

**SEVENTH DAY**

---

**Thursday 2 February 2017**

**DRAFT HANSARD**

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**SEVENTH DAY**

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The Deputy Speaker (**Mr John Simon**) took the Chair at 10 am. There being no quorum present, Mr Deputy Speaker, stated that he would resume the Chair after the ringing of the bells.

Sitting suspended.

Mr Deputy Speaker again took the Chair at 11:05 am, and invited the Governor of Eastern Highlands **Honourable Julie Soso** to say Prayers;

‘Mipela kambek long yu, God Almighty. Yu bikipela God bilong mipela; yu God bilong mipela long Papua New Guinea. Papa God; mipela luksave olsem yu God bilong dispela Gavman na mipela tok tenk yu. Yu tasol God yu wokim mipela ol pipol bilong yu. Mi tok tenk yu long ol Memba bilong dispela 9<sup>th</sup> Palamen. Papa God hamas yia mipela stap long wokim wok bilong helpim ol pipol bilong yu long dispela term. Yu bin blessim mipela na lukautim mipla ikam nau. Papa mi laik tok tenk yu long dispela gavaman long luksave long bikipela blessing bilong yu long mipela, na olsem yu God bilong mipela. Mipela kisim tok bilong yu ikam insait long Palamen Haus bilong mipela. Mipela luksave long presence bilong yu o nogat; yu God yu stap wantaim mipela, long passim planti lo bilong gutpela sindaun bilong ol pipol bilong yu. Mi laik tok tenk yu long lukaut, wisdom, knowledge na understanding yu save givim oltaim; Amen.’

**CERTIFICATION OF ACTS –**

**STATEMENT BY THE DEPUTY SPEAKER**

**Mr DEPUTY SPEAKER** - Honourable Members, I have to inform the Parliament that I have in accordance with *Section 110* of the *Constitution*, certified the following Acts as being passed by the National Parliament:

(1) *The Customs (Amendment) Act 2015*;

2) *National Water (Supply and Sanitation) Act 2016*; and

3) *Tobacco (Control) Act 2016*

## PETITION

### **Lakiemata Correctional Institute – West New Britain**

Mr Sasindran Muthuvel presented a petition from certain representatives of the Lakiemata Correctional Institution in West New Britain calling on the Parliament and relevant authorities to appoint a full-time members to the Parole Board in order to address outstanding issues.

Petition received and read.

**02/07**

## QUESTIONS

### **Response to Petition**

**Mr PETER ISOAIMO** – Thank you Mr Acting Speaker, for recognising the people of Kairuku-Hiri.

Just last week there was so much controversy surrounding a land issue in my electorate of which the good people of Manumanu and Gabadi in Kairuku Hiri through our good Governor of Central and myself, forwarded a petition to our Prime Minister.

What the people of my electorate now would want to know is the position of Government, especially from our Prime Minister as head of the country and Chairman of NEC on the petition presented to him by my people.

(1) What is the Government's position now regarding the petition presented?

**Mr PETER O'NEILL** – Mr Deputy Speaker, I want to thank the Member for Kairuku-Hiri for his question.

Mr Deputy Speaker, I wish to inform this honourable Parliament that I have received briefing notes from the officials this morning. And this is the first time I received a detailed report on the issues surrounding that land, which was presented to me by the Governor of Central Province on behalf of the traditional landowners of Manumanu and Gabadi several months ago. I have instructed the officials to see on how we can help the traditional landowners who are living there.

Mr Acting Deputy, I want to assure the good Member that I have made the commitment to the Governor of Central Province much earlier before the issues that are now being debated and discussed and similar issue was raised for Woodlark Island. And I intend to allow the people of Manumanu to continue to live on that land and look at the possibility of returning portions of the land in which they are already settled back to the landowners in Manumanu.

With that I assure the people that I will go through it and make a public statement in due course.

**03/07**

**Mr ELIAS KAPAVORE** – My questions are directed to the Minister for Public Service and for the Minister responsible for Provincial and Local Level Governments, if he is around here somewhere, to take note.

I support the statement by the Minister for Public Service in saying that the *Organic Law on Provincial and Local Level Governments* is an impediment to service delivery in the country. For example, I will point out three areas that needed immediate reviews that will reflect development in our country:

*Section 33*, previously called the JDPBPC now replaced by the *District Development Authority Act* was the brainchild of our Prime Minister. The Initial intent of the *District Development Authority Act* is to have all public servants including the police, teachers and health workers to come under their district CEO. The fact is since the *District Development Authority Act* was passed there is no administrative structure in place to support it. One of the concerns that the *District Development Authority Act* aimed to address is the human resource capacity to specifically deliver services at the district level and the Local Level Government level.

#### **Empower CEOs – District Development Authority**

(1) Minister, do you think there is a need for a special devolution instruction by the DPM Secretary to the district CEOs?

Similar devolution powers were given to provincial administrators, CEOs and PEAs in the past so that, the CEOs at the district level can do their own organisational reviews, advertisements and conduct recruitment depending on their district needs. This can be accompanied by installations of the ALESCO payroll system in the district level.

The DPLC, DPM and central agencies must come up with a model structure for DDA. This, Mr Deputy Speaker, can be trialled out in the Pomio district considering our geographical isolation from the rest of the other three provinces.

*Section 82 of the Organic Law* relates to the National Government grant. Since 2009, the Provincial Health Authority (PHA) was implemented. The HR and the other assets that were transferred from PHA to the provincial administrators while the old function grants are still kept at the provincial treasury. Funding must follow functions, as you all know, but this is not the case.

### **Transfer Grants to provincial Health Authority**

(2) Can we see an urgent amendment to this section so that the health function grants get transferred to PHAs for smooth delivery of the health services in the provinces?

### **Status of Monitoring Committee**

*Section 10 of the Organic Law* recommends for the establishment of Provincial and local-level services monitoring committee. That comprises of key departments and NEST for report and coordination of national policies at the provincial and LLG levels.

Up-to-date, this government has passed a lot of legislation that must be implemented and reported forthwith.

(3) Can the Minister explain if this committee is existing, if not, what is his view?

Thank you, Mr Deputy Speaker.

**Sir PUKA TEMU** – Thank you, Mr Deputy Speaker, I thank the honourable Member for Pomio his series of questions which are very important. The questions are important because, like him I continue to believe that we need to re-look all the legislation, particularly, the legislation that become impediments to effective and efficient service delivery. And so, the *Organic Law on Provincial Governments and Local Level Governments* is one of them, and now we have the District Development Authority.

Now, we have all agreed in this Parliament the appointments of provincial administrators, consultation must be with the Governor and PEC, appointment of chief executive officers and consultation must be with the Open Member. So, those are the dynamics which these laws have brought into force. Therefore, honourable Member being an experienced public servant and head of this important authority, the new Bill in West New Britain, he has got the background

to appreciate the loops that we have created and therefore, we must bring in the right administrative structures to manage.

Firstly, let me say that, the administration of the District Development Authority is under the Minister for Provincial Affairs and Local Level Governments. Therefore, the law now is the custodian of the Deputy Prime Minister. My role is to make sure that the HR functions are properly dealt with.

**04/07**

The Honourable Member is right in asking me to clarify those three areas.

Under the District Development Authority, the honourable Minister and Member for Wapenamanda has developed an administrative structure and my department is now looking at it. He is the only Member of Parliament that has come forward and translated the District Development Authority into a mechanism on how to make it work and that is a very good start. Wapenamanda as a district is already moving into what the Member for Pomio is requesting to be a pilot electorate on this new mechanisms that we need to establish in order for us to administer the law.

I want to advise that the process of appointing the Chief Executive Officer will include the provincial administrator and a representative of the Department of the Personnel Management when the position is advertised. There is this provincial appointing committee chaired by the administrator. I know many Members want to relook at that and perhaps the district development authority should be the appointment authority.

I have some reservations as an individual Minister in that if we do that we will politicised the Public Service too much. This is because the DDA is basically about politicians. We want to maintain an arms-length approach to allow for some independents like what they do in some other countries. In New Zealand, the Public Service is completely independent and that is the best example in the world. We need to maintain some of that important time-tested principals of bureaucracy.

