

## **EIGHTTH DAY**

**Friday 3 February 2017**

### **DRAFT HANSARD**

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## **EIGHTH DAY**

**Friday 3 February 2017**

Mr Deputy Speaker (**Mr John Simon**) took the Chair at 10.00 a.m..

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

Sitting suspended.

The Deputy Speaker again took the Chair at 11:05 a.m., and invited the Member for South Bougainville **Honourable Timothy Masiu** to say Prayers:

“Papa God long Heven, you bikpela God na yu gutpela God. Mipela tok tenkyu long dispela marimari bilong yu na bel isi bilon yu, we yu save givim mipela long olgeta dei. Papa mipela tok tenkyu long dispela privilege tu long sindaun long dispela Parliament na dispela Parliament em bilong ol pipol bilong yu na mipela olsem ol pipol igivim luksave lo igo pass long kam na sidaun na toktok na karim ol hevi bilon ol, ol issues bilon ol na mipela laik askim yu long givim dispela wisdom na andastandin knlwledge na guidance bilong yu long gaidim mipela so det mipela can kontinu long mekim dispela wok bikos mipela lukluk lon yu olsem gaidim lait bilon mipela. Mi askim long yu long blesim olgeta Members bilong dispela Parliament festly, Praim Minista bilong mipela, Deputi Praim Minista na olgeta Ministas bilong Kabinet ol Vais Ministas na ol Members bilong dispela Gavamen na tu olgeta Member bilong Oposisen wantaim lida bilong ol na namba tu bilong em. Papa mipela lukluk long yu long dispela halivim bilong yu yet isave apim mipela. Mi tok tenk yu long dispela laip we yu givim na lukaitim wokabaut bilong mipela na mi askim long givim tingting na halivim we mipela ken luksave long yu na wanem ol nids ol pipol bilong mipela gat. Long Nem bilon Jisas mi tok dispela preia. Amen.”

## **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 the Minister for Treasury presenting the following Amendment Bills;

(1) *Customs Tariff (Amendment) Bill 2017*,

(2) *Income Tax (Amendment) Bill 2017*,

(3) *Excise Tariff (Amendment) Bill 2017*,

(4) *Stamp Duties (Amendment) Bill 2017*,

(5) *Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax (Amendment) Bill 2017*,

(6) *Inter-Government Relations (Functions and Funding) (Amendment) Bill 2017*.

**02/08**

### **CUSTOMS TARIFF (AMENDMENT) BILL 2017**

#### **First Reading**

Bill presented by **Mr Patrick Pruaitch** and read a first time.

#### **Second Reading**

Leave granted to move the Second Reading forthwith.

**Mr PATRICK PRUAITCH** (Aitape – Lumi – Minister for Treasury) – I move –

That the Bill be now read a second time.

Mr Deputy Speaker, the Bill proposes that: (1) An Amendment to update Customs harmonised system 2017 to be in par with the rest of the world and the measure will improve PNG Customs Administration (2) An Amendment to replace the progressive export duty rate with a fixed duty rate of 32.5 percent and also exempt plantation logs from export duty.

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.

### **Message from the Governor-General**

A message from His Excellency, the Governor-General dated the 3 February 2017 was announced recommending the imposition of taxation in accordance with *Section 210* of the *Constitution* insofar as the Bill relates to and provides for such imposition.

### **Third Reading**

Leave granted to move the Third Reading forthwith.

Motion (by **Mr Patrick Pruaitch**) proposed –

That the Bill be now read a third time.

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

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

Bill read a third time.

## **INCOME TAX (AMENDMENT) BILL 2017**

### **First Reading**

Bill presented by **Mr Patrick Pruaitch** and read a first time.

### **Second Reading**

Leave granted to move the Second Reading forthwith.

**Mr PATRICK PRUAITCH** (Aitape – Lumi – Minister for Treasury) – I move –

That the Bill be now read a second time.

Mr Deputy Speaker, the bill propose that (1) An Amendment to ensure the application of additional profits tax methodology is applied across the resource sector (2) An Amendment to ensure resource projects subject to the resource contracts *Fiscal Stability Act* is adhered to and honoured.

**03/08**

(3) An amendment correcting unintended consequences relating to taxation of dividends which will ensure that dividend withholding tax is paid by the three groups of tax payers consistent with the intention of the current law, and to reinstate the former provisions which effectively make dividend withholding tax a final tax in the hands of resident individuals such as a non-resident person, and to ensure that dividends paid to non-residents will not be included in their assessable income with no requirements to lodge tax returns, and to reinstate the former dividend withholding tax refund provisions with a subset clause to allow IRC to deal with issues regarding transitional dividend withholding tax credit, and to ensure that tax payers who were previously exempted from dividend withholding tax will not be paying dividend withholding tax, as they are no longer liable.

