his payment, he does his shopping at that small trade store. So in the five years we have been fair on the SME front as well as on the bigger companies that need to do large scale work. We started off correctly in the last five years, not on an ad hoc, random basis but planned and programmed to deliver key deliverables for our country.

As I conclude, looking retrospectively in the hindsight in the five years on, we have tried our very best despite the constraints that we have faced in the economy to stick to the main gist of what we sought to do in the camp in Alotau. I wish the foundation that we have led, I wish

that the team that is assembled to form Government to continue to build on from that foundation because it is very important for the memory of what we started to be part of a Government system and this to continue on into the future. By building on this, the road that is built somewhere in the rural corner of PNG, for example about four months ago, I flew to Wewak and in my flight I saw a road being built in Mul-Baiyer, a road I have never seen when I was privileged to be the Education Minister five years ago. Let me commend the Honourable Member for Mul-Baiyer,Koi Trape for that road which runs along a dangerous area, the treacherous area of Lai river. On the Kombiam side, similarly, I saw a road being punched there. Now, if consistency in government policy and the DSIP continues on and if consistency in the political level continues on there is definite guarantee that this road whether it's three years or ten years from now will eventually link and that will link a part of the country that was never linked before. That is the benefit that we have arrived at as a result of the consistency at the political level which results in consistent policy for development programs that results in a public service machinery that knows what the political vision is.

## 20/05

Let me commend the National Planning and Monitoring Minister for bringing a series of Medium Term Planning ambitions that clearly captures our Government visions whether it is within the Vision 2050 or the *Alotau Accord* that is consistent with our National Development Goals and principles of our country and the foundation that we have led can only be improved on to ensure that our country progresses to the next level from here henceforth.

**Sir PUKA TEMU** (Abau – Minister Public Service) – Mr Deputy Speaker, I rise in support of the Statement that the Minister for Planning and Monitoring presented in July of 2015 and now been called upon for us to debate because I believe it is the right time to go back and look at the performance of our Government, particularly in view of the fact that since Independence one of the most critical issues that has faced us as a young country is the instability in politics. I believe that if we are looking back in the last 41 years one of the most critical contributing factors to the current social indicators and economic indicators is in my view is political instability.

I want to commend all leaders on the Floor of Parliament, particularly during this 9<sup>th</sup> Term of Parliament that, you have created history in bringing political stability. We know that there was one incident where there was a Vote of No confidence and all the young leaders with some of you as first termers, second termers and some of us as third termers but you saw fit to

stand strong with the current Prime Minister and the Government because you believed in political stability.

This is what this nation desired for a long time but unfortunately on this honourable Floor of Parliament we haven't been able to deliver political stability.

This Parliament looked at legislating to provide stability and the *Organic Law on the Integrity of Political Parties and Candidates* was one legislative attempt on this legislator as one of the arms of Government to try and address this issue of political instability. We know that around the globe it is nations that have maintained stability that leaders and Prime Ministers and ministers who have served two or three terms of Parliament that there is strong corporate memory and skills being developed in terms of articulating policy on the Floor of Parliament aligning the Budget according to those commitments. We know that those nations have prospered more for example in our Pacific region where there is so much political instability.

So the Organic law on Integrity of Political Parties was passed on this honourable Floor to address this issue but so far what we have attained in this 9<sup>th</sup> Parliament is an experience for this nation that for one full term of Parliament a Government that has articulated its clear priorities in terms of the *Alotau Accord* has been very consistent on this Floor of Parliament, particularly on those key five priorities, free education, non-constitutional grant the DSIP which is the special Government intervention and this is where commitment and dedication in leadership is so important that when you announce a policy like what the Planning Minister has announced with the policy of the Government under the leadership of the Prime Minister and when you align the Budget it is all aligned.

When we say the priority is education, tuition-free is budgeted for and when we say infrastructure development enormous volumes of funds in the billions have been earmarked for road maintenance.

Mr Deputy Speaker, for the first time in many years you see cities like Lae, Mt Hagen Port Moresby and others are beginning to change. Many roads throughout the country either national or district roads or even feeder roads are been developed and this has never being done before.

## 21/05

Provincial and feeder roads have been maintained which have never being done before. So this is a special moment and we recall and say the Ninth Parliament stability has been secured.

Certainly government priorities have been strongly aligned to the budget process which is very critical and important. Certainly some of the hardest decision have been made with regards to for example; our ability to make decision to host the Pacific Games, the Prime Minister's commitment to host 2018 APEC Conference and promoting of the country through his visits together with his colleagues and leaders around the world at various regional conferences. I think we have done extremely well.

The Minister for Planning was able to report on the achievement particularly on the aligning of development priorities through the budgets. I know of no government who has been committed like this government pronouncing publicly priorities that must be budgeted for so I commend the Prime Minister and the Ministers for Treasury, Finance and the Planning.

Mr Deputy Speaker, the young group of ministers were able to take the lead to ensure that with the advice of the bureaucracy, they align the national direction. The executive government is there to clearly articulate priorities and programs and policies and if they require legislation we can bring them to the Floor of Parliament.