We need to roll out the law for a couple of years more in the next term of Parliament. The consultation is working very well with the Open Member recommending the final list to the selection committee to have the CEO appointed.

It is the intention of the Prime Minister that under the law the HR functions, roles and responsibilities are given to the Chief Executive Officer. You may recall that we did make amendments with the *Police Act* where the PPC can delegate some of his powers to the Chief

Executive Officer. This is so that his policemen and his station commander can have that clarity in making sure that the Chief Executive Officer has HR powers and roles over the policemen. We also amended that Teaching Service legislations are also brought under this same law. Similarly, the Education Secretary or the advisors in the province devolve powers so the CEO has some of those powers.

The only consequential amendment which the Parliament has yet to do is Provincial Health Authority. Under that legislation, the Provincial Health CEO gives the powers down the rank and file to the district level. This is the only amendment that the Minister for Health and I need to bring to the Floor of Parliament. Once that is done then health staff will also come under the HR management structure.

What my department and the Provincial Affairs Department Secretary are doing is finalising those regulations. They are the effective instruments under which a law is administered. Those are the ones that are being developed at the moment. I envisage a type of General Order that the CEO can administer at his level because of the enormous powers of Human Resource we are giving him.

**05/07**

For the first question, what we are doing is bringing back those regulations which will also include the developmental powers from the Provincial Administrator who my Secretary has delegated and that is same with the Provincial Administrator and the Chief Executive Officer and so we need to align those legislation. We have done it to Teaching Service staff who mainly teachers and police. Health workers is the only one which is yet to be amended to align with the Provincial Health Authority Legislation completely.

That will be the Prime Minister's expectation that every staff which is the frontline of Government service delivery must be properly managed, disciplined and the powers to delegate responsibilities and give tasks must be within the district. We do not want the Police Station Commander to be doing other things when the CEO needs him in the district. And we do not want the teachers to be running around looking for the payroll, the CEO must have a lease under which the teachers pays are there so that he has control and the health compiler in the district is complying with the standards that the Health Department is setting.

So, those are the regulations that are yet to be in place and I can assure the Member for Pomio, that those things are being worked on and once they come through we will bring it to Cabinet and it will go straight to his Excellency and clear it and it will be in operation.

But, at the moment in terms of staffing structure we have maintained the current staff in your districts at the current level. Because of resource issues we have put a ban on reorganisation and restructuring. There is an instruction from Secretary Kali that no department will restructure, reorganise or create new jobs but we have made the decision to merge certain agencies like ORD and National Planning. We are working on those things so there is efficiency and not create bigger agencies but saving within the Department

And so, what will happen is once we come back from elections we will make these amendments and then in terms of organisational structures for me I would instruct –

**Mr DEPUTY SPEAKER** – Minister, you seem to be making a statement, just answer the questions. We have other Members that want to ask their questions as well. You have only got 45 minutes.

**Sir PUKA TEMU** – I will sit down or I still have two minutes.

**Mr DEPUTY SPEAKER** – I will allow you two minutes.

**Sir PUKA TEMU** – Governor for Oro, instructed me so I sat down, thank you.

So, I hope that the honourable Members have understood the way we are organising the new legislation so that is important and then the ALESCO Payroll and everything will come into place including the pays of the land mediators and magistrates as well.

The Provincial Sectoral Monitoring Committee is where we have to do a lot of work. Let me add in the last two minutes of my statement that I am relooking at the Public Services Commission. The Chairman of the Commission has taken me to Court to stop the arrangement but my view is that Public Services Commission, rather than just addressing the aggrieved public servants who have been sacked by their bosses, should also come in to address the issues of better monitoring of service delivery out in the district and provinces.

So I am trying to change the role of the Public Service Commission, it is a constitutional office and I want them to make sure that the Public Service System is working and they must be highlighted publicly or through the Parliament. So we are looking at Public Service Inspectorate Monitoring Committee to monitor systems of delivery, monitoring and accountability, which is the only way that I can answer it.

**06/07**

I must say that the whole purpose of the *Organic Law on Provincial Governments and the Local Level Governments* was to improve service delivery. Our problem is when the *Organic Law* was passed in 1995, this Parliament failed to pass the enabling legislations. Without the law you cannot instruct Public Servants what to do. They will maintain the same thing. This Parliament owes the nation the passage of those enabling legislations to make the *Organic Law on Provincial and Local Level Governments* work. Thankyou Mr Deputy Speaker.

**Supplementary Question  
Creating District Structures**

**Mr MARK MAIPAKAI** – My supplementary question is straight forward. We have real issues in the organisational structures in the districts. From what you have said, do we have the powers to create our own structures? Because I come from a delta area and my public service structure would be different from other areas where you travel by vehicle past 10 to 20 villages all at once. I feel that I am better informed and in a position to make my own structure for my own district. The reason why I raised this is, I have built so many clinics and schools are unoccupied because I am subject to provincial requirements in terms of structuring and that is where the mishap is with a lot of schools being unoccupied. I am prepared to pay teachers college fees for students to get enough graduates to man those areas, likewise for health areas.

So the question is, do we districts have powers under the *Organic Law* to create our own structures and get it endorsed by the provincial governments and it comes through the system for confirmation by the higher authorities?

**Sir PUKA TEMU** – Thank you, Mr Deputy Speaker. The honourable Member for Kikori has raised an important matter. Mr Speaker, the answer is no. The District Development Authority CEO has no power under the *District Development Authority Act* or the *Organic Law on Provincial and Local Level Governments* to create its own structures. The reason is very simple. This is the way it is done, the provincial administration will have to provide a proposed structure which includes all the district structures to my department. That is where each district proposes the type of structure it wants precisely for its location. If it needs more teachers or doctors, put them in those position. Once it is cleared it comes to the Department of Personnel Management which has the expertise of assessing the organisational structure but more

importantly comparing the job structures, and the relativity in salaries otherwise you go overboard. That is why we still kept DPM in order to manage those relativity so some standards are maintained but the beauty about it is you need to determine what type of structure you need and recommend it to the department because that is the way we need to go.

### **Tuition Free Fee Policy**

**Mr KELLY NARU** – My questions are directed to the Education Minister on the issue of Tuition Fee-Free policy implementation at the provincial level.

Mr Deputy Speaker, the Tuition Fee Free Policy seems to be hitting a brick wall at the provincial level. There's a lot of schools in the provinces who are actually defying the instructions from your Ministry and your department and appear to be continuing to impose fees of all sorts such as project fees and assistance fees. Whatever you call it. My province is an example.

(1) How do we move forward with the implementation of the Tuition Fee Free Policy in terms of clear Government directives to the schools in the provinces so that we can effectively implement that policy and bring some degree of comfort to the parents and students who are affected by this policy?.

**07/07**

There are already instances of students being refused entry into school on the non-payment of fees condition and withholding of certificates.

(2) What is the Government's position and clear directive on this issue so that we can go forward to implement government policy and to enforce against rogue public servants who are not in tune with the government's policy in terms of the Tuition Fee-Free Policy? Thank you.

**Mr NICK KUMAN** - In 2016 the Government made a direct decision in which TFF policy in the country must be properly regulated. Since the introduction of TFF in 2012 we did not have any proper guidelines when the policy was introduced. There was no legal framework in which to support it to ensure that TFF works in the country.

Mr Deputy Speaker, so far we have expanded K27 billion right throughout the country. In 2016 the Government made a deliberate policy decision in which to safeguard the money that is paid to all the schools in the country in the form of TFF to ensure that we get a greater

degree of accountability and ensure that we must account for every money that goes to the school fees.

At the same time in the same decision, the National Executive Council has made a decision to put a blanket in position of abolishing any form of fee that is to be decided under the *Education Act 1983* in which the National Education Board imposed a maximum level of fees to be imposed in all the school system in the country both government and private schools.