(4) An amendment relating to base erosion and profit shifting to correct the minor modification to the minimum financial threshold that triggers the financial reporting requirement, and finally, the other minor technical amendments to correct typos and incorrect referencing for ease of administration.

I commend the Bill.

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.

## **Message from the Governor-General**

A message from His Excellency, the Governor-General dated the 3 February 2017, recommending the imposition of taxation in accordance with Section 210 of the *Constitution* insofar as the bill relates to and provides for such imposition.

### **Third Reading**

Leave granted to move the Third Reading forthwith.

Motion (by **Mr Patrick Pruaitch**) proposed –

That the bill be now read a third time.

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

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

Bill read a third time.

## **EXCISE TARIFF (AMENDMENT) BILL 2017**

### **First Reading**

Bill presented by **Mr Patrick Pruaitch** and read a first time.

### **Second Reading**

Leave granted to move the Second Reading forthwith.

**Mr PATRICK PRUAITCH** (Aitape-Lumi – Minister for Treasury) – I move –

That the Bill be now read a second time.

Thank you, Mr Deputy Speaker, the bill proposes to amend the *Excise Tariff Act 1956* to correct the wording description of two tobacco item with tariff items 2402.20.10 and tariff item 2402.20.20.

I commend the Bill.

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.

### **Message from the Governor-General**

A message from His Excellency, the Governor-General dated the 3<sup>rd</sup> February 2017, recommending the imposition of taxation in accordance with *Section 210* of the *Constitution* insofar as the bill relates to and provides for such imposition.

**04/08**

### **Third Reading**

Leave granted to move the Third Reading forthwith.

Motion (by **Mr Patrick Pruaitch**) proposed –

That the Bill be now read a third time.

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

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

Bill read a third time.

## **STAMP DUTIES (AMENDMENT) BILL 2017**

### **First Reading**

Bill presented by **Mr Patrick Pruaitch** and read a First time.

### **Second Reading**

Leave granted to move the Second Reading forthwith.

**Mr PATRICK PRUAITCH** (Aitape-Lumi – Minister for Treasury) – I move –

That the Bill be now read a second time.

Mr Deputy Speaker, this bill makes correction to the incorrect timing reference to lodge returns under the new bookmakers standover tax regime passed as part of the 2017 Budget. It is an administrative requirement for time consistency to lodge returns monthly. The 2017 Budget contains an error stating to lodge returns fortnightly. This will make this correction.

I commend the bill.

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.

### **Message from the Governor-General**

A message from His Excellency, the Governor-General dated the 3<sup>rd</sup> February 2017 was announced recommending the imposition of taxation in accordance with *Section 210* of the *Constitution* insofar as the Bill relates to and provides for such impositions.

### **Third Reading**

Leave granted to move the Third Reading forthwith.



Motion (by **Mr Patrick Pruaitch**) proposed –

That the Bill be now read a third time.

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

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

Bill read a third time.

## **INCOME TAX, DIVIDEND (WITHHOLDING) TAX & INTEREST (WITHHOLDING) TAX RATES (AMENDMENT) BILL 2017**

### **First Reading**

Bill presented by **Mr Patrick Pruaitch** and read a First time.

### **Second Reading**

Leave granted to move the Second Reading forthwith.

**Mr PATRICK PRUAITCH** (Aitape-Lumi – Minister for Treasury) – I move –

That the Bill be now read a second time.

Mr Deputy Speaker, the bill proposes that an amendment to recognise tax payers whose accounting periods do not follow the standard calendar year but have approved substituted accounting period. This amendment rectifies this unintended error.

Secondly, it is amendment to disassociate the imposition of the foreign contractors' withholding tax rate of 15 per cent on taxable income concession solely applying on the prescribed foreign contract value. This amendment assures it is consistent with the policy intent of the reform.

Finally, it is an amendment removing the reference to dividend received by resident companies from sources outside Papua New Guinea. This amendment ensures the imposition

of dividend withholding tax is only applicable dividends paid to resident individuals, non-residents and trust estates.

I commend the bill.

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.

### **Message from the Governor-General**

A message from His Excellency, the Governor-General dated the 3<sup>rd</sup> February 2017 was announced recommending the imposition of taxation in accordance with *Section 210* of the *Constitution* insofar as the Bill relates to and provides for such impositions.

### **Third Reading**

Leave granted to move the Third Reading forthwith.

Motion (by **Mr Patrick Pruaitch**) proposed –

That the Bill be now read a third time.

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

Bill read a third time.

## **INTER-GOVERNMENTAL RELATIONS (FUNCTIONS AND FUNDING) (AMENDMENT) BILL 2017**

### **First Reading**

Bill presented by **Mr Patrick Pruaitch** and read a first time.

## **Second Reading**

Leave granted to move the second reading forthwith.

**Mr PATRICK PRUAITCH** (Aitape – Lumi Treasurer) – I move –

That the Bill be now read a second time.