We have delivered the priorities that we announced through the *Alotau Accord* and I commend every leader. I also want to express my admiration to all the leaders out there in the provinces. Those of you who are taking the K10 million DSIP or PSIP to make things happen whether it be building the classrooms or health post, fixing the roads or supporting churches who are non-government organisations, creating economic growth such as coffee, rubber or tourism so I commend every one of you.

I really believe that those of you who have delivered will come back to this Parliament. This country needs a performance government. We will see big transformational changes. We came back and fixed so many things that the former government failed to do.

So we have now built a foundation and I believe this nation deserves this government to perform again for the second term. This nation has never experienced it. The people have never experienced it before. This is the politics of this election that the people have to realise.

Mr Deputy Speaker, I am from the coast and when I do canoe racing I do not change the captain of the winning canoe. The canoe will lose if you change its captain or whoever is on the front line. You cannot change a tap that is not leaking.

So Mr Deputy Speaker, politics is all about stability in leadership, stability in policies and making sure that those policies are implemented through resourcing through national budget.

The Prime Minister, the Treasurer and I were talking about how we should increase the DSIP concept. Previously it was DSG at 250 and some Prime Ministers attempted two million. Then we came up with DSIP at 10 million. You know.

## 22/05

I have achieved more this term than I did in other two terms because of the commitment on this Floor of Parliament, that K10 million must be protected because that is where the bulk of the people are. This is the leadership that the nation has missed for a long time. This is why I am saying our people need this performing Government for the second term.

We will take off big time and when the economy, as predicted after the 2017-2022, will increase; you could see the DSIP doubled to K20 million. And we have already allowed for wards to be funded. This was never done before and under the leadership of the Prime Minister, this has been done. This is the type of leadership that this country deserves; one of commitment, decisive and competent leadership.

I salute everyone here; some have come through by-elections but you are already performing well and you deserve to come back. Some who have been here long enough may not deserve to come back and may need to go through other doors and let others come in. As someone who has served for three terms, I would want to make a statement that I hope young leaders will take note of.

It is on the 11<sup>th</sup> term of Parliament that we will be celebrating our 50 year Anniversary (2025) of nationhood. I believe that when we are returned as the Government, I believe well achieve the fastest rate of performance in the 10<sup>th</sup> Parliament because we have the culture, the mindset and leadership. We have Ministers who have been serving as Ministers longer. He is the only Prime Minister, whom I know has not sacked any Minister; the Ministers' just sack themselves.

Mr Deputy Speaker, there is stability and cooperate memory so the Ministers are able to talk the technical language as well. When we are negotiating and sitting before the Exxon Mobil vice president negotiating the LNG Project, we were supposed to be technical people seated before the powerful vice president but Ministers were negotiating and sitting with him, that was a new culture.

We are now creating among the political leadership the ability to articulate locally, domestically or internationally. That stability is very important for this country.

Mr Deputy Speaker, you also performed very well in a very short time, you performed and you deserve to be back. And apart from the pure politics, our voters have to realise that this nation deserves a performing Government for two terms and you will see that in the 10<sup>th</sup> Parliament we will achieve the fastest performance rate of development that this nation has never seen and one that our people deserve.

2025 is our 50 years as a nation, so my recommendation as a third term parliamentarian, I think in the 10<sup>th</sup> Parliament we should establish a Constitutional review team. That will relook at our political structure.

## 23/05

For example, the Organic Law on Provincial and Local Level Governments, is to me, a piece of legislation that is an impediment to service delivery. So we need to re-look at that. Perhaps, Mr Deputy Speaker, we should be looking seriously at autonomy.

I believe when a governor becomes a governor and those of us who are members of a provincial assembly or the presidents are a team that should be given every mandate by law and every support by resources to develop the province because there lies the area where the nation will build its economy. Not at Waigani.

And so in that argument, Mr Deputy Speaker, maybe autonomy is a politically incorrect word. I think it is giving me responsibility, and trust to provincial governments and resource them well.

By the end of the tenth term every governor should stand up here and say, I delivered two big projects in my province, I employed X number of Papua New Guineans, I created this number of millionaires, I negotiated this number of loans from the banks because I had the autonomy to do that.

I think we are too scared. I think we are getting scared too much so Waigani is controlling too much but we need to respect and trust the provincial governments because they own the land. That's where the land is. That's where the people are. That's where resources are.

So, my strong recommendation is that in the Tenth Parliament we should really look at the *Organic Law on Provincial and Local Level Governments* and seriously look at transferring of powers whether in terms of autonomy to raise revenue, mobilising resources from outside, organising the public service, appointing the provincial administrators and chief executive officers. Let them do it because they have the resources.

At this level, I have been saying in Cabinet and at the caucus, I really think it is time for us to take charge of the multilateral and bilateral partnership arrangements. We must take charge of them, they must not articulate to us.

I have debated in Cabinet that when there is a multilateral road project and when it comes to NEC for decision we are stuck. We cannot say no, we go for this one because it is a Papua New Guinean. When we say no, ADB will not accept our recommendation, but what is the executive for? What is the NEC for? It is the highest decision making body in this nation, not a development partner like World Bank or ADB.

There is a real need to re-look at it and the Treasurer and Planning Minister will have to go to the board and say, we need to go back and re-look at it.

