

SECOND DAY

Wednesday 7 February 2018

DRAFT HANSARD

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PARLIAMENTARY DEBATES
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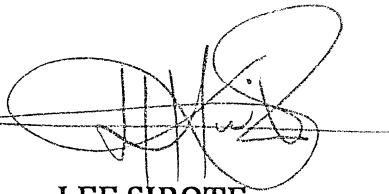
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LEE SIROTE

Acting Principal Parliamentary Reporter

SECOND DAY

Wednesday 7 February 2018

The Speaker (**Mr Job Pomat**) took the Chair at 10.17 a.m., and invited the Member for Nawaë, **Honourable Kennedy Wenge** to say Prayers:

‘Father God, we thank you this morning, whenever men gather your presence makes their gathering holy. You chose us to be leaders in this Parliament and we are here to represent our electorates to ensure legislative decisions are made properly in Parliament for the benefit of this nation. This morning, I also pray that You help the Speaker of Parliament, the Prime Minister, the Opposition Leader and Members of the Parliament when deliberating on issues to help this country become a better country, in Jesus name I pray, Amen’

QUESTIONS

Clarify Status of Former Council Presidents

Mr SASINDRAN MUTHUVEL – Thank you Mr Speaker, I would like to direct this question to the Minister for Inter-Governmental Relations.

Mr Speaker, recently, there was a verdict from the court allowing all the council presidents who have resigned to contest the Election to go back to their respective positions. This needs some clarification from the Minister for Inter-Government Relations and the Attorney General’s Office that if the presidents resign to contest the elections, how are they reinstated back into the provincial assemblies? This has caused confusion and some of our presidents brought along copies of the court order saying that they were permitted by the court to be in the Provincial Assembly. So can the Minister for Inter-Governmental Relations please clarify this issue to this Parliament?

Mr KEVIN ISIFU – Thank you, Mr Speaker and I thank the Governor of West New Britain for his question. I would like to clarify this issue. After having deliberated on this issue and for the benefit of other provinces and governors, the presidents are all aware that before the Election there was a Circular in place. The Circular stated that when you want to contest the Election, you have to resign from office, unfortunately, some Presidents didn’t resign.

Mr Speaker, I want to take this opportunity to clarify this matter to everyone that the Circular that went out before the elections by the previous Minister Honourable Leo Dion still stands.

Mr Speaker, a lot of presidents are defying this Circular. If you didn't resign and you contested for election, you are deemed to have resigned.

02/02

This means, you will no longer return back to the Office. The law is clear that the Deputy President automatically takes over as the president.

Mr Speaker, a lot of presidents are obeying that Circular that is in place. Most of them are trying to go back to the office. A lot of government's officers are facilitating these presidents to take the oath and go back to the office.

Mr Speaker, I want to make it clear that we have to follow the instructions. I will be dealing with the Presidents who are occupying the office. I know that some of them have gone through court and have obtained court orders but we will review those things and follow the law. We have to do things properly so that we can set a good precedence for other future president elections. I assure the Governor that I am dealing with this issue right now.

I will make a public statement on this so that we can clear out things. Thankyou.

Supplementary Question

Review Council president system

Mr THOMAS PELIKA – We also have similar problem in Morobe Province where the Court order made it possible for the presidents and the deputies to be there.

For your record, when I was here, I said reform will not work in Papua New Guinea because having over 800 different ethnic groups coming together to form a nation is very difficult.

I said no to another player of the government to facilitate on behalf of the government. I said no to the Council and told them to take the money to the electorate. I urge the government to review this system.

Some members of the council live in towns and drive around in 4-wheel vehicles. They buy houses and other things too.

My question is, if we conduct a review are we going to create another giant? We are causing a lot of problems for this country because some of the councillors are not being paid yet. We should review and physically check them.

Mr KEVIN ISIFU – Thank you Mr Speaker. The changes of the structure of the government and the sub-government system have been already put in place and are legal issues that we have to address.

If we have to change any government system we have to follow the process through the organic laws. We have to follow the right procedures to arrive at those decisions.