Mr Acting Speaker, this bill proposes Amendments to preserve the existing arrangement which allows for the Provinces where Bookmarkers shop are operating to continue to receive 100 percent of their 4 percent bookmarkers turnover tax in 2017 and 2018. The new revenue distribution arrangement increase in the 2017 between the Government and the Provinces where Bookmarkers shops are operating will commence in 2019.

Mr Acting Speaker I commend the bill.

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.

## **Message from the Governor-General**

A message from His Excellency, the Governor-General dated the 3<sup>rd</sup> February 2017 was announced recommending the imposition of taxation in accordance with Section 210 of the *Constitution* insofar as the Bill relates to and provides for such expenditure.

## **Third Reading**

Leave granted to move the Third Reading forthwith

Motion (by **Mr Patrick Pruaitch**) proposed –

That the Bill be now read a third time.

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

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

Bill read a third time.

**06/08**

## **QUESTIONS**

### **Northern Highway funding**

**Mr DAVID ARORE** – Thank you, Mr Deputy Speaker, My question is directed to the Minister for Works and Implementation. Oro Province has only two national roads and that is the Kokoda Highway and the Northern Highway that starts from Oro Bay and ends at Afore. I also understand that in the Vision 2050, the 16<sup>th</sup> Economic corridor was to connect Central to Oro province and it will come through my province.

Since 2014, I have noticed that the Northern Highway has not been allocated any funds in the allocations for the National Highways in the National Budget. The Highways have not been allocated any money from 2014 to 2016.

Is the Minister serious about making the Northern Province and Central road link connection the 16<sup>th</sup> priority road as highlighted in the Vision 2050 missing links?

How long can the people of Northern Province especially those along the Northern Highway wait to be allocated some money?

I have done my best to seal up to five kilometres of that road and I have now run out of funds. So I'm wondering when that road will be captured in the National Budget because my people continue accusing me of that particular road and I'm fed up so I am bringing this onto the Floor.

**Mr FRANCISE AWESA** – Thank you, Mr Deputy Speaker. I thank the honourable Member for Ijivitari for these important questions. For the first question in relation to the Northern Highway, K10 million was allocated in last year's budget. I will be making a detailed answer to the honourable Member in regard to how far this money has been expanded on this project.

For the second question, the Government is moving forward. I am not too sure if the Northern Highway is the same as Kokoda Highway.

In relation to the Northern Highway, I want to assure the honourable Member that this will be captured in the revised maintenance programs that we will be announcing very shortly. These programs are to commence this year for the next three years.

What the Government has done, is to accelerate deferred road maintenance in all 16 highways, provincial roads and town roads and some of the city roads like Lae. In the ministerial statement which I will be making shortly I want to assure the Member that the Northern Highway will be captured in that program.

**07/08**

In addition, the Oro Province has been receiving substantial inputs from the Works Ministry. More than K200 million has been allocated for the restoration of the bridges caused by the cyclone that hit the Province twice.

The longest bridge, I believe in Papua New Guinea was constructed in the Oro Province and recently opened by the Prime Minister. This is a very important investment. The government has given equal distribution to byways and roads through the national government budget and also through the PRSA program within the provinces as well as through individual Members funding.

I would like to advise the honourable Member to sit down with me and we will include that. The Northern Highway is one of the priority areas as well as the Kokoda Highway. In my later statement, you will note that K20 million has been allocated over the next two years on maintenance.

Oro Province is one of the important provinces as far as the economic activity is concerned as well as tourism. The Government is making every effort to address those roads and bridges.

**Mr BEN MICAH** – Thank you, Deputy Speaker. My series of questions are directed to the Minister for Defence, Honourable Dr. Fabian Pok. In the absence of the Minister I will ask the Prime Minister. I urge the Ministers for Public Service, Treasury and Finance to take note.

(1) Can the Minister confirm or deny that the Secretary of Defence is the biological brother of his wife?

(2) Can the Minister confirm or deny –

**Mr DEPUTY SPEAKER** – Member for Kavieng, under *Section 146* of the *Standing*

*Order*, a question that is fully answered cannot be renewed and asked again, so that question was deliberated and we will not entertain it.

**Mr Ben Micah** – When was it asked?

**Mr DEPUTY SPEAKER** – That question relates to the land issue which the Minister has made a statement on it. If it is relating to that, I will not entertain it and I have made my ruling.

**Mr Ben Micah** – It's not been asked.

**Mr DEPUTY SPEAKER** – I have made my ruling. If it relates to that, I will not entertain it.

**Mr Ben Micah** – (2) Can the Minister confirm or deny a request for criminal investigation against the Secretary for Defence for abuse of Office in misappropriation of public funds? It's a different question.