My last debate before my time is up is to look at how best we can manage our development partners in terms of their enormous resources that are coming. And the Minister for Planning has already provided the leadership. There is a framework already presented to Cabinet and approved. The Australians have looked at it for us to provide the leadership.

The Task Document Policy Direction is the basis for us. But unfortunate, for example, the current arrangement is like this. ADB is for certain regions, World Bank is for certain regions and AusAID is for certain regions. We have to stop that nonsense. I believe we have to park in the budget where the Planning Minister can say, this is the avenue where all the multilateral and bilateral aid is, these are our priority programmes, don't say ADB belongs to one region, no, we look at the whole country and say, this road needs to be fixed, this roads needs to be opened up. All the money go there and the Works Minister and the Planning Minister manages those.

## 24/05

I call it SWAP, Sector Wide Approach Programme and we take the lead. We articulate to them through our transport plan, agriculture plan and education plan what direction we are going. And we establish a common monitoring and implementation programme which we build skills in our country and in our Public Service rather than ADB or the World Bank having a parallel programme.

Or, for example, when it comes to AUSAID and they want to go to Bougainville then there is this clear cut direction that we are all managing this piecemeal approach. It was in 1994 that we recommended to the Australian Government to stop project mode and move into programme mode. This was because the project mode was too small and it was not leading us to anywhere and so we went into sectoral programming. At that time Health had its turn and

then infrastructure but we could not move it because of the politics of the multilateral so SWAP was abandoned. But under the Minister's leadership SWAP has now been brought back.

**Mr DEPUTY SPEAKER** – Minister, your time is up.

**Sir PUKA TEMU** – Thank you, very much for the opportunity, Mr Deputy Speaker.

**Mr SASINDRAN MUTHVEL** (West New Britain) – Thank you, Mr Deputy Speaker, I would also like to join my other colleague MPs and Ministers in congratulating the Planning Minister for his wonderful statement.

I would like to thank the Planning Minister for his various initiatives especially through that stout policy. And also, the various funding support not just to one province but to all, especially one such programme whereby the public servants housing received support of K1 million each to most of the provinces. And also, each Open Member have each received K500 thousand and I am sure that in those provinces and those who put those resources together have achieved some desired resulted.

Mr Deputy Speaker, in our province, as per the National Government's directive, we have allocated K500 thousand for each open Electorate. And we delivered some public servant's housing.

Mr Deputy Speaker, we have had a strong leadership in the last four and a half years and we are here now nearly ending our term. And I must say thank you to each and every Member of Parliament. I have seen a joint concern with the Minister for Public Service to congratulate each and every Member of this Ninth Parliament for their continued dedication of work in this term of Parliament. I have seen most of them always talking about development in their respective districts and provinces and unlike in the previous time. Most of this Parliament has seen many changes in terms of new legislations, bringing new projects and development. Therefore, I would like to thank each and every hard working and dedicated Members of Parliament.

Mr Deputy Speaker, there are three ways that any civilisation or country can be destroyed:

(1) If we destroy the education of any country that country is certain or assured to be destroyed. How do we destroy education? By not supporting the teachers or by not supporting the education sector, but this government has taken a bold step when we were so hesitantly

thinking how this TFF was going to work and the government has allocated record level of funding every year of more than K600 million to support this TFF Policy.

I also do appreciate the Minister's comment that those institutions receiving the TFF funding should not be charging any project fees but I feel that this should not be as an order or it should be compulsory. Where the parents are willing to support institutions by giving project fees to build infrastructures then they should do so. Although we not be compelling a poor parent to pay that additional resources, but they can afford to pay that project fee to develop some major infrastructure, then we should also support it.

(2) By destroying the mothers in the community by disrespect, misleading or mistreating them, that civilisation or that country is assured to be destroyed.

## **25/05**

(3) By lowering the moral of the leaders of that country. That leader can be a political leader or a church leader but by lowering the morals of that political leader, we are sure to destroy that country.

When we destroy education, when there are no dedicated teachers, when there is no conscious mother to help the family then who is going to teach our children the values. Sometimes we should observe if we are invaded because these three things are extremely important. I am thankful for being part of this Government and with their support and also the various donor partners, we have delivered record level of projects. With the stability I am sure we can continue to develop various infrastructures not just in my provinces but in other provinces as well.

I am seeing some right direction by the Government now by after concentrating on Port Moresby the attention is now directed at Lae City, Mr Hagen and then to Rabaul. This is the right direction to develop those four regional centres while also allocating resources to other provinces.

I do support the Public Service Minister, Sir Puka Temu's comment that provinces should be given greater responsibilities. Each province should be competing with each other in terms of bringing development. We should have proper planning under the Planning Minister allowing all the 22 provinces to come and present their development agenda to him. The Minister can then select key projects so that we can achieve some desired results simultaneously in all the 22 provinces rather than allocating to specific provinces. I am sure the resources are more than enough to allocate to the whole 22 provinces and we can bring

uniformed development. At the same time, we can also encourage competition amongst the 22 provinces.

We are fortunate to have some bold leadership and while I agree with the Public Service Minister and the Prime Minister not being hesitant to deal with some ministers when they need discipline. This is the strong leadership where we have been experiencing in the last four and half years.

