

**FIRST DAY**

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**Tuesday 6 February 2018**

**DRAFT HANSARD**

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**PARLIAMENTARY DEBATES**  
**CORRECTIONS TO DAILY DRAFT HANSARD**

The Draft Hansard is uncorrected. It is also privileged. Members have one week from the date of this issue of Draft Hansard in which to make corrections to their speeches. Until the expiration of this one week period, Draft Hansard must not be quoted as final and accurate report of the debates of the National Parliament.

Corrections maybe marked on a photocopy of the Daily Draft Hansard and lodged at the Office of the Principal Parliamentary Reporter, A1 - 23 (next to the Security Control Room).

Corrections should be authorised by signature and contain the name, office and telephone number of the person transmitting/making corrections.

Amendments cannot be accepted over the phone.

Corrections should relate only to inaccuracies. New matters may not be introduced.

A handwritten signature in black ink, appearing to read 'LEE SIROTE', written over a horizontal line. The signature is stylized with large loops and vertical strokes.

**LEE SIROTE**

Acting Principal Parliamentary Reporter

## FIRST DAY

**Tuesday 6 February 2018**

The Parliament met at 2 p.m., according to the Terms of Resolution of Tuesday 5 December 2017.

The Speaker (**Mr Job Pomat**) took the Chair.

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

Sitting suspended.

The Speaker again took the Chair at 2.40 p.m., and invited the Member for Chuave and Minister for Trade and Commerce, **Honourable Wera Mori** to say Prayers:

‘Papa God you are papa God of all nations. We thank you papa God for this tenth parliament. We thank you papa God for year 2017.

Lord, as we begin 2018, we commit ourselves. We pray for the Prime Minister and his ministers. We pray for the Opposition Leader and for all Members of Parliament.

Lord you have selected us to represent your people, papa God we commit them to your hands. We pray for your guidance and leadership. We pray for your wisdom. Lord as we lead your people, we pray and ask for your forgiveness and Lord help us to do your will as we deliver services to your people.

We thank you that we have this opportunity. Now, as we come together in unison Lord to say the prayer that your son has taught us. Amen.’

**BROADCASTING OF PARLIAMENTARY PROCEEDINGS –  
STATEMENT BY THE SPEAKER**

**Mr SPEAKER** – Honourable Members, I have to inform the Parliament that the Permanent Parliamentary Committee on Broadcasting of Parliamentary Proceedings has met today and resolved that:

- (a) The *National Broadcasting Corporation* (NBC) radio and television will be allowed to telecast and broadcast live Question Time;
- (b) *EMTV* to televise live Question Time; and
- (c) *TVWAN* to broadcast Question Time for the duration of this Meeting for news purposes only.

**CERTIFICATION OF ACT**

**Mr SPEAKER** – Honourable Members, I have to inform Parliament that in accordance with *Section 110* of the *Constitution*, I have certified the *Capital Market Act 2015, No. 66 of 2015* as having been passed by the National Parliament.

**DEATH OF FORMER MEMBER (Sir Reuben Taureka) –  
STATEMENT BY THE SPEAKER**

**Mr SPEAKER** – Honourable Members, I have to inform the Parliament of the death on 10 December, 2017 of Sir Reuben Taureka. He was a former Member for the Rigo-Abau Open Electorate in the Third House of Assembly and the First National Parliament from 1972 to 1974, Minister for Education from 1974 to 1976 and then Minister for Information and Broadcasting in 1976.

As a mark of respect to the memory of the late honourable gentleman, I invite all honourable members to rise in their places.

*All honourable Members stood in their places in silence as a mark of respect to the late Gentleman.*

## QUESTIONS

### **Explain China Loan Conditions/Reassure Jobs**

**Sir MEKERE MORAUTA** – Mr Speaker, I direct my questions to the Prime Minister and I ask the Ministers for Planning, Treasury, Foreign Affairs and Trade to take note.

Mr Prime Minister, one of the legacy you leave for our country and our people to live and struggle with is the growing and the firm infiltration of the Chinese influence on the structure and the functioning of our economy and the composition and conduct of our public finance.