**Mr DEPUTY SPEAKER** – Member, resume your seat first!

**Mr BEN MICAH** – No, I am asking the question. Come and throw me out. Get your guards to throw me out.

**Mr Ben Micah** – No! I will ask my questions.

*(Government Members injecting)*

**Mr Ben Micah** – Get your guys to come and throw me out.

Mr Deputy Speaker, you give me the time to ask my questions.

**Mr DEPUTY SPEAKER** – You have no respect for the Chair. I will ask the Sergeant-At-Arms to remove you from the Chamber. Sergeant-At-Arms move him out of the Chamber.

*(Government Members applauding)*

*(Commotion in the Chamber)*

**Mr DEPUTY SPEAKER** – Order! I will suspend the Parliament for 10 minutes until this commotion dies down.

Sitting suspended for 10 minutes.

**08/08**

**Mr DEPUTY SPEAKER** – Honourable Members, let me warn the Members of Parliament to respect the Chair and this Parliament. I made this warning during the commencement of this sitting that as long as I sit on this Chair, I do not like to hear the phrase, ‘*Come and remove me from my seat.*’ This has to stop. We must not continue to use this; this House belongs to the people and we must act like leaders.

Member for Kavieng, you have to apologise to the Chair and refrain from using that phrase again.

**Mr BEN MICAH** – Mr Deputy Speaker, with due respect, I ask that you pardon me for the things that I have said against the Chair and retract all that I have said. I also want to apologise to all the Members for my very unparliamentarily behaviour. And I with uttermost respect ask if I could continue with my questions.

**Mr DEPUTY SPEAKER** – I accept your apology and you may continue with your questions.

**Mr BEN MICAH** – I will try my best to not use that phase again. Mr Prime Minister;  
(1) Can the Minister, deny or confirm that the Secretary of Defence is the biological brother of his wife?

(2) Can the Minister confirm or deny that a request for criminal investigation against the Secretary of Defence for abuse of Office and misappropriation for public funds has been sent to the Police Commissioner by the staff of the Department?

(3) Can the Minister confirm or deny that the Secretary for Defence has terminated nine very senior staff of the Department for revealing irregularity and questionable conduct of the Secretary?

(4) Can the Minister confirm or deny that between 2014 and 2016, the Department of Defence acquired the following portions of land at Manumanu for the purposes of relocating Defence establishments especially the Murray Barracks headquarters?

Portion 422, about 148.45 hectares valued at K7.2 million and owned by Flystone Amusement Ltd and portion 423 about 309.30 hectares valued at K9. 2 million, owned by Corsi Investments Ltd.

Investment Promotion Authority records confirm that these two companies are owned by the Chairman of the Central Supply and Tenders Board and his wife.

(5) Can the Minister confirm or deny that the Department of Defence acquired these two portions of land from companies owned by the Chairman of CSTB and his wife?

(6) Can the Minister confirm or deny that he never established the inter-government agency working committee that would implement the NEC decision to relocate Murray Barracks and the naval base?

(7) Can the Minister confirm or deny that his brother in-law, the Secretary of Defence acted against the advice of the department and the Defence Force hierarchy and illegally transferred K9.3 million that was budgeted from the Defence rebuilt vote to the relocation trust account and K7.2 million from APEC security budget allocation?

(8) Can the Minister confirm or deny that a total of K15 million was paid between 2015 and 2016 to two companies owned by the Chairman of CSTB and his wife?

(9) Can the Minister confirm or deny that another portion of land at 7 mile next to ATS was acquired from a company known as Kitoro No.64 for K16 million?

(10) Can the Minister confirm or deny that no title has been transferred to the Department of Defence in consideration of these transactions.

**09/08**

(11) Can the Minister confirm that it was his duty to implement the NEC decision to relocate the Lancrone Naval Base and Murray Barracks Defence Headquarters that you have influenced two state agencies namely; Department of Defence and Kumul Consolidated Holdings Limited to spend to the tune of more than K80 million on land acquisitions; K7.2 million to Flystone Amusement Limited, K9.2 million to Kosi Investments Limited, K15.5 million to Kitoro No.64 and K46.6 million to Kurukaram Estate Limited?



Mr Deputy Speaker, all these companies and their share-holders, directors are connected to both the Minister for Defence and Minister for Public Enterprise and State Investment.

**Mr PETER O'NEILL** – Mr Deputy Speaker, I thank the Member for Kavieng for his series of detailed questions. Since the Minister for Defence is not present I will answer them.

Mr Deputy Speaker, I will instruct the Department of Defence and all the Government agencies to give me a full detail of these so that I will report back to this Parliament and the country as a whole.

Whilst I have this opportunity, I also want to say that I have received a detailed report from Kumul Consolidated Holdings on the other issues that were discussed in this Parliament earlier during the week.

I have scheduled a public press conference on Monday at 2.00 p.m., and I have instructed all the agencies to give me a detailed report before I make a public announcement on what actions the Government will take on this issues.