This is the time now where people are going into political mode. We have to develop this attitude of gratitude. If we cannot say thank you for all the support that we received from Government whether it be DSIP, PSIP or support grant or donor funding then it wouldn't be nice. I would say that this is a fair Government where they have treated everyone fairly and equally. I do have the experience of sitting on both sides of the Parliament but we are fortunate to have a Government which fairly represented and treated everybody equally.

I also would like to thank our senior ministers including our Prime Minister that this is the only Government where people had easy access to see the Prime Minister and discuss his or her district issues. We wish that this stability continues so that we can continue to provide that much needed service to the remotest parts of this country.

I must thank the Planning Minister to come up with that wonderful framework where we can all have it as a basis and create or design our development plans in the provinces and districts. It will be aligning with the national development framework. Based on that framework we can always seek funding and support from the National Government.

Mr Deputy Speaker, one particular support we really need to give is for agriculture. We always used agriculture as a political phrase where we always talked about agriculture but not do anything about it. Unlike many other developing countries, they have allocated recorded amount of funding to support agriculture because that is the only renewable resource and renewable income we can receive..

## 26/05

The Government should concentrate on those provinces which can generate agriculture revenue.

And West New Britain is fortunate to have the land, the rain and resources were it is so conducive to grow Oil Palm and we have been growing Oil Palm since 1964 and it is still growing and I am sure it will still grow into the future.

By simply supporting our farmers by subsidising their fertilisers and pesticides which is the chemical that they need to effectively cultivate we can increase the revenue because the

Government's aim is also to see how we can increase the revenue generation capacity of individuals and families. This is one way we could help our farmers to be on path with the same production as the companies.

Mr Deputy Speaker, in our province for example if the company can get a yield of 30 to 40 tonnes per hectare where an ordinary farmer is getting only 15 tonnes it is purely because of lack of effective cultivation practises and also lack of fertilisers and other support which they cannot afford. By simply supporting them, we can greatly increase the revenue of those respective farmers. There are more than 19 000 families and more than 100 000 individuals who are depending on this agriculture industry in just one province. This is not including Oro Province, New Ireland Province or Madang Province and other Oil Palm growing provinces by also fixing those Oil Palm roads which have more than 1250 kilometres which require not K1000 of millions of kina to maintain. According to a latest report in 2012 by an Engineering company called Smec, they only needed K70 million.

This report was done for OPIC by supporting the K70 million those feeder Oil Palm roads can be fixed and the farmers will be able to bring their produce to the farm gates because the price difference is so huge, if the company come and pick up the fruit they pay about K65 per tonne of fruit. Whereas the farmer can bring the fruit to the company then you get a midgrade price of like K65 more than per tonne of fruit. And this is not just going to help the company and the growers but also it is going to significantly increase the revenue and the production because the faster you bring the fruit to the mill the better the quality and price.

So it is not just going to help the farmers and the company but also the Government in terms of increased revenue.

So this is one industry where I will appeal to the Government to support because many developing countries are doing so and in some countries they are giving the irrigation water free or the electricity for the farmers free or the seeds free so we need to initiate because we do receive our income, some from the non-renewable sectors especially from Oil, Gas and Mining Sectors and we have to rightly invest those monies and those sectors especially in agriculture.

We can also create additional revenue and also this will help our people when those resources are exhausted then the people can have an industry that they can always rely on, and it is an industry which has been in Papua New Guinea for more than 10 000 years where the Highlanders know how to do agriculture so, we should really support the agriculture industry.

Mr Deputy Speaker, apart from that I would like to sincerely thank the Planning Minister for his statement and for his continued hard work to bring the development agenda and also for the uniform distribution throughout the country and I congratulate the Minister, once again.

Thank you, Mr Deputy Speaker.

**27/05**

**Mr BIRE KIMISOPA** (Goroka) – Mr Deputy Speaker, I also want to thank the Government for the many projects that the Government carried out. On this side of the House and on behalf of the people of Goroka, I would like to say thank you because a number of initiatives put forward by the O'Neill Government has a significant print foot in my electorate and it's important that we give credit where it's due. It's a significant intervention as rightly echoed by the minister for public service right across this country of ours.

Mr Deputy Speaker, I would like to perhaps offer some thoughts going forward considering, we are coming to the end of this Parliament term. Mr Deputy Speaker, in relation to the statement issued by the Minister for National Planning, the plans are very important and I have always maintained on this floor of Parliament that the number of issues in terms of those plans. for instance, if we can meet the number of criteria in this country, it would go a long way in achieving those plans captured in the Minister's statement.

First and foremost, the issue of affordability, whether we can afford some of these big programs that we put up. On this note, I should congratulate the Government in terms of their commitment towards education and health as the Government has been very consistent.

The second criteria in my view, Mr Deputy Speaker, is sustainability is. Having said that the issue of recurrent expenditure becomes a major issue going forward in terms of budgetary support, whether it's from the district or from the national government, depending on the size of public investment that we make. So sustainability is an issue of concern.

The third one, is the need to increase our participation rate in the economy, making sure our people right across the country are participating in the economy that we are building.

These three important criteria in my view should be provided some guidance in terms of how the plans are formulated and going forth.