03/02

I can't make a decision now on whether we will remove councillors or remove the systems of Government which is already in place. I do understand your concerns about the councillors not performing their job, while others are not being paid their allowances. As a government we are looking into that and we will address these issues in due course.

Supplementary Question

Explain Election process - LLG

Mr JOHN SIMON – Mr Speaker, I just walked in and I overheard an issue where the Minister said presidents need to resign before they contest the General Election.

How is the election of the presidents done; are they voted for by the councillors or the people?

There seems to be a confusing message here because the Minister announced that the councillors will vote for their president and not the people. And I wonder will that come through the Parliament first or that the Cabinet or NEC itself can decide on it.

Mr KEVIN ISIFU – Thank you Mr Speaker and Member for Maprik. I think this is the question that everybody is asking. All around the country they want to know whether the councillors will elect the presidents or the people will elect the presidents. I think we are all aware of the NEC decision that was already in place. It is already approved that the Councillors will vote and that decision stands. The legislative arrangements are being made and as soon as it is implemented for the Governor General to endorse then we will implement it. There is a lot of requests and debates from different provinces who want to have their own ways of electing their presidents.

And I think for the benefit of this Parliament and for everybody, I will in due course make an official statement addressing these issues.

Engagement of Philippines Company

Mr GARRY JUFFA – Thank you, Mr Speaker. My questions are directed to the Minister responsible for IPBC and I want the Minister for Labour and the Prime Minister to take note.

My questions are in relation to the Philippines based International Container Terminal Services Incorporated Company. This company was awarded a contract sometime in September 2017 to operate at the ports of Lae and Motukea in Port Moresby. Sometime ago when this announcement was made it was quite surprising that the former Minister for IPBC who is no longer here with us actually made the announcement that this company was engaged before the company was even awarded the contract, so that in itself is alarming. The company is based in Philippines and has a terrible track record worldwide in the way it treats its workers and the way it actually pushes out local businesses that are operating in the stevedoring industry.

04/02

According to the information from the unions, International Trade Workers Federation and the unions within PNG that are responsible for this areas and workers, it is asserted that more than 1000 jobs will be lost as a result of this decision to engage this company. This 1000 jobs will affect numerous families throughout the country. It will also significantly marginalise landowners who are involved in this business.

There is a strong rumour that this company will pay below the minimum wage to Papua New Guineans engaged by this company. The 1000 Papua New Guineans will be replaced by workers from Philippines and Indonesia. These are facts to be documented and given to you, Minister for Public Enterprise and Investment. There are documents here with facts. Approximately 40 per cent of workers in the Lae Port have been offered contracts. Today there is a fear that there will be tariff rise globally and also in Papua New Guinea.

Mr Speaker, my questions are:

(1) ICTSI has committed to employing all existing workers in both Lae and Port Moresby ports, when will these workers be given their contracts and will they be guaranteed their existing hours, will this also apply to all ports in Papua New Guinea?

(2) Will ICTSI guarantee workers their existing working hours and conditions? These workers cannot afford the reduction in their hours or their hourly rate of pay given today's rise in cost of living.

(3) What provisions have been enacted through PNG legislation or the terminal contract to make sure that ICTSI cannot unilaterally raise tariffs at the port of Lae and Motukea to the detriment of local community?

This cost will be passed on to the consumers, our people. ICTSI own statements about tariff hikes and extreme profits in some of the poorest region in the global network should be of concern to the PNG Government.

(4) Why did the PNG Government port authority agree to lease rates that has the potential to significantly increase tariffs for port clients with the flow on affects to the local PNG community?

Currently, smaller ports are cross subsidised by income from the ports of Lae and Port Moresby. Who does the PNG Government plan to ensure that these ports continue to be viable and provide needed services for local communities?

Mr WILLIAM DUMA – I thank the Governor of Oro for the series of very important questions, but firstly, let us remind ourselves that as leaders we are expected not to speculate. Most of what the Governor is saying is based on speculations.