**Mr TIMOTHY MASIU** – Mr Deputy Speaker, I want to direct my questions to the Minister for Works and Implementation.

Not long ago, the Government awarded one contract each to two companies. One is stationed at Central Bougainville and the other one at South Bougainville.

As the Member for South Bougainville, I want to ask the Minister for Works and Implementation regarding the work done by these two companies.

The one at South Bougainville has commenced road work starting from Kangu to Toimanapu for almost 10 months now but to date nothing much has been done on this road.

Therefore, the people of South Bougainville are questioning whether this particular company has any credibility in maintaining the road

(2) How much has the Government paid this company to start the work on this portion of road?

The other company stationed at Central Bougainville is up to date with its work. But the one at South Bougainville has not done any major work except clearing the road-sides only without sealing the road.

(3) Does the Government has any plan to seal the road starting from Buin to Paguna? It's one of the main highway in Bougainville which serves the people of Bougainville.

Not long ago there was an earthquake and it blocked off the main road and the people from Bana District and the surrounding districts faced a lot of difficulties in accessing services in Arawa.

**Mr FRANCIS AWESA** – Mr Deputy Speaker, I thank the Member for South Bougainville for his series of questions.

**10/08**

Firstly, regarding the road the contract was given for 65 kilometres from Kangu to Kokopau. This was a design and built contract that was awarded for a 65 kilometres stretch of road at the cost of K200 million. As part of that intervention the O'Neill-Dion Government announced K500 million for Bougainville for the first time in so many years. That one is ongoing and I would like to inform the honourable Member that this road is on track for K200 million for the contract. And because this is a design and built contract, the contractor in question, together with the Works Department, have had to come up with a design.

The designs have been agreed upon and the first mobilisation funds of K20 million will be paid. I do apologise also that, it has taken eight months to get this project underway but, I want to assure the people of South Bougainville that this project will be implemented to its completion. This is because it is part of our bigger agenda on Bougainville to address the issues of roads and bridges there. This is an ongoing programme as announced by the Prime Minister in his recent visit about three or four years ago.

In relation to the second question about the road from Buin to Panguna. I would to assure the Member that, this road is important for the mine and we will be addressing the concerns in due course this year as part of our road rehabilitation programme. This will be announced later in my ministerial statement.

As Members will appreciate, we have allowed a lot of the roads to deteriorate to the extent where some of the roads have turned into impassable situations such that we have to intervene in a substantial manner. As I speak, more than K4 billion is required to upgrade and maintain all our roads, 16 highways and some 4, 000 kilometres of provincial roads in all the provinces.

A lot of times in the past we have tended to build new roads and forgot about the maintenance component. Therefore, this is the reason why we have the government which about two weeks ago announced a major programme to accelerate the maintenance issues that the country is facing with all its highways, provincial and district roads.

In relation to the third question, I was not able to get that question, unfortunately, but I will sit down with the Honourable Member after the session and give written answers to all three questions.

Thank you, Mr Deputy Speaker.

**Mr LAUTA ATOI** – Thank you, Mr Deputy Speaker, my question is directed to the Minister for Environment, Conservation and Climate Change.

Many of the Small Island Developing States (SIDS) countries have been benefiting from the climate change funds. Countries such as Solomon Islands, Vanuatu, Fiji, Tonga and even in the Caribbean Islands. They have benefitted from the climate change funds in the last 10 to 15 years.

**11/08**

I want to remind the Parliament that Carteret's Islands in my electorate of Papua New Guinea is known throughout the world as the first climate change refugee island. But up until today, we still have not receive any assistance from the Climate Change Fund.

I want to draw the Minister's attention to page 8 of Monday's Post Courier, and the announcement of the Green Climate Change Fund's Chairman, Mr Owen McDonalds visit to Papua New Guinea.

My question is; can the Minister advice the Parliament by what means he will be supporting the Climate Change Development Authority or CCDA to assist Members to gain Green Climate Change Fund to support to their districts?

**Mr JOHN PUNDARI** – I thank the Member for North Bougainville for his question.

Mr Deputy Speaker, Climate Change is real, it is here and it is affecting the global community, and Papua New Guinea is no exception. Questions have been raised on the Floor of Parliament about natural disaster's funding et cetera. I have got to inform the Parliament that it is only going to get worse and not get better as time goes by.

Mr Deputy Speaker, as a global community and as a country we all have got to do the right thing insofar as the challenges that are confronting us. Whether it be in preparing ourselves to adapt, be resilient or to make significant contributions to the global community's effort to mitigate the challenges of Climate Change, we have to do it.

In response to the Member, yes I do agree that there are other countries in the Pacific who may or may have not received some support from the Green Climate Fund.

Mr Deputy Speaker, it requires the leadership of each of our developing small island states in the global community and our region for that matter doing the right things in complying with the stringent requirements to access those funds. The requirements are not that easy. It has been very difficult for us and other states in the Pacific Region. That was the reason for the Paris Conference. The issue of accessibility was raised and also to relax the measures of accessing those funds and as a result article No.9 was arrived at.