Mr Deputy Speaker, the fiscal landscape of this country has been significantly altered after continuous economic growth over the last 15 years. All of a sudden a projection for 2017 is roughly about three per cent, the size of the GDP has grown and it is estimated to be about K65 billion. A rule of thumb would suggest that 30 percent of GDP should constitute tax revenue, so we are looking at taxation revenue for the PNG Government is roughly about K20 billion annually. In terms of the sectors, the extractive industries consist of roughly about 70 per cent in terms of its contribution whereas the non-extractive industry is less than 40 per cent. Therein lies our problems, in terms of the bigger size of the extractive industry because all the

tax exemption and tax concession. All the incentives that we ought to have, have been given to the extractive industry, very little in fact for the non-extractive industry and that is the dilemma we have in this country in terms of the interventions we are making into agriculture. Unless and until we reduce the size of the extractive industry and prop up the non-extractive industry we will achieve full participation in terms of the economy. That is the fiscal landscape we have going forward in the next five years, in terms of the budget documents done

Mr Deputy Speaker, revenue has tapered all, plateaued at about K9 billion so you would appreciate we are losing considerable amount of money in terms of tax revenue.

## 28/05

We are losing considerable amount of money in terms of tax revenue. The quicker we have a conversation in this country about the kind of exemptions and the kind of concessions we ought to be giving to the extractive industries we can charter a new course for ourselves, so that we can maintain some of the aspirations we have, our interventions we have on the social sector, education and health, the DSIP and PSIP because you need an increased revenue envelop to do that.

It appears to me that farmers right throughout the country as well as those big industries who are engaged in the Agro industry are still waiting for some reasonable compensation in terms of support incentives that they ought to be given.

Mr Deputy Speaker, going forward some of our big key ticket items like building roads, bridges, investing in health and education, we have to sustain that long term. The only way we can do that is to look into the size of the extractive industry and ask, do we want to give every new entrant into this country all the exemptions from A-Z? Or should we limit the kind of concessions we have to give?

Mr Deputy Speaker we can send a strong signal to the Mining Council to begin with. There is really no need for our country to go to Sydney for the Mining Conference. We ought to stop that and perhaps bring the conference back here in PNG where it matters most, so that we can have the conversation here.

It appears to me that going forward some of our big ticket items irrespective of which side of the Floor we sit on, our people need free education, free health, decent roads, good clean water so on. But the issue of sustainability going forward remains a big task for us in this country. Perhaps we can start having a conversation at that level in terms of the tax concessions that we have been given to the extractive industry we can begin to address the issue of sustainability going forward.

Mr Deputy Speaker, I have consistently over the last four years made a number of suggestions to Parliament and I think I want to make those suggestions again because it's very important in terms of making sure that we have the right economical model going forward regarding interventions and the *Alotau Accord* especially the economic enablers we should be able to meet all those big plans that we have.

Mr Deputy Speaker, I have been a strong advocate on population capping and it's quite obvious. We have the highest growth rate perhaps in the world exceeding 3 percent.

This maybe just pure numbers we are talking about but look at the impact it will have in the social sector, in terms of employment, in the tax revenue. All of these are tied together one way or another.

Unless we start to appreciate what population is and the growth rate that we are currently on, the future doesn't look too good if we are tracking at 3 per cent annually. These suggestions I have made before and the good Minister has taken that on board and he has made a number of interventions in terms of population control. That ought to be followed in the next government. We really need to run an ambitious and strong campaign to encourage our people right across this country to limit the size of families they have because at the rate we are going the revenue envelope is not increasing.

We must try to address some of the big issues for instance the extractive industry, we ought to shrink the size. If we can do that and increase the non-extractive industry all our people are farmers right across the country and will build the economy one way or the other. The more we bring them into the sector the participation rate goes up so as our revenue also goes up then the tax revenue will go up ultimately.

The other important issue that I would like to mention here by way of suggestion is that we need to take stock of alienated land in this country. Land appears to be the biggest obstacle in nation building in this country.

## 29/05

We need to take stock of all alienated land in this country. Land appears to be biggest obstacle to nation building. We can talk about all the plans we have, the roads, hospitals power posts, and receivers but there is a price to everything in the country.

Mr Deputy Speaker, we have certainly become an entitlement society. We ought to realise that. On this juncture, because we brought in the Bible, I would like to make a suggestion. Perhaps we need to have a constitutional convention and address the issue of landowner. The term landowner. We should substitute that and call ourselves stewards. We are

just care-takers of the land on behalf of our God. We do not own the land. We could perhaps free ourselves from this.

The stupidity is that when you want to put a power line or schools there is a cost to it before using the land. That is why despite all our plans put forward in this Parliament, we will run into one road block after another. Because our people will still want compensation before we can put up anything. Land remains a biggest challenge.

Mr Deputy Speaker, my province produces significant amount of coffee. The plantation sector is no longer striving, only small holder is striving. The idea of plantation sector is no longer in existence.

So land mobilization is the key. We can go forward to achieve some of these aspirations while trying to mitigate some of the social problems in this country. We must have access to land for national government development or private development so that we can generate money and provide tax to the government is very critical.

I do appreciate and support the comments made by the Minister for Finance and also remarks conveyed by Prime Minister regarding the SME intervention. I think the 890 million given to every Member of Parliament is a significant amount of investment going into 89 districts where a number of small businesses are striving. That is a significant involvement and intervention for SMEs.