Mr Gary Juffa – Point of Order! We actually have facts and documents and statistics so do not mislead Parliament. We can make them available to you.

Mr WILLIAM DUMA – You are a leader of this country, when you make statements be responsible, don't present statements that are based on innuendoes and rumours.

05/01

Mr Garry Juffa – They are facts!

Mr WILLIAM DUMA – What facts? Facts are going to yourself.

But, Mr Speaker, this is a company that has entered into a contract with this country based on an exhaustive process. This process took more than three years –

(Mr Garry Juffa interjecting)

Mr SPEAKER – Order! Honourable Governor, allow the Minister to answer your question.

Mr WILLIAM DUMA – It was not an agreement that we reached within months, it took more than three years even before my time as minister. It was a process that started when the former Minister for Public Enterprise went through a public tender.

Mr Speaker, we have all experienced the performance of our very own State-Owned Enterprises their inability to provide a decent return for our shareholders who are citizens of this country and Ports Corporation is no exception. We have experienced numerous delays, and lack of productivity at our two main ports in Port Moresby and in Lae.

As a result to make our ports competitive and given that Papua New Guinea is positioned in a very strategic location, half in Asia and half in the Pacific, the Government felt that it was of time that we reviewed the way that our State-Owned Enterprises conducted themselves including Ports Corporation.

There was a lot of evidence suggesting that Ports Corporation and the way it was conducting its operation at the two ports needed to be improved and that is why the Government made a decision to put off these operations, not the sale of the assets of Ports Corporation or the land or all the assets of Ports Corporation but only the operations of those two ports for a limited period of time. This is a process that took more than three years.

ICTSI of Philippines, after having gone through an exhaustive process entered into an agreement with Ports Corporation and that agreement was also screened by ICCC which is responsible for setting tariffs to be charged by the ports operator.

So, Mr Speaker, contrary to what everyone is saying, we need to be specific on which employees we are referring to, are we referring to the employees of Ports PNG or are we referring to the employees of Stevedoring Companies who are privately owned and who are aptly contracted to carryout Stevedoring duties in the Ports. We need to be specific so I would like the good Governor to be specific as to which employees is he talking about.

If he is referring to the Stevedoring Companies, these are employees of private companies but if he is referring to the employees of Ports Corporation we have a responsibility to ensure that our employees are not put out of job because of this exercise.

We have entered into an arrangement with this company where the employees of this company will not be affected. In fact, if you examine that contract that was entered into between Ports Corporation and the Philippines Company we have actually agreed for this company to charge a reduced tariff, the lowest rate, and depending on the performance of this economy to the maximum that is allowed under that contract but again that agreement is subject to the final approval of ICCC.

Mr Speaker, contrary to what others are saying we have not sold this country because our employees will not lose their jobs.

It is about allowing a very efficient company which has track record and mind you this company is now operating the Port of Melbourne. It went through a thorough process with the Port of Melbourne and it has a proven track record in all the areas that it is operating, so I am at a loss end as to what people are saying that this company has a bad track record and if it is to be allowed to operate at Melbourne.

Mr Speaker, it speaks volumes of a company which cannot defend itself on this Floor of Parliament. We as a responsible Government looked around and went through an exhaustive process, a number of internal companies including two companies operating in Papua New Guinea which have been operating for more than 100 years were also allowed to participate.

06/02

Mr Speaker, the so-called allegations by the unions are just imaginations raised by people who were part of the process and were left out and it's all sour grapes. That is why they have been continuously using the unions to raise allegations that have no basis whatsoever and I have been forced to write directly to one of the companies operating in this country to remind it that it has benefitted significantly by operating in this country. And as a company which has been allowed to operate in this country it must respect the decisions of the executive government of the day.

After having been allowed to participate and after having not met the requirements it should not resort to dirty tactics by encouraging our unions to raise allegations which have no merits whatsoever.