Mr Deputy Speaker, it is not easy and I must envy the leadership of the Prime Minister and his Government in as far as our preparatory works are concerned.

**Mr Mark Maipakai** – Point of Order! The Member's question is very direct. What has his Department done in terms of sourcing those funds? He has been the Minister for almost five years and by this time very suitable information of such nature should be given here. We don't want to be lectured about this issues.

**Mr JOHN PUNDARI** – Mr Deputy Speaker, I am not lecturing the Honourable Member but I thank him and I respect his point of order. I am coming to it and you will respect the answer that is coming.

If you appreciate the background that I am trying to establish, you would appreciate the answer. This Government has done very well and I have been in this portfolio as Minister for Climate change for just over 18 months. It has never been easy going out to attend the conferences, playing our part, securing article 5 or article 9.

Papua New Guinea has played a significant role in contributing to the efforts of the global community in a short space of time. We have establish the Office of Climate Change which is now an Authority. The Government has now given privileges and immunities to Green Climate Fund officials and for the first time we have had a workshop to study the efforts of the global community. In a short space of time we have established the Office of Climate Change, now it's an Authority.

**12/08**

Mr Deputy Speaker, this government has given privileges and immunities to the Green Climate Fund Officials, for the first time and we have had a workshop already and another workshop very soon. The Chairman has now visited us and we are now working with accredited

agencies be it multilateral etcetera to help us procure programs and projects from the Green Climate Fund and as I said, it is not easy.

The Climate Change Authority is not accredited as yet with the Green Climate Fund and that it is something that we are seeking from the Green Climate Fund to help assist us so that going into the future we are an accredited body ourselves. But in the meantime we have got to work with other accredited organisations and institutions like STREP, UNDP etcetera for that matter and it is not going to be any easier.

But, Mr Deputy Speaker, I am happy to inform the honourable Member about other funds that are available and I think the Member is aware of an Agreement that we signed with the Treasurer and the ADB not too long ago.

I think I have it here and at this present time there has been about five provinces that have been identified as pilot provinces to receive assistance from a Climate Change Funding Scheme that is available through ADB, Carteret's Island is one of them.

Mr Deputy Speaker, at this present time work has been done as to how best funding will be made available to these identified provinces and Mr Deputy Speaker, as I said before that I would be very happy to work very closely with the member. I must also say that the Member has been working very closely with my managing director and the Climate Change Authority Officials and sooner or later we will get there but we need patience.

Mr Deputy Speaker, some of these nations think that they have done the right thing and they have gone ahead of us but we are getting there and we are doing things right for ourselves.

Thank you, Mr Deputy Speaker.

**Mr MARK MAIPAKAI** – Thank you, Mr Deputy Speaker, for giving me the opportunity to ask my very important question on behalf of my people in the pipeline segment of the Kutubu Agreement and my question is directed to the Petroleum Minister.

How soon is the dispatchment of the equities for the pipeline segments of the agreement will be dispatched because we are not a party to any dispute and there has been a blanket Court Order restraining my people from receiving the benefits. We have lost so many tribal leaders and many are dying so I would like to know, on behalf of my people, as to how soon can the silent majority of the lower end of the pipeline, which we are not subject to Court disputes be receiving our land entitlements?

Thank you.

**Mr NIXON DUBAN** – Thank you, Mr Deputy Speaker, and I thank the good Member for Kikori for the question.

I think the Member is aware that the Department so far as the efforts to confirm landowner verifications, so we have some issues which have been created by different landowners for the upstream and that has caused the Clan Benefit program to be delayed. As a result the Court has offered an ADR nomination process for landowner benefit identification process.

As you know, Mr Deputy Speaker, there is one LNG project in the country and we respect the different segments of landowners from the upstream to the plant side and the pipeline segment. It is the Government's intention to see that all landowners are paid and we are mindful of those who are not affected by the case and it is important that we treat all landowners from the upstream to the plant site in the most sensitive way otherwise there will be further issues arising as we have experienced.

But, I would like to assure the Member that we are committed to ensuring that all the funds are paid to the landowners once we agree on a position.

**13/08**

As far as I am concern the plant site and few others in Central province, the accounts have been opened and awareness were made for the office bearers to be elected. There are some minor issues that need to be resolved and once those are done the department will make an announcement to cover for the pipeline segment.

**Mr DE KEWANU** – Thank you, Deputy Speaker, for recognising the people of Mendi. My question is directed to the Minister for Health.

Is the Minister aware of a National Court decision that nullified the Southern Highlands Provincial Health Board, the appointment functions, duties and decisions, further have ordered that the former Mendi Hospital Board resume the function until your department properly conducts the re-appointment process of the Southern Highlands Provincial Health Authority Board?