If the SMEs are not growing, that is something which the Minister for Trade and Industry at some stage should bring a paper and do a detail announcement in terms of intervention that were made into the 89 districts and whether out of that intervention there has been businesses established on the ground. If so, then the next obvious question is how many people have been employed and the kind of tax contribution the sector has been contributing.

On the same token in terms of SME intervention, Mr Deputy Speaker, access to credit is another outstanding issue for some time. That is a matter for the government to resolve. It is aligning the monetary and fiscal policy agreeing on a rate that is conducive to trigger more lending in this country.

Given the number of impediments we have right across the country in terms of law and order and accessibility to land and the high security costs, the growth for the SME sector is going to struggle for quite some time. Thank you.

**Mr MARK MAIPAKAI** (Kikori) – Thank you, Mr Deputy Speaker. I rise to contribute to the debate. . I have been here for fifteen years and I want to commend the hardworking Minister for Planning who, has produced so many legislations during his five year term.

Mr Deputy Speaker, I just want to share some of the things that we can improve on. I have been in the Cabinet and participated in the planning process of this country and how the budget was prepared. We have been using traditional format where you pluck the figures from the previous years and forecast that this sector will grow by that amount. But there is no real direct interventions.

In view of my colleague Member from Goroka, the forty percent sector is the non-renewable resources or the non-mining sector and the government has direct intervention. I think with the direct intervention policy, we can really grow this sector. But I do not think we have given that particular sector the prominence it deserves.

### **30/05**

We can really grow this sector but I do not think that we have given that particular sector the prominence it wants. If I want to go to the Forestry sector by x percentage, the forestry Minister should come up with that policy. And say this is the way I will grow this sector. If I have to grow it by five per cent these are my requirements in terms of manpower and resources. The sector is then reviewed after six months, to see whether they are on target or not.

You bring forward fisheries, agriculture and all revenue generating programs of the government. This is why this country is not growing and those sectors are not growing by percentage as perceived for better planning. Our planners comes every year and just plucks off figures based on experience and focus to make that much revenue for the coming year. The extractive industries are subject to foreign capital investment, there is a process that you have to qualify before the project is realised and that is something that we do not have control over.

I really feel that we got to put our heads down and do a little bit more constructive approach to this particular areas. If we only structure our organisation properly and give them the right resources; we realise the proposed percentage of growth that this non-mining sector can produce. We have the potential to expand but we have not put our foot down and give specific tasks or assigned a percentage for those particular non-mining sectors and monitor through as we are progressing through the year in terms of particular achievements that we want to get outcomes from this sector.

We have been purely operating on traditional approach; guessing figures on forecasts and that is the way that the revenue figures have been calculated. The other areas are our sizes of structures of organisation. Traditionally there are two main structures that we follow in this

country. For private you have straight structures from the CEO direct to the directors of the activities. The flow of information and the productivity rates are very high.

So long as we have government structures in place, in terms of competencies in the public sector, they will exist but sometimes we have those tall structures but what happens is that the budget appropriations do not match the structures that we have. We under fund those structures and yet we argue about compliancy.

We should structure according to the resources that we have; if you are giving a department K100 million it should operate within its resources in terms of manpower and others for that year. Some of the annual reports that are coming in do not have changes in their achievement. Same figures are shown and that is something that the Government must be serious in structuring the departments and resourcing them. It is no use talking about very elaborate plans and structures when you do not put the right people and resource those to achieve the results that you want achieved. This is the issue of our structures, align the Public Service commission to the various organisations and you can find out if these departments have the right kind of people in there. Work with the department of planning to make each department effective.

Mr Deputy Speaker, picking up the que from the Governor of West New Britain, he has been very particular. How many times has he echoed this particular sentiment in this Parliament about the K70 million for little farmers, road upgrades and bring the productivity rate he wants to contribute to the national purse? Nobody has taken heed of what he has been saying.

### **31/05**

It's all about how you tie in the planning from the top down to the bottom or bottom up. It's somebody who has experience in putting that K70 million and putting in those infrastructure in those oil palm roads.

You get the production right, you get the statistics right, if you want to grow agriculture by five per cent, that is the path to the planning process to grow that sector that he is talking about.

So there is no real alignment from what he is talking about with the planning structures in place.

So that is something that I have noticed and we have to give a serious thought to and replan our activities starting from the provincial governments all the way up.

I have sat here many times and this is the fourth or fifth time he is talking about that very statement which nobody has taken heed of. Give him the K70 million so he can grow his province by X amount while the nation grows by Y amount.

We have been given lip service.

The other issue I want to talk about is in reference to the Minister for Planning, what he has said about the DSIP. I totally agree. I commend his government. They have never played politics on the Floor in terms of its distribution.

In terms of my province, I also thank him for the contribution that he has done. The little problem that I have is that the governors are taking advantage of what district Members are delivering. There is present activities in my Province in particular despite how much funds go in. because Governors are custodians, whatever gets in for a resource district like Kikori although I host two important assets.

I do not see any face of PSIP, the SSG and the IDD funds.