The Chinese are everywhere, it seems that we are being quietly and peacefully invaded from the labourers on roads and buildings, driving trucks and machinery to running trade stores all over the country and even in the most remote areas. They are streaming in because we are giving them tickets, visas and licences, either as workers and then settling in or coming equipped with search lights, to find business opportunities in the country like octopuses. Running trade stores were once reserved for locals, now it seems that any foreigner can run a trade store.

Mr Speaker, those few Papua New Guineans who remain operating in the sector are struggling and are doomed to fail. I have few questions that I wish to ask the Prime Minister.

(1) Can you clarify whether running trade stores is still a reserved activity?

(2) If it is, what are you going to do to get rid of the temporary invaders; if it is not can your Government consider declaring it as a reserved activity for Papua New Guineans?

(3) Can the Government tighten the visa conditions, so that we bring those with skills that we do not have but not truck drivers and machinery operators?

On the question of Public Finances, noting that you are traveling to China fairly often orchestrating a boomerang loan of another K14 Billion;

(4) Can you tell the Parliament, how much debt Papua New Guinea already has sourced from the Chinese Government and what percentage is it on our total external debt?

(5) How much of our debts on China is untied? That is loans to be spent on projects of our choice, using contractors of our choice and equipment sourced from sources of our choice.

(6) How much of it is the boomerang bit, on export credit that is tied to projects the Chinese Government is prepared to undertake and to the provision of Chinese goods and services including labourers and truck drivers?

**Mr PETER O'NEILL** – I thank the good Member for Moresby North West for his questions. Let me just put it to clarify some of the issues that he raised. Firstly, this is not the only government that is doing business with China, we are following the footsteps of past governments, including the one that he led. And he has made many visits to China and he was hosted quite well there.

**Sir Mekere Morauta** – Point of Order! I made one State visit. You are traveling at night, going to China and back.

**03/01**

**Mr PETER O'NEILL** – Mr Speaker, getting facts is something the Member for Moresby North-West should try and adhere to. Nobody travels around in the night looking for businesses, Mr Speaker. I'm a Prime Minister of a country, I announce where I go, public knows where I go to. I travel to promote the business of this country.

Mr Speaker, this is not the only government that has signed MOUs, loan agreements or done business with China. Many governments in the past have borrowed from China and the conditions they have adhered to, we are also adhering to today. Concessional loans from China have conditions that other government also signed, we are the only Government that is trying to change that.

Mr Speaker, in fact, we are in very tough negotiations as we speak today with the Chinese Government to build in every local content into every loan and project we are getting from China, trying to get at least up to 50 per cent.

Mr Speaker, I know Chinese basin is quite easy for politicians and I am not going to defend their position in this world, but they are now moving into becoming the largest economy in the world. Doesn't matter which Government, this or the next or the one after that, they will continue to deal with China because of the extent of influence they have globally.

Mr Speaker, I agree with the issues of reserve businesses which are reserved for citizens. In fact when Richard Maru was the Minister for Trade in the last Government, he

brought to Cabinet a reserve list for Papua New Guinea businesses. Cabinet has already endorsed that and officials have been told to enforce it.

Mr Speaker, we also find that our own citizens are inviting not only Chinese but other foreign nationals to go to their districts and communities and do businesses, sometimes renting their own premises because they themselves do not want to conduct businesses but be landlords, so these are things we have to restrict right across the country.

Mr Speaker, as a former shop operator myself, I know how tough it is to do business in that industry. It is not easy and Papua New Guineans need support and that is our SME policy and some of the support we are extending to the National Development Bank. It is aimed at giving concessional credit line to Papua New Guineans so that they can be competitive in that field. I can assure the member that we are doing everything possible in making sure that every Papua New Guineans interest is paramount.

Mr Speaker, we are not borrowing money like the last time Sir Mekere Morauta was in Government to naturally fund Budget. The expenditure was not sustainable but for consumption only. What we are borrowing from the Chinese is to build infrastructure, roads, bridges, airports and ports that Papua New Guineans will enjoy for years to come. If we don't build infrastructures today, who is going to build the infrastructures for you? We simply do not have enough money in our Budget to fund these large scale infrastructures that our country and population demands.

Mr Speaker, sometimes Member for Moresby North-West makes smart comments in the social media and the print media because he doesn't travel, he lives in Port Moresby only. He never travelled the country when he was the Prime Minister, we are talking to a person who is ignorant.