I can assure this Parliament that this is one instance where the arrangements between the company from the Philippines and our government went to a thorough and exhaustive process initiative by the former minister, half completed by the last minister and finally when the current treasurer was the Minister. So it went through a thorough process and we were all satisfied that this is one of the deals that will actually result in more benefits for our country.

In fact, in the agreement, if the governor wants to have a look, I can provide him a copy of the agreement and he will realise that contrary to what he is saying, the rates are the lowest. We are starting from the lowest up to the highest that is accepting by the ICCC.

Mr Speaker, contrary to what others are saying this is one of the best agreements we can ever conclude with an international operator.

Mr Garry Juffa – Point of Order!

Mr SPEAKER – Resume your seat, Governor of Northern!

Mr Garry Juffa – I just have a very brief explanation.

Mr SPEAKER – No, resume your seat, you've already raised a point of order.

Mr Garry Juffa – I need to correct the Minister who is making a lot of mistakes in his statement but anyway, thank you.

Mr ALLAN BIRD – Mr Speaker, I want to ask a question again in relation to LLG Elections.

I've read the explanation from the honourable Minister but I'd like to direct this question to the Prime Minister if I could.

Mr Speaker, in my province the issue of LLG Elections has already come before the provincial assembly and we've had a discussion on it that lasted two hours. Needless to say it is causing a bit of issue in my province and I'd like an answer from the Prime Minister in relation to what the Minister has explained.

The Minister mentioned that there is going to be some reviews. It is my understanding that in the previous government there was considerable funding allocated under the than Deputy Prime Minister Sir Leo Dion and there was a review done under the 1995 reforms which involved the Provincial and Local Level Government.

I am not sure whether the report was presented in parliament here because I wasn't here.

If not, I'd like to find out if it is that report that will form the basis of any reviews of our local level government system.

Mr Speaker, as you know some of us have beliefs in the provincial governments and it is for that reason that we got elected to this honourable House. Some of us would like to make the system work. And I am afraid that if Cabinet is going to make decisions without the benefit of proper studies by experts, and those decision are carried over and converted into laws which then affects how we do business at the provincial level this may cause further issues.

If you remember, for those of you who've been around for a while the 1995 Report actually disadvantaged two provinces, Bougainville and East New Britain were performing very well under the old laws but now under the new reforms, some of us are trying to make an

attempt to make the system work. We cannot afford for there to be further disruptions to the way these processes are now naturally, I repeat, naturally finding traction.

We may have some issues in some districts or some provinces but that is not a reasonable excuse to go about bringing wholesale changes to the entire system because of one or two issues in one or two districts or provinces.

07/02

Mr Speaker, every province is different, and I would like to get an assurance from the Prime Minister if he could inform my people in East Sepik and the people of Papua New Guinea, as chairman of NEC, if he intends to change the election process of council presidents?

Mr PETER O'NEILL – Mr Speaker, I thank the Governor of East Sepik for his question.

Firstly, let me say that we will be having council elections probably in June or July 2018. And any changes that may be contemplated, will take place after the elections. There is no point in creating uncertainty in the minds of our people right throughout the country, whilst the election process is taking place.

At the same time we have also decided that election of council presidents either by the people in the LLGs directly or by the ward councillors will be optional. It's up to each individual province to decide which option is appropriate for them.

There are provinces in the country where they wish to have their council presidents elected by the people and that's fine. And there are other provinces where they want the ward councillors to elect the presidents. So we will allow the option to the provinces.

The second issue that the Governor has raised about the report by the Provincial Affairs and Inter-Government Relations, which was conducted earlier, we are yet to receive the report in Cabinet.

I have not had the privilege of having access to that report but we will find out where it is and of course deal with it accordingly with proper consultation.

So it's not a reform that will be taken out lightly but it affects the entire system of Government in the country. But let me assure our governors and our provincial governments that I stated on many occasions that we are not here to change the system of provincial governments in the country.

As far as I am concern provincial governments are here to stay, and they have a role to play in the structure of the Government in the delivery of services right throughout the country.