And those of you sitting here will be the same if you have a resources-rich district and a governor who is not tuned in with you, you have a real problem. Though the resource may be in your electorate but if the governor is giving a different marching order, I am sorry you will remain as I am. You will only survive with your DSIP alone. So that alignment must be corrected.

Minister for Planning, please take note of this, you continue to give money after money but nothing is trickling down to the electorates. If I am Member for Kikori and I hold two very important strategic assets, rightfully, what Kikori is supposed to receive under IDD must come through me as the mandated leader to complement my DSIP Whatever is destined for Kikori under this SSG must trickle through the system to the districts.

Last year we approved a couple of legislation here transferring powers to the districts but still nothing is trickling down to the districts. So, that is something we have to correct ourselves. So long as you don't correct that, we will not get that additional funding to make impacts in the districts.

I always try to sustain myself in the district. I come from the delta area so, I cannot, deliver in that very isolated area with K10 million alone.

That is something I have seen, Planning Minister and Prime Minister take note of that, you are lucky you don't have a direct intervention on a major project in Ialibu. Or maybe you have a good understanding with your governor but these are real facts. I am not lying.

Some of you Open Members, if ever you have an impact project in your area similar problems will happen to you because there are already agreements in place. These agreements

are very specific and it states; funds must be spent in consultation. It doesn't happen that way. Politics comes into play here.

So, if autonomy is to happen, it must happen in the districts. What is rightfully for any one districts must go direct into the district so the Member has the power to spend the money. It is a mandate.

These are some of the discrepancies or misalignment in the system that I am highlighting. I am one of the victims of such government decisions so I am highlighting here in Parliament so we can take note and improve on that system so the delivery of funds can be done properly. Waigani must rise up because everything is in there so we must improve on these areas.

### **32/05**

Therefore, just to sum up, it is very important that we grow the 40 per cent of the non-extractive industry and we want direct intervention by the Planning Department. You give specific quotas as to how these revenue departments can grow their revenues.

One other issue is compensation. The packages that our State-owned Enterprises CEOs receive, if you really want them to be very productive then provide them some of the best packages. If you have to share profits or agree on certain compensation in terms of commission or whatever package you have to do then you have to do it. I do not think that they are given good package, and if this is done. Then if you tell them that if they deliver this year this percentage of growth or x-billion then I will compensate you.

We are not a private entity but listen at the end of the day we want efficiency and these are things that come with the cost of efficiency and we have no choice about that. Therefore, so long as you give lip service and tell them that this is the budget for the year, this is your pay and you get out there and produce they will never do it. So, let us be more creative in raising revenue in terms of compensating our CEOs, especially in terms of the benefits and put some effective monitoring systems. And when it is six months down the line the efficiency can be checked to see if he or she is on target to achieve x-percentage of growth in that particular non-mining sector.

With those few comments, Mr Deputy Speaker, I thank you for giving me the opportunity to express my thoughts.

Thank you.

**Mr JOHN PUNDARI** (Kompiam-Ambum – Minister for Environment, Conservation and Climate Change) – Mr Deputy Speaker, thank you, for giving me this time.

Mr Deputy Speaker, I wish not to debate on this subject as a point of view as the Minister for Environment, Conservation and Climate Change but I want to debate from the perspective as the Member for Kompiam-Ambum. And before I do so, let put on record again my sincere appreciation for my people for the fact that they have given me a consistent mandate of four terms in Parliament.

I had one break when I challenged my brother the Honourable Ipatas and I lost to him by becoming second and I had a good break of five years. Nevertheless, the seat that I have contested for over four times, Mr Deputy Speaker, the people of Kompiam-Ambum have been so good and have trusted in my leadership, and have given me that mandate and therefore, on the Floor of this Parliament I just wanted to say, thank you.

Mr Deputy Speaker, I wish to also from the bottom of my heart sincerely and on behalf of the people of Kompiam-Ambum that represent thank this Government.

The cry and pain of trying to provide leadership in order to translate and transform a district that is so very difficult to develop has been somewhat very difficult for me, especially serving the first 15 years of serving my people in this Parliament.

The rugged terrains and the geographical nature of my electorate does not make it any easier for services to be delivered, and, Mr Deputy Speaker, I must on behalf of the people of my electorate do justice by thanking this Government.

Mr Deputy Speaker, without the intervention of this Government's financial resourcing to the districts of this country, Mr Deputy Speaker, I would not have made headways by achieving what we have achieved in the last four years or so.

### **33/05**

Mr Deputy Speaker, it is easy to have this political rhetoric of all the goodies of say the oratory remarks and statements we make in public gatherings et cetera. We have always said that the bulk of our communities are centred in the rural communities of this nation.

Mr Deputy Speaker, for the first time, I stand here to thank this Government because we have put action into what we have always preached about. We have made a decision for intervention for change. For my district given the geographical nature, the rugged terrain is not an easy district to develop. Without the necessary funds that have been ear-marked for the districts, I wouldn't have done as much that I believed has been achieved. Therefore on behalf

of my people let me once again thank this Government and for the contribution that we have made for the Medium Term Development Plan.

Mr Deputy Speaker, it is never easy for a Government to consistently fund what is not a Constitutional obligation. It requires guts, strong leadership, vision and conviction to doing the right thing. I am glad that I have been a part of this Government that has brought this change to our people. From a district perspective, I stand here proud to say that over the last four years or so, we have contributed to the Medium Term Development and the policies of this Government.