As a result I announced to the nation last year that no parent will pay any form of fees to the school. The school that imposes that as a condition of students in the school must stop. This decision has not changed up to 2017 and going forward. And therefore, last week I made it plain on this Floor of Parliament that no student in this country will be turned away by any schools in which they are recipient of TFF in the country. I pointed out couple of schools in NCD including KilaKila Secondary School, Gordons Secondary School, and Tokarara Secondary School.

Mr Deputy Speaker, those provinces that have *Education Act* by way of Agency, the responsibility is decentralised to those provinces, you have a separate *Act*. The application of that *Act* does not override the policy of the National Government. The Policy decision of the National Government overrides the *Education Act* in the provinces. Those schools including Eastern Highlands, Madang and NCD are some of the provinces who do not have *Education Act* and therefore are subject to the decision of the Government.

**08/07**

As it is now when the National Government made the decision that is final. No school fees of any form will be imposed and I urge all the Governors on the Floor of Parliament to take some responsibility in the provinces, to ensure that your children are not turned away from schools.

Public servants in the provinces do not come under the Education Department, they are your officers. Make sure that the policies put by the Government like the Tuition Fee Free are adhered to. Pull all officers in line and tell them not to make decisions contrary to what we are doing in this country. We want our children to be in school, do not turn them away, they are your children.

Mr Deputy Speaker, since Monday when the school year began and through our hotline, we saw that Morobe has the highest record of complaints received. And I am sure the Governor has to take action on officers in the province. They must not come and play politics in the media and the same goes for East New Britain.

The worst record is from NCDC, they are right in the heart of the city, we are talking about our children in this country. When the Government pays the school fees Governors must make sure that your schools must operate and that they adhere to the policies of the Government. In one of the daily papers today; someone shared their views and said the Minister and Secretary for Education do not have the authority.

Under the *Teaching Service Act* I have the authority and if I invoke that power, I can suspend the principals and boards of schools. If the provincial governments and their administrations do not take action, I will do it. We are talking about the children of this country which the Government has taken responsibility to educate through the TFF policy and I will not shy away from making strong decisions.

### **Supplementary Question**

#### **School Project Fees**

**Mr BIRE KIMISOPA** – Before the Minister takes a sledge hammer and starts going to all the schools in the country, what is the evidence on the ground per school in this country to suggest that the project fees should not be charged?

The TFF fees are sometimes given to the respective schools late and also the evidence on the ground per school seems to suggest that the cost of operating the school may be much higher than the grants being prescribed for the schools themselves. If the Minister can table before this Parliament which schools; where there is evidence that there is sufficient funds and there is no basis for charging project fees. Otherwise he would be running around in this country with a sledge hammer and destroying all the schools in the country.

**Mr NICK KUMAN** –Thank you, Member for Goroka. I am not trying to take a proactive approach but I will not sit down and have students to be turned away from schools.

**09/07**

I want to inform Parliament that TFF are paid based on enrolments and when the enrolments come late for the Government to put those enrolment figures together and prepare the budget each year is a difficult proposition. We have a total of 2.2 million students right throughout the country starting from elementary school all the way to grade 12.

When the enrolment forms come late before the preparation of the budget we cannot account for every child that is in the country. So we use an average number based on the level of schools in the country. And that's how the TFF is being worked out.

So far, it's been working since 2012, every financial year we have paid our TFF up to last year. The Government won't ignore it but make it as an obligation. This is our policy and we will bring it into election.

An additional K2 million was given to every district, we have given DSIP to the districts and PSIP to the provinces. And if there is any shortfall somewhere, as responsible elected leaders we must take on the responsibilities. Why can you not do that? You come here to wait upon the Government to do everything and you relax away. What are you going to do with the money that is assigned for education every year? What have you done to the DSIP of K10 million for each district? It doesn't matter which side you are at? You must make it your business to put these funds into good use by building infrastructures. And if it means paying for school fees then do so. At least we retire our TFF commitments every year up to last year. I will make sure that by next week the first batch of TFF will be paid. I got funds in the Central Bank now and will pay to all schools in this country.

### **Iranian Refugee**

**Mr GARRY JUFFA** – Thank you Mr Deputy Speaker, I want to redirect my questions to the Prime Minister because the Foreign Affairs Minister is not here.

But I want to make a suggestion that every time Minister Temu answers questions, can we extend question time by 20 minutes because that's normally how long he takes to answer one question.

My questions are:

(1) Are you aware that a 21 year old Iranian refugee by the name of Longhan Sowari made his way from the Manus Asylum Centre to Fiji, and he is now seeking asylum there again?

(2) If so, what actions have been taken to conduct an investigation highlighting the security breaches in this instance?

(3) What type of passport he used? I am informed that it is a Papua New Guinean passport.

(4) How did he acquire this passport and what has been undertaken now as an investigation to ensure that such things don't happen again and our important security documents are not acquired and abused by criminals?

**Mr PETER O'NEILL** – Mr Deputy Speaker, I thank the Governor for Oro Province for his questions. This relates to a specific person and I am not aware of this incident but I will get the Minister to investigate and report to Parliament in the next meeting time.

### **Lancrone Base Land Deal**

**Mr KERENGA KUA** – Mr Deputy Speaker, I want to direct my questions to the Minister for Public Enterprise and State Investment.

But before I do so, let me thank him for the initiative he took yesterday to deliver a personal statement to highlight certain contemporary controversial issues.

My questions are:

(1) Did the Defence Force have title to the Lancrone Base land?

**10/07**

Title means a titled deed and not a certificate of occupancy.

(2) Was that title transferred to Kumul Consolidated Holdings Limited in return for the K46.6 million it paid?

(3) If not, what did Kumul Consolidated Holdings Limited buy from the Defence Force for the K46.6 million it paid?

(4) We already know that the Minister has no direct shareholding –

**Mr Jim Kas** – Point of Order! I think as per the *Standing Orders*, questions already raised should not be raised again on the Floor of Parliament.

**Mr KERENGA KUA** – These are new matters.

**Mr DEPUTY SPEAKER** – You can ask your questions.

**Mr KERENGA KUA** – Thank you, Mr Deputy Speaker.

Yesterday the Minister declared that he had no direct shareholding in Kurukaram Estates Limited which we accept as that was confirmed by the records of the Registrar of Companies.

(5) Can he admit or deny to this Parliament whether he has any indirect interest in that company by way of some undisclosed trust arrangements making him a beneficial owner and controller of that company?

(6) Did the Minister receive any part of the proceeds of the sale, namely that K46.6 million?

(7) Would he be aware if the Minister for Defence received any part of the proceeds of the sale?

Thank you.

**Mr WILLIAM DUMA** – I thank the Member for Sinasina-Yonggamugl for asking those very important questions.

Firstly, as the Member knows being a lawyer, the Defence Force has no title to the Lancrone Base. As to the second question, the title was transferred to KCH, and the simple answer is this, and I wish the Member compared to the Member for Kavieng is here in Parliament to hear me answer this question.

The Defence Force and Kumul Consolidated Holdings Limited entered into an MOU. A copy can be produced to my learned Member for Sinasina-Yonggamugl for him to look at. There was an MOU which was entered into between Kumul Consolidated Holdings Limited and the PNG Defence Force, dated 25 December, 2015, when the Honourable Ben Micah was the Minister for State Enterprises, and as per that MOU, although there was no clear title, this arrangement was made when payments were made.

In return, Mr Deputy Speaker, Kumul Consolidated Holdings Limited was given an exemption by the Department of Lands and as the learned lawyer knows, an exemption in favour of a particular company is as good as a title pending the formal allegation of a title by the Land Board. And as everyone knows, the Land Board had been suspended for several months last year. There was no sitting of the Land Board and there is written letter from the Secretary for the Department of Lands to the Defence Force and Kumul Consolidated Holdings Limited when given that exemption, which was already gazetted. And when the Land Board reconvenes the title will be issued to Kumul Consolidated Holdings Limited.