We all know that there are weaknesses in the system of government that we have and our job is to strengthen it by making sure that we deliver the services that our people expect at all level of governments to deliver, so there will be proper consultations.

Mr Speaker, we are in the process of referring some of these changes to the Constitutional Review Commission.

In fact, Cabinet submission is under way to have the Governor General endorse the work that the Constitutional Review Commission would take out in respect to these reforms that we are proposing.

The facts are that: (1) there is no desire to change the provincial governments system; (2) the election of council presidents is optional. And I can assure that the consultation would take place so that we can all agree to a system of government that our people expect from all of us both in the provinces and National Government as well.

Issuance of FCA to Malaysian Company

Mr JOHNSON WAPUNAI – Mr Speaker, I want to direct my question to the Minister for Forests. I also want the Minister for Lands and Physical Planning to take note.

Mr Speaker, it came to my attention that towards the end of 2017, the Forests Authority issued an FCA to a Malaysian Company, to operate in Ambunti-Drekikir. It was issued without the landowners concern.

Mr Speaker, this is the very act that was experienced with the controversial CIPL issue. And the respective government agencies are yet to find answers on how to deal with it.

08/02

However, I understand the Honourable Minister for Lands and Physical Planning has set up a Committee to find a remedy to this and when or how all this will happen is not known.

Mr Speaker, my questions are as follows:

(1) Did the Papua New Guinea Forest Authority issue an FCA to a foreign company based on an incorporated ban couped certificate in compliance with the *Incorporated Land Act 2009*?

(2) Was the certificate title issued to a land group in compliance with the *Land Registration Act 2009*, which paves way to the FCA based on the agreement between the landowner group, PNG Forest Authority and the developer?

Recently, around October and November 2017 the National Rec and Statistic was launched.

(3) How does the continuous cutting down of trees in our forest complement the Climate Change Program?

Mr DOUGLAS TOMURIESA – Mr Speaker, I thank the good leader for his questions. Let me say this that the SABLs come under the Minister for Lands. However, the Minister for Lands and our office have been working very closely to make certain that we address the issue of SABL.

I have raised this issue on numerous occasions on the Floor of this Parliament and for the last few years as Chairman of the SABLs we have made recommendations to the Government especially through the NEC for the abolishing of all existing SABLs and that has already been done through the Prime Minister's office and it is now up to the Lands Department to make sure that all the SABLs are cancelled.

Mr Speaker, the SABLs that is in question by the good Member is an issue that needs to be addressed very carefully. Let me take this opportunity to inform the Parliament that I have met with the good Member last week and I have given him my assurance that we will be dealing with the SABLs in his electorate. Yes, the FCA was granted through the landowner company and the landowner company with the investor are in the process of logging in that area through an agriculture arrangement.

Mr Speaker, if I may some of us have seen the report on SABLs in yesterday's newspaper and that is actually a grave concern for my department when we know some files on the SABLs have gone missing.

We all need to take note of the reports in the Dailies yesterday and I know the Good Minister for Lands is at the top of things and I can assure you that I am working very closely with the Minister to get to the bottom of the issues that you have raised today.

Yes, I am also of the view that the FCA was granted through the landowner company.

Mr PETER ISOAIMO – Mr Speaker, I direct my question to the Minister for Physical Planning.

(1) Since he is on top of things, can he explain to the people of Kairuku-Hiri and this country as reported in the print media and social media as well that the controversial Manumanu – Gabadi land files have gone missing.

(2) Since he is on top of things what is his Department going to do about this?

(3) When do we expect the administrative Commission of Inquiry to be concluded and its findings known to the people of Kairuku-Hiri and Papua New Guinea?

Mr JUSTIN TKACHENIKO – Mr Speaker, I thank the Member for Kairuku –Hiri for his questions. From a direction of the inquiry from the Chairman, we were instructed to produce the title and land files of the Manumanu area to them last year. We immediately found the title files which are with the inquiry right now but, unfortunately, we have not found the Manumanu land file which is yet to be found from within our department.