Mr Deputy Speaker, I also want to thank my district CEO, the district treasury and their staff for without them we wouldn't have achieved what we have in an accountable and transparent manner. I must also thank the provincial administrator for all the support that we got from his administration and the provincial audit team. I must also thank the provincial works team for all the support that they have provided us. Without them we would not see the little success that we been able to thus far.

Mr Deputy Speaker, we have always challenged ourselves as a district to deliver accountably and transparently. Therefore after our budget, we left it to our public servants, the district CEO and the normal processes of undertaking programmes and projects in the districts.

I stand here so proud of my district staff and all those that have worked with us to ensuring that we achieved successful outcomes. We have a robust website in [www.kompiamambum.com](http://www.kompiamambum.com) for details of our achievements or for what the Government has intervened in supporting us with K10 million each over the last four years or so. You can find all details there.

### **34/05**

Mr Deputy Speaker, that would be our contribution to the Medium Term Development Plan.

Whilst there is a lot to be done as alluded to by the Minister for Public Service and also the Minister for Finance as we started the debate the demands for more projects and the developmental needs, we need the financial resourcing to be able to fund those demands. As a Government we can only do so much and I am so proud of being part of the Government that has achieved a lot in so far as its policy priorities are concerned and from a district perspective to be part of those plans and policies in making some contribution, Mr Deputy Speaker, on behalf of the people of Kompiam-Ambum again I thank this Government.

Mr Deputy Speaker, sometimes when we roll out our programmes in our districts there is a project you can do for K25 000, K30 000, or K50 000, and knowingly we commit to what a project that will be K500,000 K1 million, K300,000 or K700,000 but there is always a question of where does the balance go and no one finds himself to account for the extra allocations we do simply because all is done through tender and procurement and government systems and processes but we all know that there is a project of K500,000 that has got an allocation of K1 million.

Mr Deputy Speaker, I heard someone say on the Floor of this Parliament sometime in the past that corruption has become an epidemic and systematic and because all is done through proper processes, systems and tender and procurement processes everything is well, nothing is wrong but only God knows what is wrong, only the conniving ones know what is wrong.

Mr Deputy Speaker, if I have stolen anything from my people of Kompia-Ambum I do not deserve to come back.

Mr Deputy Speaker, K10 million a year is a lot of money, if there is any one leader or government in this country that has ever had the confidence in the leadership of each of our districts in this country then it has to be this Government.

If we have failed in making sincere contributions as the Medium Term Development Plan is concerned and so as far as our districts are concerned then we ought to blame ourselves. If we have achieved little to nothing from what has been given to our districts in the faith and in the trust that we can be able to deliver and achieve greater results then it is not the Prime Minister or the Government to be blamed but it is us the leaders of our districts and electorate to be blamed and that of our Public Servants.

### **35/05**

It is us the leaders of our districts, of our electorates and that of our public servants et cetera.

Mr Deputy Speaker, the Member for Goroka shared some valid points in relation to land ownership. Each district stations are located on land that was once occupied and owned by our colonial masters and many services and projects are now being implemented on the land thus services are now reaching our people, Whether it be the land in our district or the state land in Lae or Port Moresby, there must be proper planning done on how to use this scarce alienated land ensuring that we can get satisfactory outcome from it. If we don't utilise these scarce state land wisely and we cry out for more land from our people how can we make good use of the customary land obtained for the development of our country?

Mr Deputy Speaker, I was once the Lands Minister, and maybe there have been changes in the department, I need to be corrected. As a leader, I respect the agencies and institutions in our country for the work they do. I only observe in the belief and trust that we will do the right thing for the country and ensure that we live with clear conscience going forward.

One of the things I have observed which I think is not proper is this, if a company, organisation or an individual obtains land from the Lands department, I am not too sure on this but the *Land Act* states that the land must be developed before we sell it. I have seen that Papua New Guineans obtain land through the Lands Department and then sell it to the Asians and other foreigners without even developing it. In the process we make easy money out of the deal. This is just another example to demonstrate how such practices destroy good effort that others put in to help our country progress. If I went to Lands Department and purchased a piece of land for K500, 000 with a lease arrangement of K3000 per annum and then without developing the land and I resell it back to the state for K10 million. I got the land from the state, where is the justification for such practice? As leaders because of the powers we have, we can be able to manoeuvre and enrich ourselves. This practice is also common among the business owners in PNG.

### **36/05**

Even foreigners who come here, we are all engaged in these scheme of things. These are the kind of things that are not going to help us with the good things that we are trying to do in this country. As we go into the future there are bigger challenges for us to do the right thing in so far as our country in concerned. I think it is about living with our conscience and doing the right thing.

Mr Deputy Speaker, this Government has achieved a lot in a short space of time. I agree with honourable Sir Puka Temu that given another term I think we can do a lot more of the transformational changes that we see happening. I think it is a challenge on all of us individual leaders in ensuring that in every responsibility that we undertake as leaders in whatever office that maybe we owe it to our people to be honest and sincere.

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

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

## **ADJOURNMENT**

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

That the Parliament do now adjourn.

The Parliament adjourned at 4.10 p.m..