Everything is in writing and we were all following an MOU that was signed between the two entities when – the gentleman is walking in now – was the Minister responsible for Kumul Consolidated Holdings Limited. So, I am only completing a process which was started by the good Member for Kavieng.

**Mr Ben Micah** – Stop lying.

**Mr WILLIAM DUMA** – I am not a corrupt person like some of you.

*(Members interjecting)*

**Mr WILLIAM DUMA** – And I can say, Mr Deputy Speaker, in terms of whether or not I have direct entity or shareholding in the company, I am not here to be cross examined by people when I gave my answer yesterday that I am not a shareholder.

Therefore, if the good Member for Sinasina-Yonggamugl is trying to implicate or provide innuendo that there is a conflict of interest here. I can tell you, that when the Member was the Minister for Justice and Attorney-General he definitely saw no conflict of interest when he engaged his former law firm.

**11/07**

*(Members interjecting)*

**Mr Ben Micah** – That's not the point.

**Mr WILLIAM DUMA** – Millions of kina in legal fees, do you consider that a conflict of interest situation?

*(Members interjecting)*

**Mr Kerenga Kua** – That is a lie.

**Sir Michael Somare** – Point of Order! The honourable Minister is responding to a question. He should not insinuate the Member's credibility who had asked the question.

**Mr WILLIAM DUMA** – Well, he is insinuating my credibility.

*(Laughter in the Chamber)*

**Mr DEPUTY SPEAKER** – Minister, please answer the questions.

**Mr WILLIAM DUMA** – Thank you. I am in the process of responding to a question in which my credibility is being questioned. The main issue is that whether or not this transaction is fraudulent and corrupt. If that is the end then the issue of conflict of interest situations arising or not does not affect the validity of the transaction. The good Member knows that.

All I am trying to say is that if he is trying to raise the innuendo that I had a conflict of interest situation which he himself was placed there once but failed to see it.

**Mr Kerenga Kua** – Point of Order! I'd like us to tell the truth. We are in Parliament speaking for millions of people of this country. There is a big difference. I had no equity or no direct or indirect interest in the firm of Posman Kua Aisi Lawyers since 2010. Before I became a Member of Parliament, I ceased to be a shareholder in that firm in 2010.

My point of order is that he is lying because he seems to have some direct interest in the company.

**Mr DEPUTY SPEAKER** – Thank you, Minister, continue with your answers.

**Mr WILLIAM DUMA** – Mr Deputy Speaker, no one can become the judge and jury in this Chamber unlike the good Member for Sinasina-Yonggamugl. He has no basis to say that I am lying when all I am trying to say is that he is alleging that there was a conflict of interest situation which he has been in so many times. Who is the hypocrite here?

I gave my answer here yesterday which was in writing. I said that I am not a shareholder and that is as far as we can go. If the good Member for Kavieng were to ask me a question, I would just tell him what he was doing when he was the Minister. All those moneys that were paid out through unapproved processes. All the millions of kina –

*(Members interjecting)*

**Mr Ben Micah** – Point of Order!

**Mr DEPUTY SPEAKER** – I made a ruling that I will not accept any more points of order.

**Delay in K10 million Funding for East Sepik Province Court House**

**Sir MICHAEL SOMARE** – Member for Kavieng, obey the ruling of the Deputy Speaker. I would like to direct my question to the Attorney General.

Tomorrow is the opening of the judicial year for East Sepik that will be taking place in Wewak. There will be judges and many others going to my home in East Sepik.

My question to the Attorney General is:

I was allocated K10 million for the construction of my Supreme Court building but it is half complete. What is the problem? I am asking this because tomorrow is our opening day for our legal year. Many judges including both genuine and dishonest lawyers will be there.

**12/07**

**Mr ANO PALA** – Thank you, Mr Deputy Speaker and I thank the Grand Chief for his questions.

Mr Deputy Speaker, as far as I am aware the K10 million was released from Finance but I am not sure where it actually went. I do not have access to that information. The only information I have is that the funds were released so honourable Grand Chief, I can only suspect that there has been abuse of those funds.

I understand that those funds were released during your time as prime minister and as to where those funds went I am not sure, so I will task my department to investigate and find out where those funds went and I can report to this Parliament or to you Grand Chief.

**PERSONAL EXPLANATION**

**Mr GARRY JUFFA** (Northern Province) – I seek leave of the Chair to make a Personal Explanation.

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

**Mr GARRY JUFFA** – Yes, Sir!

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

**Mr GARRY JUFFA** – Thank you, Mr Deputy Speaker. I wish to make this personal explanation on a matter that concerns each and every one of us and it is particularly in relation to a matter that I raised on the Floor to the Minister for Labour.

In my question to the Minister for Labour, I highlighted the existence of a criminal system operating out of the Labour Department that was procuring work permits for expatriates to come and live and run their businesses here.

I also highlighted the fact that there was a number of foreigners working in Oro Province unlawfully or they were residing there and are working illegally with work permits and visa that have been obtained illegally.

The Labour Department took out a press statement on 31 January 2017, which was signed by the Secretary and I want to commend the Labour Minister, who is not here but –

**Mr James Marape** – Point of Order! With respect to the Governor of Northern, can I ask you to consult with the Clerk whether the type of statement he is making is consistent with the *Provision of Standing Orders* on Personal Explanation?

**Mr DEPUTY SPEAKER** – Governor, you can just explain.

**Mr GARRY JUFFA** – Thank you, Mr Deputy Speaker, my name has been raised here in this article specifically questioning whether I had any substance in asking that question therefore, that is why I am explaining this, okay.

So in here in the media release, basically the Labour Department states that they do not have any idea of any syndicate and also they have no idea of such things that exist in this country.

According to them everybody in this country is legally here working which is not true, all they have to do is take a walk down any street or any shop and speak to any expatriate in there and you will find out for yourself that they are illegally here. They cannot be here lawfully because they cannot speak English, prerequisite for having an employment permit and a Visa, so I have reports here to counter that.

There was a report on October 2016, by a former employee of Labour Department, highlighting all the issues including the existence of such a syndicate and the corruption that exists in the Department. That report was given to my Office and to the Labour Department so for them to say that they are not aware of it is quite strange.

**13/07**

Secondly, I have another report here with copies of work permit and visas which I obtained myself in the presence of administrators in Oro province. These are copies of all the work permits unlawfully obtained with all the visas. I wish to table this. This is a matter of great interest to our nation, it is about our jobs and our businesses. If I may please table this report and I would also like to ask that the Government and the Prime Minister, we have events like APEC coming up and we need to ensure that we have very good security in regards to such documents as work permits and visas.

I would like them to carry out an investigation into this. I commend the Department of Labour for trying to carry out the review but this must be a holistic effort by all departments including the Police and the Migration and the Prime Minister Office.

I seek leave to table these documents.

**Mr DEPUTY SPEAKER** – Leave granted.

**CONGRATULATORY SPEECH –  
STATEMENT BY THE DEPUTY SPEAKER**

**Mr DEPUTY SPEAKER** – On behalf of my people of Maprik and his people of Kabwum would like to congratulate Honourable Bob Dadae on his election as the Governor General of Papua New Guinea. A brief history about the Governor General elect.

He was first elected in the General Elections in 2002 to the Seventh National Parliament for the Kabwum Open Electorate as a United Party Candidate. After the 2002 Elections, he was elected Deputy Leader of the United Party. On June 30, 2004, he was elected Deputy Speaker unopposed.

He was re-elected in 2007 General Elections to the Eight National Parliament for the same seat as a United Party Candidate. On August 29, 2007, he was appointed Minister for Defence until August 2, 2011. He was re-elected in 2012 General Elections to the Ninth National Parliament for the same seat as Peoples National Congress Party Member. He was appointed Chairman of Public Works Committee and appointed member of the Private Business Committee, Public Accounts Committee and Standing Orders Committee.

With that I congratulate the Member who is now our Governor General elect. Member for Kabwum, congratulations.

**Mr PETER O'NEILL** (Ialibu-Pangia – Prime Minister) – Thank you, Mr Deputy Speaker. I too join you on behalf of our people and our Government in extending our sincere congratulations to the Governor General elect and the current Member for Kabwum whom I have known for over 30 years as a fellow professional in the accountancy field.