**04/01**

He doesn't know that we are building a big wharf, constructing roads and we are cementing Lae City because he neglected it in the past.

Mr Speaker, we are building a new airport in Goroka, we are extending the airports in Hagen, Vanimo and right across the country. We are building infrastructure and that is what our people are demanding.

But the neglect that he and his government have left behind with over 20 or 30 years in Public Service is the result of what we are experiencing today. This is a result of neglect of

past government and leaders so just accept responsibility, stop finding fault all the time and be constructive.

Thank you, Mr Speaker.

### **Works – Improve Quality Control**

**Mr GARRY JUFFA** – Thank you, Mr Speaker, my questions are directed to the Minister for Works and can I ask the Speaker to remind him to be succinct and not preach to us for too long.

Belated New Year to you Minister for Works through the Speaker.

My questions are in relation into road works, infrastructure, bridge constructions, et cetera, throughout the country. Wherever you go these constructions or infrastructure are often crumbling apart in a very short period of time after they are built. In some instances, they seem to be falling apart while they are still being built.

My questions are:

(1) Does your department have an inspection division with inspection protocol and inspectors that go around to inspect and ensure that there is a particular standard of the materials used and that the work being conducted is a specific standard that is desirable to industry in the country and in the region? So, that we are sure that this infrastructure that we are building will last for a reasonable period of time rather than falling apart immediately.

In relation to ADB Projects, many of these infrastructure that are falling apart come via ADB Projects. It is all very well to assert loans and projects that come from friends and similar type of organisations but where is the quality assurance? It is frustrating to travel around PNG and see all these infrastructure that are falling apart and it is going to cost us.

(2) What has the Works Department have in place to ensure that there is quality insofar as the infrastructure is concerned, the materials used and the companies that are being engaged?

Everywhere you go today, workers are not in safety gear. In fact, there have been instances where workers have been killed because they are not attired with safety gear. There is no proper occupational health safety policies in place to ensure that our Papua New Guineans are protected while out there.

If you were to travel around the region, you will find that in smaller countries they adhere to these but here you will find that our workers are often bare feet, in slippers, wearing



singlets and handling very large road equipment and machinery, there is no road signs etcetera.

(3) Does your department have any policy in regards to ensuring that there are standards insofar as health and safety are concerned for the workers?

Thank you, very much, Mr Speaker.

**Mr MICHEAL NALI** – Thank you, Mr Speaker and the honourable Governor of Northern for his good questions.

Mr Speaker, the Department of Works when it comes to road infrastructure we have engineers, on the ground we have regional works managers who look after the different regions and we have provincial works managers and there are also provincial works engineers.

**05/01**

They are not lawyers or accountants or betelnut sellers. These are engineers who have graduated from the University of Papua New Guinea whilst some graduated from other bigger universities around the world. Therefore when it comes to quality these engineers cannot compromise what they believe in. They are engineers and they make sure that work is done properly.

Mr Speaker, I agree that at times during construction of roads there are already potholes in it but these are some activities that take place in certain areas. Firstly, it is to do with the type of material being used. Secondly, it is due to climate change and thirdly, it is due to negligence if it is ignored. However, with us in the Works Department, we make sure that compliance is priority.

Mr Speaker, the governor said I should not drag too much with my answer so in response his question, I will say that the Department of Works will not compromise with the quality of workmanship. There are things that happen naturally so we do not have control over. There are roads with problems because of the material used like for example the ones with river gravel and there are others from the quarry. Some of our roads were built in the past so we never used the technology that we have today. The standards of those days are different from the standards of today.

Mr Speaker, out of all the major highways that we have, I think the only ones that stand out are the Buluminski Highway in the New Ireland Province and the Enga Highway in

Enga Province. Currently we are working on the Highlands Highway which is funded by ADB and we can complain about the ADB projects but when these loans are negotiated, there are processes and procedures we follow. The Department of Works played a big part in terms of design works and procurement processes.

The recommendations are made by the Department and sent to ADB in Manila and they are the ones that have the say as to whom we should award the contracts to because that is part of the loan condition. So we do not have total control over what is negotiated by our officials. My responsibility is to get the job done, supervision is provided and they are up to standards.