A stay order was sought against the Provincial Health Board at the Supreme Court and whilst pending that, I have been informed that there was a provincial health board meeting held in Ialibu where they made some appointments like the CEO of the Hospital. Mendi Hospital is an important institution.

I would like the Minister to shed some light on the current position of the Board and the Court Order so that the province and I should know more about that issue?

**Mr MICHAEL MALABAG** – Mr Deputy Speaker, I thank the honourable Member for Mendi for his question. Let me start this way, the previous members of the Mendi hospital board when their term expired we were already in the process of using the *Provincial Health Authority Act 2007* to appoint new members under that new law. As required, there were consultations between various parties including the Governor of the Southern Highlands province. As a result, I went ahead and brought a submission to NEC which was approved and gazetted and the new board came into being.

The former Chairman of Mendi Hospital board as a result was appointed Deputy Chairman of the new Southern Highlands Provincial Health Authority. There were a few disagreements over the appointment. As we all know, there is politics everywhere not only in this Chambers. So what transpired was, the former board took this matter to Court and the National Court ruled in favour of the previous board. But for substantive hearing to be heard in February.

**14/08**

When I got the copy of the court order, I was going to implement the order but the current provincial health authority board chairman and the board went to the Supreme Court. They went to the higher authority and as a result they obtained a stay order. That more or less supersedes the decision of the national court.

In other words, the Supreme Court Order is telling me that the stay order means the current board will continue to maintain its work to provide leadership and governance at that level to deliver health services to the people of Southern Highlands Province. But in all fairness, there should be no meetings or appointments of CEO until the substantive hearing is done.

Mr Deputy Speaker, my Secretary and also the legal officers within the Department, by close of business today, will give an update on the situation and I will be in a better position to give directions as to what can transpire until the substantive hearing is done.

May I also add that the matter is highly politicised so I will be in a position to give clear directions at the end of the day.

In the meantime, the stay order for the Supreme Court must be observed until the substantive hearing is made. Thank you.

**Mr WERA MORI** – Thank you, Mr Deputy Speaker for recognising the people of Chuave. I direct my questions to the Prime Minister but before I proceed, it is only fair that I take this opportunity on behalf of the people of Chuave to congratulate the Governor - General elect and Member for Kabwum.

Mr Deputy Speaker, recently during the session there has been issues regarding election, especially pertaining to the printing of ballot papers.

My questions will not be related to the printing of ballot papers or where it is going to be printed because printing of ballot papers is not a primary issue but the public have expressed that the distribution of ballot papers is the primary issue.

We have faced problems in the past where people are storming the Office of the Electoral Commission with flash drives to change and increase numbers in certain common rolls.

(1) Is it true that ballot papers will be packed in Port Moresby and sent to the Electorates unlike in the past where ballot papers were sent to the electorates and were packed in front of everyone so that everyone know how many ballot papers were distributed to each ward based on the number of population in a particular ward?

(2) Can the Prime Minister inform this House and the people of Papua New Guinea where the ballot papers for the 2017 elections will be packed? Will it be in Port Moresby or in the electorates?

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

Firstly, I have no idea as to how the distribution of ballot papers will take place. That is the decision made by the Electoral Commissioner. But I will get him to make a public announcement detailing many of these issues.

I know there are still questions out there about the dates of issuing of writs and when printing of the Ballot Papers will take place and that is the decision made by the Electoral commissioner.

**15/08**

I will get him to make a public announcement detailing out many of these issues including the dates when the Writs will be issued and others. As in the past I try to get the officials to communicate with him as I do not want to have a direct communication with him as the Elections are nearby.



We have been accused enough of elections being manipulated when it in fact isn't. I think we have to give the Electoral Commissioner an opportunity to conduct this election the way he sees fit as a constitutional office holder. Agencies or departments are there to support him so I will get the officials to speak to him about going public on these issues that not only Members but the public and candidates are raising.

The second issue on the Common Roll; unlike in the past, I am told that the Common Rolls will be displayed in the districts towards the end of this month and early March so that there is public visibility of the Common Roll. Every ward and voting place will be shown clearly as to how many people will vote. So that we can object to it before the Writs are issued.

If there is a ward which has increased number of voters, from usually 500, than there is a problem. What will happen is that this will be publicly displayed so that people can raise an objection. As we speak, I am aware that you can go to the Electoral Commission website and identify your own name and the names of others can be verified as to whether they are dead or alive.

More transparency is taking place in the conduct of this Election and I will get the Commissioner to make some public announcements.

**Mr KILA HAODA** –Thank you Mr Deputy Speaker, before I ask my questions I wish to take this opportunity to thank the National Government for including six projects in Central province under the Asian Development Bank this year. Three on Magi Highway and three on Hiritano highway.

The work is nearing completion and the bridges look magnificent and will add value to our roads.

My question is directed to the Works Minister; this question is related to the Louise Mona Highway in Goilala, the Mekeo LLG roads and Iarowari High School to Sirinumu Dam in Koiari LLG.