Mr Deputy Speaker, he is a career man. He has practiced accountancy with the Lutheran Church and he comes with very strong Christian principles from that background. Mr Deputy Speaker, having worked there he assumed a membership of the Morobe Provincial Government for five years before he was elected to this Parliament.

**14/07**

I am sure that he will serve this highest office with great honour and higher distinction that he will provide. I congratulate him. He is a humble man and we have every confidence in him that he will do us very proud in the discharge of his duties as the Governor General of our country.

With that we congratulate him and look forward to working with him in the future. We wish him well. Thank you.

**Mr JIM KAS** (Madang) – Thank you, Mr Deputy Speaker. I stand to speak as the Chairman of the Momase Governor's Council representing the people of East Sepik, West Sepik, Madang and Morobe to thank the Parliament for choosing for the first time a son from the region to be the next Governor General of Papua New Guinea.

I also take this opportunity to thank Mr Edward Ranu Diro and Mr Timothy Bonga for being nominated as candidates to contest for the same post. I thank them for attempting for the post.

I also take this opportunity to thank the Prime Minister and the People's National Congress Party for nominating Mr Bob Dadae as the candidate for the Governor General's post.

I also take this opportunity to thank all the coalition Members from both sides of the House for electing the honourable Member for Kabwum to be the next Governor-General of Papua New Guinea.

The office of the Vice Regal is an honourable office and I believe the nominee for the Governor General will uphold the office and he will represent firstly the people of Papua New Guinea.

On behalf of the people of the Momase region, I thank this Parliament for having recognised a candidate from the region to be the next Governor General. Thank you.

**Mr SAM BASIL** (Bulolo) – On behalf of the Opposition and also on behalf of my people from Bulolo I share the same view of the Prime Minister and the Governor of Madang in congratulating the sitting Member for Kabwum.

I remember last year when the Member for Kabwum and I went to the last village of Waria LLG joining Kira in the Oro Province. The Member's wife is from Kira but he hasn't visited the village for more than 29 years. We had a big reception and the subject of Governor-General was discussed. I thank other Morobe Members in the PNC Party especially Mao Zeming for that.

I thank the PNC Party too. As a Morobe, I urge and encourage that Mr Dadae will represent our people of Morobe as this is our first time to hold such a post. We are aware that Mr Timothy Bonga was also contesting for the same posts but we are also proud that he was the first Speaker from the Morobe Province and it was only fair that the Member for Kabwum must be the first Governor General from Morobe.

I acknowledge Mr Ted Diro former Commander of PNGDF. He is a good man with high calibre but Mr Dadae was appointed

**15/07**

I want to encourage my fellow country man that he must stand firm and uphold the Office of the Governor General. Because sometimes the Government makes decisions that require the input of the Vice Regal and citizens will be looking to you to make fair and responsible decisions to uphold the democracy of this country.

Under your leadership we have trust that you will do a good job and that you will be a good representative of the Queen in our country.

**Mr KELY NARU** (Morobe) –I would like to join my other colleagues in congratulating the Governor-General elect, Mr Bob Dadae. On behalf of the people of Morobe, I want to thank

the Parliament, the Prime Minister and all the Members for contributing to the election of the Governor-General.

Sharing the same sentiments of my other colleagues; I want to say Mr Bob Dadae is a humble and simple man. He has served 20 years of public life in his position as one of the Members of Parliament and a Member of our Provincial Assembly. The Governor-General elect is from Tamagan village which is in the Biamos Local Level Council which is one of the four LLGs in Kabwum district. I was privileged to accompany him to his village; where we accompanied the Minister for Works.

On behalf of the people of Tamagan village and Biamos LLG, together with all the LLGs from Kabwum and the people of Morobe, I am proud to say that one of our very own is the Governor-General elect for this country. Our *Constitution* has always reminded us to be fair in appointments of such high office and the Parliament has shown its fairness by electing Mr Bob Dadae.

I would also like to take this opportunity to thank Mr Timothy Bonga who was one of the nominee. It was a hard decision to make as you are both my country men and I was put in an awkward position but as it was a secret ballot, am happy one of you eventually came out victorious.

I take my hat off to Mr Ted Diro who came into the race. It's only fair that one from our region has been elected.

**16/07**

On behalf of the people of Morobe Province, thank you very much Mr Deputy Speaker, for this great honour that you have bestowed upon one of our sons. We will not let you, Parliament and the people of this country down. With that I want to tell the Governor-General elect that the *Constitution* of this country is like a *Bible* in which you must follow when you enter this important office. You are not new in this office, you have experienced it and will carry on from there.

With that I leave you with this *Bible* reference from the Old Testament in the book of *Micah 6:8*, '*Do Justice, Love kindness and walk in humbleness with the Lord as you always do*'. Congratulations

**Mr KERENGA KUA** (Sinasiona-Yongamuggl) – Mr Deputy Speaker, I too feel compelled to add my congratulations to the Governor-General elect and Member for Kabwum.

As a fellow Lutheran and a Songan as well, I congratulate him on behalf of the people of Sinasina-Yongamuggl. I also recognise that three very good men contested for the job in volunteering to serve this nation at that very high level. And all of them accomplished, experienced senior statesmen and full of wisdom. And this Parliament in its wisdom saw fit that one of them, being the Member for Kabwum, should be the one to serve the nation at this juncture in this very high office. The office of the Governor-General is largely ceremonial office. The Governor-General is expected generally by virtue of the *Constitution* to act on advice only.

However, I want to say here as a fellow Member of this Parliament to the Governor-General elected has that he doesn't have to accept every advice that comes to his office.

Once in a while the Cabinet may send advice for his signature which may not be consistent with the world as he sees it based on his education, experience and wisdom he may be of a contrary view. And in those sort of circumstances, I believe as a former practising lawyer that the Governor-General that a residual power to decline to endorse any decision which is not consistent with those beliefs that he has. He can refer the matter back to the Cabinet with his views and expect them to alter their position so that he can be obliged to sign off. So that power ought to be there even though its debatable I believe that is within the realms of his discretion and it is not incumbent upon him to necessarily sign off on every single advice that comes to his desk and that's one thing that he must feel free to do when the appropriate moment comes and not just in every situation. But when there is an appropriate moment he should hesitate to do that in the interest of the country generally.

Secondly, on an informal basis the Members of the Government or the Opposition, interest groups out there in the community will be coming into his office for consultation or informal advices. Based on his many years' experience as a professional and then as a Member of this Parliament for four consecutive terms he has got all the requisite experience and wisdom to be able to provide the kind of advice that people will need in this country to keep the country progressing smoothly.

One of the big issues that I see emerging, Mr Deputy Speaker, in which he can from that office lend a lot of support is on the question of whether or not we as leaders presently in the office that we hold can continue to hold this country together as a unified nation going forward with the question of Bougainville referendum out there and a call for more autonomy arising out of New Ireland and all of these. We need a father figure in front of us as more senior leaders like the Grand Chief Sir Michael Thomas Somare and Sir Julius Chan are approaching

the end of their careers that we need to look up to somebody else who can fill those shoes and provide the kind of cohesive leadership that is needed.

**17/07**

These are issues that he will be facing as the Queen's representative in the Office of the Governor-General, and we look forward to the kind of advice and wisdom that he can bring to play regarding places like Bougainville and New Ireland, Hela and Southern Highlands and other provinces which are affected by the major projects that we have.

We need a father figure to rally around in these controversial issues that we face in those provinces and places. How we can be able to, as we try to work our way through, there must be somebody whom we can look up to, respect and expect to bring some peace into our hearts as we as human being try to deal with these challenging issues.

Finally, Mr Deputy Speaker, on behalf of my people of Sinasina-Yonggamugl and Members of the Lutheran Church and other churches throughout the country, I extend to the Governor-General elect our heartfelt congratulations, we wish him all the very best, and we hope to see him down there as the new Governor-General shortly.