When it comes to safety gear, I agree with the Governor that many of our workers in the fields are not properly attired. In the mining companies, safety comes first and all the workers are required to be attired accordingly with specific gear made especially for construction sites. At the moment, you will see that many of our field workers in the country are abused. This is problem that not only the Department of Works will shoulder alone but it is also the responsibility of the Department of Labour so that these safety requirement rules must be complied with.

Mr Speaker, therefore, this is becoming a great reminder for us in the Department of Works and I will make sure safety becomes a priority in the road infrastructure industry. While using this opportunity, I wish to also urge other industries to take heed of this very important issue on safety for our people working in the fields.

**06/01**

### **Investigate House Fires – Lae**

**Mr KENNEDY WENGE** – Mr Speaker, before I ask my question I want to thank Papua New Guinea, for the first day of the Tenth Parliament.

My question is in relation to houses fires and public vehicles burnt along the highway starting from Kassam Pass all the way to Lae City. I will specifically ask my questions only on those houses and not vehicles.

Most of these houses in Lae were built during colonial times but they lasted for many years up until now. The interior of most of these houses are run down and all the electrical wirings are exposed. And once electrical appliances such as jugs are used to boil water for tea, fire breakout and we blame those electrical appliances. Yet, we don't take charge in doing maintenance to those houses and even check whether they are insured.

Therefore, I ask the Minister for Lands and Physical Planning to take note also. The electrical wiring in these houses are exposed and is a safe hazard and when care is not taken then that's when fires start and the whole house is down.

Can the Minister for Housing and Urbanisation carry out investigations on the causes of these fires in Lae city and other provinces?

Not long all the houses will be in flames and we will be faced with no houses at all and bare land.

**Mr JOHN KAUPA** – Mr Speaker, I thank the Member for Nawae for his question but can he clarify his question because there are many houses in Lae and I want him to refer to the specific house that his is referring to so that I can give my answer.

### **NHC – Eviction of Legal Landlord**

**Mr KONI IGUAN** – Mr Speaker, I want to direct my question to the Minister for Housing and Urbanisation. Since he requested for a specific question, I want to ask him.

Mr Speaker, during the Christmas break, certain families in Lae were evicted from their homes. These families hold legal titles to these houses.

They were shocked to see the police personnel with interested people with their bush knives acting as terrorists and terrorising the legal landlord with their families. After being evicted, these matters were brought to court in which the court confirmed and recognised them as legal landlords.

Mr Minister, as you are aware of this matter which was reported to you what have you done about the incident?

If your department has done some investigation on this report then please tell us who the culprits are. And we want you to specifically grant them another title apart from the first title for their house, so that it will have more weight to it and culprits like this won't intervene easily and disturb the families living peacefully in their own houses as citizens of this country.

**Mr JOHN KAUPA** – Mr Speaker, I thank the Member for Markham for his question. During the short period of time of seven months as the Minister responsible for Housing and Urbanisation. There were backlogs of unresolved issues in the National Housing Corporation around the country regarding housing only.

Most of you know that before election there were issues of sales of property at the managerial level, which means the top level sell properties that the bottom level are unaware of. When the sale is made then eviction notice is given with human power such as the case in Lae.

**07/01**

So when such issues arise during an eviction, there are people serving their own interests behind these evictions.

Many evictions that occurred in Lae did not reach the attention of the managing director's office, therefore I sent my Officers to investigate in Lae and most of these sales have not been done the proper way. This is why I have asked my lawyer to intervene so that the tenants must be reinstated to their homes, so these are some of the things I have done.

As the Minister responsible for National Housing Corporation for the last seven months, we have done many recovery exercises in all provinces. This is so that all the asset registered under NHC must be transparent as this is the source of revenue for NHC. Before I elaborate further, I want to inform you that my ministerial statement will be released within the next two weeks where I will provide a full report on NHC and the way forward.

I thank the Member for Markham for his question. The Member for Lae has also assisted me in sorting out this problem because there are many people in Lae with interest in the properties within Lae city. These people are using other force to evict these tenants currently occupying these properties. So I have briefed the Prime Minister that we are expecting more of such cases. If you look at Lae, Madang and all our cities, it reflects the work of the bureaucrats from the last government and management. However, I don't want to call you by name as some of you seated here are involved in such deals. Therefore as the new Minister, I want to perform recovery exercises so that all Papua New Guineans must know about the assets registered and I am trying my best to provide affordable Houses for every citizen of this country.