This is one of the reasons why the former Secretary was suspended because from our evidence and documentation of facts he was the last person with it. So scenario is where the facts are at the moment and I have issued a Ministerial direction to the acting Secretary to go through every filing cabinet, every table and every desk of every officer in the department which is happening right now to ensure we not only find that land file but also the 60 missing SABL files that still need to be recovered so the committee can get on with their job with due diligence and assess other SABL cases.

09/02

It is a major concern and it is totally unacceptable and this practice has been happening for far too long in the Lands Department. So your government is on top of it and we are going to make sure that we fix the problem once and for all.

One of the initiatives we started up last year was setting up of the scanning unit in the records and archives division under Lands Department where every single land file or total file, survey documentation will be scanned individually and recorded forever. That is to ensure that a hard copy can never be destroyed because once it is under the new LEAP system, its available for everyone to access, Thank you, Mr Speaker.

Mr ISI HENRY LEONARD – Thank you, Mr Speaker. I rise to raise a series of questions to the Minister for Mining.

Mr Speaker, the Woodlark Island gold project has been on the to-be-developed list for over a decade. The operator ship has charged hands twice and there is a delay by three years in the project development. In the meantime, the landowners on the island has been returned to the landowners and I thank the Prime Minister for that because it is important because it will determine and give grounds to the landowners when it comes to benefit sharing agreements. The people of Woodlark and Samarai-Murua district regard the Woodlark mine project as a major catalyst for development but the delay in in its development is causing much anxiety and undecided expectations. My questions are,

(1) Can the Minister inform the people of Samarai-Murua of the current status of the project?

(2) If the low commodity prices derives is the main reason for the delay in securing project developing financing, can the Government assist through its various loan facilities?

(3) What has become of the agreement between Kula Gold and WCBU resources that was to look at a possibility of a joint venture to jointly develop the projects on Woodlark and Misima?

(4) If Geo-Pacific Limited is firm on moving the project forward as it now says, can the MOA which was initiated by the stakeholders in December 2015 be approved by the NEC?

This approval will give more confidence to the resource owners and other stakeholder of the project being developed. Thank you

Mr JOHNSON TUKE – I thank the Member for Samarai-Murua for the questions asked. Firstly, for any developer in Papua New Guinea to gain access to licences, there are conditions attached to it. They have to comply in order to exist and operate. This case, you have asked me four questions which might take long to answer, you might want to put it in writing to me so I can respond in due course, as it is quite technical too as well. Thank you, Mr Speaker.

10/02

SUSPENSION OF STANDING ORDERS – EXTENDED TIME FOR QUESTIONS

Motion (by **Mr Joe Sungi**) agreed to –

That so much of *Standing Orders* be suspended as would prevent the time for questions this day being extended by 20 minutes.

Mr JOE SUNGI – Thank you Mr Speaker. I direct my question to the Minister for Foreign Affairs. Recently, there was a decision at the UN to oppose President Trump's decision to recognise Jerusalem as the Capital City of Israel.

This is a very big issue amongst our Christian communities. As a country we have declared ourselves as a Christian nation. History can speak for itself and that is the reason why we declared 26 August every year to commemorate repentance day which this Government has currently endorsed and made as a law.

Mr Speaker, the founding Father of this country Sir Michael Thomas Somare, signed a covenant with the nation of Israel. Following that the current Prime Minister visited Israel and made commitments. There are many good projects and technical assistance received from them to support our country.

Mr Speaker, UN's decision has concerned the Christian nations. Almost 99 percent of our people are Christians. That is the very issue that has prompted us to have the Bible right here in the Chamber.

(1) Can the Minister explain to the rest of the country why Papua New Guinea has voted against the very nation that prompted this Bible to be with us? Accordingly to *Genesis* those who support and curse Israel will be cursed and anyone that blesses Israel will be blessed.

(2) Can the Minister on behalf of this Government explain to our people why PNG has taken that decision to vote and support the United Nations resolution?

Mr Speaker, the President of the United of America made it clear and only eight nations voted to support Israel while the rest of the world including Papua New Guinea voted against. If there was a mistake in this decision, can the Minister also apologise?