Thank you, Mr Deputy Speaker.

**STATEMENT BY GOVERNOR-GENERAL ELECT –  
PAPER – MOTION TO TAKE NOT OF PAPER**

**Mr BOB DADAE** – Thank you, Deputy Speaker of Parliament.

I stand here to make my last statement in this Chamber. Looking back over the last 15 years of my being in Parliament and to speak of them in just a few words is no easy task for me. If I had time to prepare a statement then I would have had something much better to say but as time is short, I will have just speak off the cuff.

Firstly, I would like to thank the other leaders who have spoken before me. I will not repeat anything that has been said before.

For three terms the people of Kabwum have given me the mandate to represent them here in Parliament amounting to 15 years. Now, once again, I have been mandated by this Parliament to serve in another Government House of the country.

To have the opportunity to serve as a Member of Parliament and then to be appointed to become the Governor-General in only 15 years of politics must be a record. This may have

occurred in the past but if this is the first of its kind by a serving Member of Parliament than it is a huge privilege for me.

As I walked along the corridors of this Parliament for the last 15 years I have come to know a lot of people.

Mr Deputy Speaker, I know a lot of people here in Parliament from the cleaner all the way to the Clerk of Parliament, they all knew who Bob Dadae is. Therefore, I would like to also take this opportunity to thank everyone who I know personally. I also would like to thank all the Members of Parliament that I know since 2002 and some of whom already gone but others are still here like the Prime Minister, Deputy Opposition Leader and some of the senior Ministers like the Leader of National Alliance, the Leader of United Resource Party and the Minister for Public Service, just to name a few.

I would also like to thank us all for working, deliberating, debating and et cetera together in order to carry the burdens of our people. I would like to thank the leaders and Prime Ministers who saw my potential and gave me portfolios and other tasks while I was a Member of Parliament, for example, being the Deputy Speaker as I have mentioned. Other positions which I have held included being the Chairman for Constitutional Laws and Acts and Subordinate Legislations, Chairman for Works Committee, Deputy Chairman of Public Accounts Committee and as a committee member of the Private Business Committee.

**18/07**

I am a former and one time Deputy Speaker. It is a privileged Chair which you are now occupying. I was also privileged to be a former Minister for Defence. I thought I was going to finish my term as Minister for Defense but unfortunately I was replaced because of changes that took place. With these experiences I am confident that Parliament giving me the mandate is no mistake. The Parliament has chosen a suitable candidate in me. My people also had confidence in choosing me to represent them as their elected leader. I want to assure you that I will do my best in holding the Governor General's Office with dignity and integrity.

I would like to say thank you to the people of Kabwum. Some are listening on their radios while others are watching the live telecast on television. I would like to say a big thank you to my voters, supporters and my committee who had trust in me that this leadership is not for us but for the people. To be a leader is to be a servant of the people. It is a very demanding role but they had confidence and trust in me that they kept returning me after every election.

I would also like to take this opportunity to thank my wife and children. You all know the hardships we face as leaders. There are so many demands that you have to put up with every time. We tend to leave all the household responsibilities to our wives in grooming and raising our children. When I first became a Member of Parliament my eldest son was still a kid but today he is married while the last daughter is almost completing her year 12.

My wife Anna Muingnepe is from the Bulolo Electorate therefore the Deputy Leader of Opposition sometimes likes to address me as brother in-law. He is right in calling me that because he and my wife come from the same area. I think the people of Wau-Bulolo gave me a special person to be my wife. She is always supportive in my endeavours as a leader in the district. There is a saying “behind a successful man is a strong and helpful woman,” and for me this is very true. The Kabwum people know of this cooperation between us so once again and before all you leaders in this Parliament and the people of Papua New Guinea, I thank her for her support.

I must also say thank you to the political parties that recognised me as an elected leader in my political career. Firstly, I thank the United Party which is also a pioneer party in this country with the leadership of late Sir Tei Abal. I thank the National Alliance and PNC for having trust in me for my two terms in Parliament. My big thank you goes to the PNC Party, my Party Leader and our Prime Minister, Honourable Peter O’Neill for having confidence in me.

**19/07**

If I was not with the PNC Party, I don’t think I will make it back in this election because the elections now are very competitive in terms of money, food and stuff like that.

I want to thank the people who worked with me during this term when I was the Provincial Member and National Member for their support to my office in making sure that the visitors and people who want to see me come through them and see me. My officers here in Parliament, in the office in Lae and in Kabwum for having patience and dedication to serve our people.

Last, but not the least, I would like to say thank you to Anutu, God because I believe that to gain the kind of recognition from the leaders of this Parliament, should not just have happened, but the Lord had a plan and out of these three same standing leaders or even two of my senior leaders should have been voted but I was selected and I believe that it was God’s plan and I would like to say thank you to God for this opportunity.

I want to thank the Members that voted me to take up the post as the Governor-General of Papua New Guinea and I want to assure the people of Papua New Guinea that I will truly serve the Queen of the Commonwealth and the Independent State of Papua New Guinea.

The Office of the Governor-General must maintain the integrity and dignity, respect for the *Constitution* and democratic system of the Government. It is very important and I will always consult and seek advice from NEC before I sign off my signature. I will use the advice of the Member for Sinasina-Yongammugl, that before the Governor-General make his decision he must consult with the NEC and whatever the decision then we can come to an understanding and I can sign off.

I am not sure about the job of the Governor-General, I thought it was to sign papers, welcome the dignitaries of overseas countries, and welcome the prime ministers and department heads to gain recognition to perform your duties. But if there is other duties that the Governor-General must go visit people and do work for the people, I must perform it.

Papua New Guinea is made up of more than 800 languages and cultures and many of our people in the rural part of our country have no excess by road or by plane or they even don't see their Members, those are the people I want to go and see.

Another thing is that there is a lot of unfortunate people who are voiceless and helpless, if the Governor-General has a role to comfort them than my wife and I will be very happy to take part in our district of Kabwum.

With these I would like to say thank you again and hold strong to the saying that we make, I didn't learn this from school but our children when they give a speech and when they come to the end they say Papua New Guinea we are one people, one country and one nation under God.

**20/07**

I have firm belief in that and I love my people of Papua New Guinea. I will be there to welcome everyone who wishes to visit the Governor-General's Office, unless there are protocols in place but my office is open to all the Members of Parliament too.

As this is my last time to stand here and share these few words. I want to share with you from my experience as a politician, starting from my province and here at the national level. Three things I would like to share, be simple, be honest and be people connected. There are different ways and systems in the different electorates because we come from different customary background. There are also different ways to judge a leader but among all these, from my experience with my electorate of Kabwum, it all goes down to these three, be simple,

be honest and be people connected. I think through this approach you will win the hearts of many people and you will not sweat to campaign during elections because all you will do is put up your posters and put up your report and you will come home.

If this opportunity never came I was looking to that day in 2017, but since this opportunity has come I could not say no because it was time for Momase and Morobe. In Morobe province, I am a senior politician and my political party has the numbers and therefore when I saw that the opportunity was here to grab, I raised my hands to compete for the post. I thank God for the choice made by his mandated leaders who are here, for choosing me. I thank you all and I pray that God will help you all as you compete in the 2017 General Elections.

For myself, the headaches of dealing with the people's petitions has come to an end. I tell my people that I don't have an office. I carry my office with me wherever I go. But this practice will stop as I will now be confined to my office. I have been elected to occupy a significant office and I will have to learn the protocols and as a grassroots man I find it challenging to adapt to this new system of life. Therefore, I thank you that with the help of God, I can serve the people, the country and the Government. May God bless you all.

**Mr JAMES MARAPE** (Tari-Pori-Finance) – Mr Speaker, before I move a motion without notice, let me firstly on behalf of my family and people of Tari-Pori pass my congratulations and commendations to the Honourable Bob Dadae for his elevation to the Office of Governor General of Papua New Guinea.