Therefore, I want to inform the Member for Markham that my legal team is working on the issue you raised and after my ministerial statement, we will travel all over the country and bring the asset registry in place through a computer application system so that we can register and monitor all our properties through a transparent system without ambiguity.

I also want to assure our provincial Governors and Members that there are certain people who have a major interest with NHC properties and have been using force to evict the

citizens of this country. If you come across such a situation please report this matter immediately to NHC so that we can use our legal team to proceed and look through whether this sale or transfer is done rightfully. With that I thank the honourable Member for his good question and I will give my full Ministerial statement within the next two weeks.

### **Supplementary Question**

#### **Access to Asset Registry**

**Mr BRYAN KRAMMER** – Thank you, Mr Speaker. Firstly, I acknowledge the Minister's efforts into addressing the issue of stealing public housing.

In Madang, since I was elected, we had three cases of families being evicted and the parties have come to me seeking assistance, unfortunately the matters ran its course in court and they have struggled to defend the matter due to lack of financial resource. I have since taken the initiative to make contact with the National Housing Corporation Port Moresby to arrange a meeting with the managing director. Unfortunately, the response I received was that they are not in their office. My question is in relation to the asset registry. I have a particular interest in asset registry.

**08/01**

I would rather take the initiative of understanding all the assets in my district in Madang so that we can establish which houses are under the National Housing Corporation and make enquiries before the evictions take action.

My question is:

Can the Minister make the asset registers available to Members of Parliament so that when the electorates we represent are in question we may take the front foot and initiatives of establishing which houses are under the National Housing Corporation then make enquiries to see if there are any attempts to transfer or fraudulently steal those titles.

So in relation to the last three matters on houses that were evicted I can have access to those records and establish whether those transfers were in fact legal. Even though those parties or families had the right for legal address, I hope to seek legal address through criminal prosecution if the files or records establishes that they were paying fraudulently.

**Mr JOHN KAUPA** – Thank you, Honourable Member for Madang. I am aware of the three evictions in Madang. We are in communication with our legal team. The sales

transfer was not properly done. So we are putting these people back and at the same time we have put in place an investigation team to look into this matter.

We will also be looking at other electorates in the country because National Housing Corporation has a lot of properties in Kikori and Daru too.

I will look into this issue and send my asset team throughout the provinces so that the asset registry will be made available for you all. Thank you.

### **Preparations for Fire Emergency – APEC Meet**

**Mr SASINDRAN MUTHUVEL** – I direct my question to the Minister for Inter-Government Relations.

(1) How prepared are we for fire related emergency within our country as we anticipate to host APEC within this year.

Recently, there has been a lot of fire reports. I was a victim too on 25 January when I lost two buildings and the house that I was residing in for 12 years.

(2) What is the status and situation of fire stations throughout the country?

I have witnessed fires in Lae, Kimbe and Kokopo. Moreover, Port Moresby is a big city but has only two water containers or fire trucks. How can we address fire emergencies during the APEC meeting of our world leaders?

I am not sure if the fire department is the appropriate department to look after this issues, I think we should merge the fire department with the police and the police can be on fulltime standby in various operations so that they can address it efficiently.

**Mr KEVIN ISIFU** – I thank the Governor of West New Britain for his very good question. You are all aware of the situation of the fire department. This is an outstanding matter over a long time before I held this portfolio which is responsible for Fires Services. This is a very serious problem throughout Papua New Guinea.

Many fire related problems have occurred in Lae as well as Port Moresby as raised by some Members.

**09/01**

Fire stations around the country need good support to upgrade their systems to equip them well to manage fire disasters in the country. But I have to assure the Governor of West New Britain that as a responsible Government, we are taking necessary steps to address the

issue of fires in the country. Considering APEC and other important events that will be hosted in the country; the Government is set to getting new trucks equipped right around the country. There will be 22 new fire trucks. These will replace the existing fire trucks around the country. Also through my department we are putting together a plan to upgrade the Fire Department in the country. In the coming weeks I will bring the submission to NEC and we will look at how we can properly manage the Fire Department in the country.