Mr RIMBINK PATO – Thank you Mr Speaker and I thank the Member for Nuku for his important questions.

Let me begin by saying that Israel remains a very close, committed and constructive partner of our country. In the same way, the United States of America is a very strong development partner going for a long time with our nation.

Let me also say that the decision to vote in the way we did was not taken lightly. It was based on professional advice which was received from our mission in New York and also from the Department. It was not a decision based on Christian principles. It was a decision made in accordance with our foreign policy and that is to remain friends of all and enemies to none.

11/02

We have to strategise and optimise the best games in terms of strategies for our nation and we need to look at the legal decision of the UN which has remained since 1967 and that is Israel must live in peace. And the globalizing world is about peace, prosperity and security. And we cannot isolate one bible passage and we must look at everything in a proper context. The Bible itself says love your neighbour as yourself. And so the Israelites and the Palestinians are related to each other and they live in a volatile world in the Middle East.

Mr Joe Sungi – Point of Order! The Bible verse that he is talking about is general and I am talking about the bible verse that is specifically related to Israel.

Mr SPEAKER – Member for Nuku, your point of order is out of order.

Mr RIMBINK PATO – I am coming to that and the decision made is not based on any particular aspect but again where the world is moving and in consistent with our own foreign policies. And the decision we chose was not a vote against Israel, not at all. If you think that it was a vote against Israel then you have been misled. It was a vote against the United States of America and the position we took was the same position that was taken by some of the closest allies of the USA.

This included Great Britain, Netherlands, New Zealand, Norway, South Korea, Switzerland, Italy, Germany, Ireland, Japan, France, Finland and two-thirds of whole world consistent with the resolution of the UN and in accordance with the International law to determine a peaceful existence for the State of Israel since 1967, PNG stood along with the international community. So it is now a foreign policy and that we must connect with all. We are connecting ourselves with the rest of the world and in the year of APEC we must ensure that PNG is secure. We support security, prosperity, globalisation in the connectivity and that there will be opportunities that we will seek to support Israel as we have done and our record in the UN is very clear and that we have stood with Israel time and time again on every issue to adhere. The international community is swinging one direction against the USA but it is its closest allies. We do not know what kind of consulate it will open in Jerusalem but that is the decision of the USA.

Does it promote peace, security and prosperity for the world in the Middle East? Look at Indonesia, our closest neighbour and the biggest Muslim nation. When I was there for the Bali conference in December, shortly before the vote, they condemned the decision of the United States of America. So we have to be as a leader of the region. And we are trying to connect ourselves and establish our position globally for PNG as a player in the world. All of these issues have been taken into consideration in the decision we have made and we will take the right decision and move forward for Israel.

Reducing Cost of Energy

Mr RAINBO PAITA – My question is directed to the Minister for Petroleum and energy and would like the Minister for State Enterprise and the Minister for Communication and Energy to take note.

My first question when entering Parliament was in relation to Energy. The basic issue is that to give birth to industry there are three things that need to be fulfilled. If you look at the examples of Europe and America; raw materials must be cheap, the workforce must be vibrant and cheap as well and there must be cheap energy.

12/02

In this country we continue to have a situation where energy is very costly. Forty per cent of all operational cost in any business can be cost of energy itself.

My questions are, in terms of our major investment in the petroleum and energy sector and our obligation to create a domestic obligation within the country to provide cheaper energy in this country.

There is a continuous energy shortage as well as the increase in energy prices, where are we now in terms of laying the foundation for us to create a domestic obligation in terms of reducing energy cost in this country? Let's ask ourselves, can we lift off development in providing cheaper energy? The answer is no, we cannot. We must provide cheaper energy in this country in order to stimulate economic growth and industrialisation in this country.

(1) So Minister, where are we now in terms of laying that foundation in reducing energy price in the country? This is affecting business and people in this country.