Mr Deputy Speaker, having said this let me pass our sincere appreciations to Sir Michael Ogio, the current Governor General of Papua New Guinea in his life of service to the country which he held up until the conclusion of his post as the Governor General. I take this time on behalf of every one of us and on behalf of the Prime Minister and Government to convey our sincerest appreciation to Sir Michael Ogio. We wish him well in his life, retirement and his health and his continual leadership. I would like to convey this appreciation also to the people of Bougainville for lending one of their finest sons to the Office of the Vice-Regal of PNG and his services to the country is noted. May we join hands in commending the fine work that knight, Sir Michael Ogio has given to our country.

**21/07**

#### **MOTION BY LEAVE**

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

Leave granted

**SUSPENSION OF STANDING ORDERS –  
RE-ARRANGEMENT OF BUSINESS**

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

That so much of the *Standing Orders* be suspended as would prevent the Prime Minister presenting the APEC (*Safety and Security*) Bill 2017

**ASIA PACIFIC COOPERATION (SAFETY  
AND SECURITY) BILL 2007**

**First Reading**

Bill presented by **Mr Peter O'Neill** and read a first time.

**Second Reading**

Leave granted to move the Second Reading forthwith.

**Mr PETER O'NEILL** (Pangia-Ialibu – Prime Minister) I move –

That the Bill be read a second time.

Thank you, Mr Deputy Speaker, just a little speech, on the Bill, Mr Deputy Speaker and Members of this honourable House, our country will host this particular important event in 2018. Papua New Guinea has been a member of the APEC Community since 1993.

Out of the 21 Member economies, Mr Deputy Speaker, they control 50 percent of the global trade. Papua New Guinea is the only member that has not hosted any APEC meeting since we have joined the group in 1993.

At the annual economic leaders meeting in 2013 in Bali Mr Deputy Speaker, I put forward Papua New Guinea's intention to host the APEC 2018 meeting which was supported but not entirely endorsed by the APEC member countries. Because they thought that we did not have the capacity to host it.

**22/07**

The smaller countries in the APEC membership community like Brunei, who lack the infrastructure and their cities are much smaller than ours have been able to host successful APEC meetings. There is no doubt now that we are capable of hosting this event. We are expected to host over 200 meetings throughout many of the centres; such as Kokopo, Madang, Lae, Goroka and few other places that have been identified as destinations for side meetings both formal and informal.

What we call the ABAC meetings which is the APEC Business Advisory Council meetings, senior officials meetings 1, 2 & 3. The last meeting will be the Leaders meeting in November 2018. And like all other member countries we are expected to provide safety and security, so that we can be able to deliver this meeting efficiently and effectively. It also means that we have to pass this legislation so that we can give more protection to the distinguished leaders who are going to visit our country.

The law proposed to ensure that it complies with our *Constitution* and allows the RPNGC, the PNGDF and other safety and security agencies of Government to implement the security policies and operations during the APEC period.

Mr Deputy Speaker, this is the legal basis for us to continue to consult and receive bilateral and multilateral safety and security assistance, especially the security requirements for the leaders who are visiting our country; the Presidents and the Prime Ministers who have a much higher level of security than ours. This is because of the risks that they are in due to the positions that they hold, especially for countries like us China and Russia.

The security details that are required for this are quite challenging. Therefore we have our international security partners, the Government of US, the Government of Australia and other members of the APEC countries who have come in partnership to assist us in building capacity. But the leadership of the security arrangement will be provided by our agencies under the command of the Police Commissioner and the Commander of the Defence Force.

The law will continue to be constitutionally compliant and ensures that our country's sovereignty is not undermined and all foreign personnel engaged will have certain immunity and privileges just like the members of the diplomatic corp during the time of the APEC meetings only in line with our *Constitution* as well. This is an important event and there has been no other time in the history of this country that we have hosted a meeting for the 21 heads of Government around the world.

That is why these arrangements are very necessary. When we applied to host this event in 2013 in Bali; there were a lot of suspicions that we were not capable of hosting this but so far we have demonstrated to all the member countries and their officials, the arrangements and the lead up meetings that we have been hosting so far; shows that we are more than capable to host an event of such magnitude and we should be proud.

We will engage meaningfully with over 10, 000 members of a global business community who are going to be present during that time. We are well in advance and there is no turning back. We are now confirmed. Vietnam will be hosting the meeting this year and after that it will be us.

The in-coming Government after the Elections will have no choice but to take ownership of this, this is why it is important that both sides of Parliament has to work together to make our country proud.

**23/07**

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**

Leave granted to move the third reading forthwith.

Motion (by **Mr Peter O'Neill**) – proposed –

That the Bill be now read a third time.

**Mr GARRY JUFFA** (Northern) – Mr Deputy Speaker, I wish to debate on this issue. Firstly, I would like to commend the Government for the preparation in relation to this important international event. I do not care too much about APEC but am very critical of it because I feel that it is a forum where much will be centered on the interest of the rich. So, having said that, I would like to state that at all times while we host this meeting we must always be mindful of the citizens of this country that ought to benefit from any trade agreements and arrangements that we may enter into without the nation.

Nations are controlled by wealthy organisations and entities, often times when they behave in an un-restrained manner, they widen the gap between the ordinary people and themselves. And the world becomes more and more about greed and profit rather than about humanity and the interest of the average ordinary person who has the right to live on this earth as well and protect his interest and of his family.

But having said that I want to comment specifically on the issues of security. This is a major world event that will bring to our shores VIPs who will expect a certain degree of security protection. It is a big call for small nation like PNG, rather than focus on the negativities I would like to look at the positives that may come out from such a meeting. Here is an opportunity for the government to take a very close look at our national security mechanisms.

In particular I would like to refer to our intelligence communities. Here in PNG our intelligence community has deteriorated significantly since Independence.

For example, the National Intelligence Organisation (NIO) which used to have a staff ceiling of 100 has now been reduced to less than 30 and we have continuous and constant acting appointments. We also have not yet evolved with the growth of the economy and population and the increase in threats and opportunities in such a manner that we have designed security mechanisms to help us and aide us in our decision making.

**24/07**

As we have at all times strive to make decisions that are in the best interest of our nation and our people.

It is important that as the economy grows and develops, it develops a vibrant intelligence community. The purpose of an intelligence community is to produce high quality intelligence for all levels of decision making. For instance, the Prime Minister admitted that he did not know about the incident in Fiji. Now, if we had a very capable intelligence organisation he would have been informed the moment it happened. It is not the Prime Minister's fault.

Ultimately, it is the responsibility of this community to produce and provide that intelligence so that he is aware.

He had a Labour Minister admit that he did not know that there were a significant number of people in this nation who are unlawfully here and working but who have vital Papua New Guinean security documents in their possession, which they have obtained unlawfully and illegally.

We have significant national security threats to our jobs, businesses, culture and resources. These threats would be exposed and identified by a very active intelligence community which could also provide the solutions on how to mitigate these threats. We do not have an intelligence capability offshore. Most nations do and they call them diplomats.

We send ours to just – I mean our diplomatic offices offshore are quiet – I have to give credit to them. They work very hard but there is not enough of them. If you were to go to one of those offices there would only be two or three people there.

We need out intelligence community also offshore screening people that are coming into this country for whatever reason. And finding out who they are and what they want to exactly do here. Right now we have a significant number of transnational criminals operating in this country and this is haven for them. They operate at will and whim and they can do whatever they want and they make a lot of money here and they take that money offshore as well. This is because we simply do not know that they are here.

This is an opportunity for us to develop our intelligence community. Revamp the NIO and build up offshore capability. Have a coordinating mechanism that is vibrant, active and using modern technology so that we produce quality intelligence for our NEC, the National Security Advisory Council, Defence and Police. This is so that we know in real time what the threats are to this nation and also what the opportunities are.

Say for instance, if a company is coming here to do business. We ought to know who that company is. We ought to know for instance, a criminal fugitive and why they are coming here and whether or not it would be a security risk to give that person a passport or allow them to operate a business here. We ought to know the growth of the various transnational criminal organisations and syndicates that are operating here. Who are proliferating throughout the country taking away our jobs, businesses and not paying their taxes. Most of these organisations do not pay taxes because they do not believe in taxes.