### **Political Influences**

**Dr ALLAN MARAT** – Thank you Mr Speaker, my questions are directed to the Minister for Foreign Affairs and I ask the Prime minister to take note. Papua New Guinea's third National Goal is under the *Constitution* 'National Sovereignty and Self Reliance.' There are eight Directive Principles and the eighth Directive Principle is most important in order for this country to obtain true national sovereignty and self-reliance. But I will not read it, I will skip it. I trust the Minister will have access to that.

Mr Speaker, the United States of America have what they call the US Foreign Agents Registry, which requires people to declare whether they are working for or acting on behalf of a foreign power. After the Election of Mr Donald Trump, the President of the USA, there were reports of Russian attempts to meddle with the USA Elections.

Mr Speaker, on Wednesday December 6, 2017, the *Post-Courier* published on Page 32 an article titled "*Australian PM to ban Foreign Donation*". This article echoed concerns within the intelligence community about the influence of the Chinese Government, agents and political donations. The proposed legislations will be against political donations and also against individuals trying to influence Australian politics on behalf of other nations.

Prime Minister Turnbull said his Government could not afford to be naïve about the threat of foreign interference. That foreign powers were making unprecedented and increasingly sophisticated attempts to influence the political process both in Australia and abroad. In the proposed legislation in Australia the term unlawful interference and behaviour that would harm the national interest would be clearly defined and criminalised so that Australia is not sold out to foreigners.

**10/01**

Mr Speaker, two days later on Friday 8 December 2017, on page 48 of the *Post-Courier*, the Chinese President Zin Ping responded in an article titled, China blast Australia

over Turnbull Governments foreign interference laws. It is international politics but I believe it will affect us as a country.

Chinese Premier said, Australia's proposed foreign interference laws would hurt political mutual trust. The Chinese Embassy in Canberra declared that Beijing has no intention to interfere in Australia's internal affairs or exert influence on its political process through political donations.

In Papua New Guinea, the relationships and the nature of these relationships between us leaders and the foreign investors has never been known. Our rural dwellers and citizens know nothing at all about these relationships as they quickly bear the consequences of corruptions in much of these relationships.

My questions are:

(1) What is the National Governments policy on national sovereignty and self-reliance?

(2) Will the Government consider introducing on the Floor of this Parliament a National Sovereignty and Self-Reliance Bill to create a transparency and accountability scheme requiring people to declare whether they are working for or working on behalf for a foreign power, and for the bill to regulate especially (a) a personal or business relationship between the members of Parliament and other leaders of Papua New Guinea and foreigners including individual members of the foreign investor companies; (b) the actual negotiations of agreements between Papua New Guinea and foreign investors; (c) the relationship between Papua New Guinean negotiators and foreign investment negotiators of agreements between the two parties; and (d) the justification of dependents upon influence by any country, investor, lender on donor.

(3) Will the Government repeal all the provisions in the OLIPAC Law that allows for political donations from any foreigner whether personal or corporate operating outside or within Papua New Guinea to a political party or a candidate so that an opportunity of national sovereignty and self-reliance among political parties and candidates is created and cultivated?

(4) What is the National Government's policy specifically on espionage and counter intelligence arising from such political donations or foreign investments?

**Mr RIMBINK PATO** – Thank you Mr Speaker and I thank the Member for Rabaul for the questions but I think the questions require very detail reply and I will be making a statement in Parliament later this week which the Cabinet approves. The questions do not



require a tactical explanations, they are somewhat philosophical. There are different agreements, whether bilaterally speaking within a country or multilaterally speaking between nations or in terms of our *Constitution* itself, the extent to which it defines the concept of sovereignty. These are issues that require proper detail analysis and I would be misleading the honourable House and the people of this country if I were to answer in general terms the full extent of what the questions seek to address which has far reaching implications for our country. If I could ask the Member through the Speaker to get the questions delivered to me so that I can provide detail reply as it require consultations with other Government agencies such as the office of the Attorney-General.

### **Western Province – Dividend Payments**

**Mr TOBOI AWI YOTO** – Thank you Mr Speaker, my question is directed to the Prime Minister and the Treasurer and Mining Ministers can take note.