Mona highway is close to Waigani and has not been funded since 2012. The Goilala LLG can be a food bowl of Central Province but without good roads this cannot happen.

This is a very important road as we have the Tolokuma mine up there.

Does the National Government have any plans to fund this highway, it has been declared a national road many years ago and has not been funded in this term of parliament.

Veifa road in the Mekeo LLG was also declared a national road many years ago because of the Health Centre there, this road has also been neglected by the Government for many years.

Mekeo LLG is the most heavily populated LLG in Central Province and the most politicalised people in the province and maybe the whole country.

Negative political comments you hear have all been showered upon me and the Member for Kairuku Hiri because of the deteriorating conditions of this road. In 2011 K7 million was allocated for this road, in 2012, K3.5 million from this funding were diverted elsewhere by the Department of Works.

**16/08**

I was assured in 2014, that once the K3.5 million is replaced then work will commence on the road. However, in 2014, the other K3.5 million evaporated.

(2) When can the National Government seriously consider funding this national road?

In 2014, a warrant was issued for K30 million that starts from Iarowari to Sirinumu Dam and the warrant includes roads from Kinakon to Sogeri National High School and Iarowari to Sirinumu Dam. Tender No. CSTB 3034 and the contracts was awarded to Global Construction to start work from Kinakon to Sogeri National High School and was completed.

From Iarowari to Border village was awarded to NC Works but the work was half done and the road is now deteriorating quickly, which resulted in contracts being withdrawn. And to date this portion of the road has not been attended to.

The people from that area surrendered their land to nation building by providing water and power for the nation's capital city and they need to be respected.

(3) Where is the balance of that money and when will the work commence on this projects?

**Mr FRANCIS AWESA** – Mr Deputy Speaker, I thank the Governor of Central Province for his series of questions. I will start with the last one first.

In relation to Veifa road K7 million was allocated in 2011. On the question of funds allocated and diverted by Works Department, I will check on that and provide a detailed answer to him later on.

In relation to Iarowari to Sirinumu Dam, an allocation of K30 million which is true that some of these funds were used as mentioned. But I will get back to him with a detailed answer because the people living along that portion of the road from Iarowari to Sirinumu Dam need to be compensated for by providing a good road because they provide us with water and power so I assure you that I will take that matter seriously and get back to you.

**17/08**

I also would like to inform the Governor and the Parliament that in time this will be included in the rolling three year maintenance programme that the government approved two weeks ago. This is a major intervention by the government as far as the maintenance of all roads, highways, city and town roads are concerned. In relation to the other two questions, especially the Goilala Highway.

Mr Deputy Speaker, I would like to inform the Parliament and the Honourable Governor that the Goilala Highway and the Boys Town to Boana in the Morobe Province and Awar to Bogia. These are three major contracts under design and review as we speak under the World Bank Project for road maintenance and upgrades in the country.

Mr Deputy Speaker, the first one to be rolled out was East Cape in the Milne Bay Province and Hula in the Central Province. Therefore, the next three roads will be Awar to Bogia in Madang Province, the Goilala Highway in the Central Province and Boys Town to Boana in the Morobe Province.

Therefore, I expect that before the end of the year these roads will be ready for contract but in relation to these and all the other questions that were asked by the Governor and the Honourable Member for South Bougainville, I will have detailed answers in writing to each one of them after the session.

Thank you.

### **Supplementary Question**

#### **Okapa-Kainantu Road**

**Mr ISSAC WAIGAVARE** – Thank you, Mr Deputy Speaker.

In 2011 there was a contract to work on the road from Okapa to Kainantu. I put up K3 million as counterpart funding. In June 2014 the contract went for tender and now you trying to do new road projects. Therefore, what will become of the current road construction from Okapa to Kainantu?

**Mr DEPUTY SPEAKER** – Honourable Member, ask your question.

**Mr ISSAC WAIGAVARE** – Is the Minister going to consider the road from Okapa to Kainantu in the current roads and bridges programme that he has mentioned?

Thank you.

**Mr FANCIS AWESA** – Thank you, Deputy Speaker, and I thank the honourable Member for Kainantu for his question.

The road that the honourable Member is referring to has had problems with the landowners. A lot of times when contractors go there to do work, the landowners disturb the work with their demands for compensation. I was made aware that this was one of the reasons why the road project has not progressed.

**Mr Isaac Waigavare** – Point of Order! These matters have been settled three years ago.

**Mr FRANCIS AWESA** – Thank you, I will take note of this question and I will reply in writing later on today.

### **SPECIAL ADJOURNMENT**

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

That Parliament at its rising, adjourn until Tuesday 28 February, 2017 at 2.00 p.m..

### **ADJOURNMENT**

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

That the Parliament do now adjourn.

Parliament adjourned at 12:50 p.m..