And where is our Internal Revenue Commission by the way? They do not have an intelligence capacity or capability. They outsource their screening of the economic landscape to identify the perpetrators of tax evasion. They are rather going out after the people who are

turning up to pay tax but there is a whole lot of entities out there that are not paying tax. They are going after. Why? Because they simply do not have the intelligence. They do not have the means and know how. So, here we are during an economic downturn looking for money but there is money out there.

What about the illegal fishing companies that are operating offshore? Their motherships send in their fast boats to catch the fish under the cover of night. The local turn up to try to convince them not to do this and their get fired upon. I know that this has been happening in Milne Bay and Manus. They do not come to all the provinces because it is funny in that we are protected by our own pirates. This is strange but we should be protected by our own intelligence community. These are some of the things that I feel we can take advantage of in regards to this meeting that is about to come about. The national security review should be undertaken by experts and we have experts.

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We have a large number of very qualified people in this industry who if called upon can come forward and give you the advice that you need in regard to how you can develop a very vibrant intelligence community. This nation needs protection, its people, its resources, and without a vibrant intelligence community we are not going to be able to do that.

I will support this because we are already in progress as the Prime Minister has pointed out. We can put aside our personal views and try our best to ensure that we are prepared for this. That is my suggestion that during this processes we take advantage of the situation and look at our intelligence community. It is very important to every Papua New Guinean, each and every one of us, especially the decision makers here, that we have credible and quality intelligence to be able to make the decisions that we need.

Thank you very much.

**Mr DON POLYE** (Kandep) – Thank you Mr Deputy Speaker, with the bill we understand that it will have a duration of two years to support the APEC activities and then it would lapse.

We the Opposition support the Government in this legislation to prepare for the APEC Meeting. The Prime Minister raised a point asking if both sides of the Parliament could work together for this very important event.

Mr Deputy Speaker, I would like to state here that the Opposition does not oppose the APEC Meeting or any other event therefore our support and the need for us working together is paramount. But the concerns that we have been raising should be the concerns of the Government too.

We are finding that cash flow issues are becoming a challenge and our economic growth has in a way declined. How we manage that whilst at the same time providing the much needed services like medicines in our villages, maintaining existing infrastructure and social mandates to our people is also very important. We must do so much of a dramatization of an international event and park so much of our resources in that one area for two days only. In doing so we might risk our people suffering. That has been the trend of this Parliament and this Executive Government. This is our only concern.

However, to work together in welcoming any international event including the APEC Meeting, it is the paramount responsibility of everyone in this country. The Opposition consents to this but it is our duty to make sure that we also manage it prudently. Whilst creating an impression of Papua New Guinea being a world leader at the international level, we also balance the important responsibility of making our people meet their ordinary day to day needs.

Having said that I would like to mention two things. Firstly, I would like to caution the Parliament and this Government that we have some cash flow issues. Our caution would be to close all those loopholes by which we see so much public funds being used in areas that are of no economic value. The Government has a responsibility to manage the budget or the Appropriation Bill of 2016 and 2017 Budget. We do see other State Owned Entities or SOEs and other systems of governance where Government also uses money in catering for them. There is a significant and profound leakage of the country's wealth going out through those areas.

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I think there are so many examples of that that this House is aware of so my caution is that the Prime Minister, the Treasurer, Minister for Planning and Minister for Finance it is good to pacify a rhetoric of your Government but it is very important to be realistic as to how you control the money because this one or two day event will consume a lot of money when we are under pressure. That is the caution I want to give because you are talking about 2018 APEC Meeting coming on board by a new Government so don't forget it will be after the New Government has been sworn in and you will find new and old members here and the Government will not be as prepared as it is. So that means that the money that you have for

this program and the systems that you have in place must have the readily available resources necessary to run this programs without any hindrance or impediments that will affect your 200 meetings that are taking place in the country so that is a very critical area in terms of finances.

I would like to caution that there is evidence of finances leaking out, or being abused or being used or being misappropriated within the Government Systems and I would like to challenge that it will be taken into consideration prudently.

Second point that I would like to raise is what are the issues that our country Papua New Guinea going to present not just as the host of the APEC but as an agenda. As the host we must have an agenda, we must drive the agenda of the APEC Meeting discussions.

I did raise some questions earlier on in the Session and the proponent of the Trans-Pacific Trade Agreement, the President of America has taken a completely different view to this and Papua New Guinea's position on this because we can be affected if we have free trade agreements with other countries who are also Members of APEC. So this is an issue that Papua New Guinea must be prepared for and should discuss and I hope that in the next Parliament the Prime Minister and the Team will come and articulate as to what is the agenda that the Papua New Guinean Government on behalf of the Nation will be presenting before the APEC to address this issues.

The Opposition has been making a proposal that when we see America going to a more Protectionism Mode in trying to protect themselves and their interest. For instance the current president, Donald Trump has made executive orders saying that if any American producer or manufacturer would like to go out of the country to produce or manufacture, it has the tax that affects them, but if you want to produce within America then taxes are low and they build America economically.

Look at what is happening in the European Union where they have this bracksheet, Britain going out which is also to do with protecting their own economy because over this period of analysing globalisation and its impact and free trade concept and the practical activities that have been taking place within regions, the world economies have some to be prone to think and have evidence to think that rather than liberalising all economies, lets protect ourselves, our economies, businesses and SME's etcetera.

Now, Papua New Guinea, if you look, we are not an exposed economy, we are very fragile indoor economy but recently we have been exposing ourselves over the last ten years but with this kind of influence and shock that you see, if America is thinking more about protectionism and so you find similar trends followed by the Europeans Union Countries, the Pacific Island Nations like Papua New Guinea and other fragile economies, what should be our

position. While we on this side of the House propose very strongly that we should also look at a haven protectionist policy as well because of two main reasons.

Mr Deputy Speaker, firstly is that our human resource should be skilled. If we have a multi-skilled, affluent, expertise or specialty population you will find that they are compatible to compete with the free trade or the globalised world so we can find a place to get a pie of the business etcetera.

But our people in Papua New Guinea, over 80 per cent of us are not skilled to that standard and to illustrate that you look at the PNG LNG, we had about 30 000 people coming in.

**27/07**

**Mr Richard Maru** – Point of Order! Mr Deputy Speaker, we are here to debate the Security Bill. The honourable Opposition Leader is talking about free trade and about trade agreements which is completely outside the subject which we are debating. Let's talk about the *Act* that we are supposed to debate.

**Mr DON POLYE** – I think the Minister for Trade and Commerce should be happy that I am saying this because he is not prepared with what the SME position is with regards to APEC. If you understand what APEC is and what this legislation will do, I think you will then understand me.

**Mr Richard Maru** – Mr Deputy Speaker, all I'm saying is he is completely out of order. We are talking about the Security Bill, APEC is not the issue here stick to the debate.

**Mr DON POLYE** – I still have time, let me finish this. You have 30 000 employees coming in. Out of that, Papua New Guineans employed by LNG consist of only a small portion of that number while over 23 000 come in from outside because we lack the skill and that is what free trade does.

**Mr DEPUTY SPEAKER** – Opposition Leader we have grievance debate tomorrow.

**Mr DON POLYE** – Thank you, Mr Deputy Speaker, we support the amendment but there are very important issues that the Government should be well versed with and I don't think they have it that is why I am raising it and they will never have it until I tell them.

*(Members laughter)*

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

Motion – That the Bill be now read a third time –put

The Bill requiring an absolute majority of 56 Members as required by the *Constitution*, the Deputy Speaker ordered that the Bells be rung.

**28/07**

The Parliament voted (the Deputy Speaker, **Mr John Simon** in the Chair) –

**AYES – 69**

**NOES – 0**

The Bill passed with the concurrence of an absolute majority as required by the *Constitution*.

Bill read a third time.

## **ADJOURNMENT**

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

That the Parliament do now adjourn.

The Parliament adjourned at 1.30 p.m.