**11/01**

My questions are in relation to the dividends of Ok Tedi Mine belonging to the people of Western Province. In 2013 September, the State took over Ok Tedi Mine. Our honourable members from the province in good faith supported the Government to take over the mine hoping that we will receive better benefits than what we were receiving from the previous operator.

It is now public knowledge in the Western Province and Papua New Guinea that Western Province owns 33 per cent of the mine, making the province one of the richest province in the country. I appreciate that the Government has made a decision to give tax exemptions on the transfer of these shares. On that note our share certificates and dividends owed to the people of Western Province have not been given.

In my capacity as the Governor and Chairman of MROT2, I am yet to receive my share certificate and the dividend of the Fly River Provincial Government. Therefore, my questions are;

(1)When will the share certificates be given to the people of Western Province?

(2)When will we be given our dividend from the 33 per cent equity we hold in Ok Tedi Mine?

We are aware that Ok Tedi has declared dividends three times last year.

Thank you, Mr Speaker.

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

Mr Speaker, yes, it is true that in 2013 the Government took over the ownership of Ok Tedi Mine given that the recommendations at that time was the mine was destined to close. There was a study done and recommended for the mine to be shutdown. As a result the previous owners wanted to shut down the mine and of course retrench all the staff.

Mr Speaker, we have since then have inherited a mine that was making a substantial amount of losses and was virtually employing over 3 000 employees –

**Sir Mekere Morauta** – Point of Order! Prime Minister, can you just please tell the truth. Ok Tedi Mine was a very rich mine and the previous owner PNGSDP, holding 63 per cent, spent millions of dollars resetting ways of continuing the mine, we were not going to close the mine and it was not loss making. My friend your words are so faultless and you're an incurable liar.

**Mr PETER O'NEILL** – Mr Speaker, I know that the good Member for Moresby North-West and former Chairman of Ok Tedi is trying to protect his legacy. We all understand and there is nothing wrong in trying to pretend that you are doing it for the best interest of the country and give indemnity to people who are doing enormous damage to our country, our people, our environment and protecting foreigners like BHP, I mean these are your legacies and that is the truth.

**Sir Mekere Morauta** – Just answer the question.

*(Members interjecting)*

**Mr Peter O'Neill** – Well, I am trying to answer the question. I am just following your footsteps and avoiding all the bad habits that you have been creating.

Mr Speaker, it was a loss-making company. When we took over, it employed close to 3 000 employees and since then because of the drought we had to shut down the Ok Tedi Mine for almost 8 months. We did not export a single ore body during that time which gave an opportunity to restructure the company.

12/01

Mr Speaker, after the restructure, we paid out all the employer entitlements, not one single –

**Mr Brian Krammer** – Point of Order! Mr Speaker the Prime Minister is misleading Parliament by making the statement that Ok Tedi Mine was making a loss. I am looking at the 2012 PNL, where it states that it received K720 million from \$350 million dollars. This was the 2014 PNL of Ok Tedi Mine. So the statement by the Prime Minister is misleading Parliament and should be retracted.

**Mr PETER O'NEILL** – Mr Speaker, the good Member and the busy-body Member for Madang is looking for things to do and I am sure Madang has a lot of things to address –

*(Laughter in the Chamber)*

**Mr PETER O'NEILL** – Mr Speaker, he is quite correct, in 2014 we started making money. We took over the Mine in 2013. I am trying to explain how we got there. What is really wrong about that? Let's be appreciative of the success of the company that is now starting to deliver rightfully to the people of Western Province.

In 2016-17, we transferred one-third of ownership at no cost to the people of Western Province through their companies MROT and MRSM and they are the custodians of the Western Province Mine through which the good Governor is talking about.

Mr Speaker, we have declared the dividends and but the shares have not been fully transferred because of Stamp Duty MROT and MRSM has yet to pay the taxation of Stamp Duty.

Mr Speaker, despite that we are holding the shares and dividends that are due to the Provincial Government and the Ok Tedi people. One-third of the declared dividends is in trust to MRDC for the benefit of our people in Western Province.

As soon as the shares are being sent and transferred and handed over to the Governor it will come together with the cheque for the dividends that he deserves. Thank you Mr Speaker.

## ADJOURNMENT

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

That the Parliament do now adjourn.

Parliament adjourned at 3.40 p.m..