(2) Can there be some form of cooperation between different departments where they share the responsibilities over energy to quickly expedite the policies on reducing energy cost. I firmly believe, if we do that we can encourage growth in many areas where we are trying to encourage businesses in the country.

Dr FABIAN POK – Thank you, Mr Speaker. I want to thank the Member for Finschhafen, One of the problems with providing gas for power generation could not happen because under the agreement that we have with the current PNG LNG is that there is no domestic market obligation clause, so the company and shareholders that are operating cannot make gas available for power generation.

As Minister responsible, I have now framed out a white paper policy which is before Cabinet for deliberation and the Cabinet will make a decision if it means to change or amend the *Oil and Gas Act* to make gas available for domestic market obligation.

There's a lot of issues with the Konebada Petroleum Park but the park was set for a reason and that is to produce methanol and other plans from the gas that is provided to this country. But unfortunately, the arrangements that were made with PNG LNG at that time did not provide a clause for domestic market obligation. That means, no gas was made available in the agreement that is why the Prime Minister in his leadership has directed me to put together a white paper policy which is now before Cabinet for deliberation.

We have brought in three policies: 1) Domestic Market Obligation that will allow certain percentages of the gas to be made available for power generation so that we can do away with diesel. Certain gas be made available for methanol plant and agriculture product and other commodities that can be produced from the by-product of gas. 2) Local Content. We don't have a policy on local content, meaning what kind of jobs can be done from the use of gas by the locals? We have the SME Policy, but when we try to involve gas or plant like the Elk Antelope, we don't even know what kind of jobs can be done by the locals and what can be done by the international companies, that is why there is a domestic market obligation.

13/02

The third policy is Third Party Extract. Because we have one pipeline other gas fields must be able to filter it and bring the gas into Port Moresby, domestic consumption and domestic use.

So, the three Government Policies are before Cabinet. When Cabinet approves it, it will become a policy and if the *Oil and Gas Act* needs to be amended to incorporate them, we will do it to ensure that our country and people get the best electricity prices and get the best in terms of import substitution of the products that we will produce from the gas that is being produced.

So with Elk-Antelope and other gas fields we will now put these clauses in to assist and enable us to realise some of the benefits that is due to the people of this country.

Thank you, Mr Speaker.

Maintenance for APEC Related Road Trips

Mr LEKWA GURE – Thank you, Mr Speaker. I rise to ask a series of questions in relation to APEC to the Minister for Works and the Minister responsible for APEC can-- take note.

We all know that, this year 2018 is a very important year for our country where we will be hosting a series of APEC related meetings culminating in the APEC Leaders' Summit in November. Despite the negative views expressed by some sectors of the community, especially in relation to how much it is going to cost us to host the event, I am sure there are many positive things that can come out of the event.

Hosting of the APEC Meeting gives us a perfect platform to showcase our great diversity in our geography, culture and traditions, fauna and flora so we should be very proud that collectively we have the potential which can be the source of our strength. Whilst, some of the meetings will be held in other provincial towns and cities, many of the bigger meetings including the Leader's Summit in November, will be held in Port Moresby.

So, my questions are relating to the meetings that will be held here in Port Moresby. For the first question, can the Minister responsible for APEC to take note and provide a response.

For the delegates who will be meeting in Port Moresby, will they be allowed to travel outside of the city in organised cultural tours, to the adjoining districts like Rigo and Kairuku-Hiri?

The next two questions are directed to the Minister for Works.

If the delegates and members of the entourage are allowed to travel outside of Port Moresby, the roads they will travel on to the adjoining districts will be Magi Highway, Hiritano Highway and the Sogeri Road so in order to give our guests a reasonable ride which will contribute to a total experience of our country, certain sections of these highways need maintenance or rehabilitation.

(2) Who is responsible for this highways and roads, is it the National Roads Authority or the Department of Works?

(3) Regardless of who is responsible for these highways and road maintenance for APEC related road trips, are there any plans to carry out maintenance for the following sections; (a) Magi Highway from Bautama to Kwikila Township, (b) Hiritano Highway from Laloki Bridge to Vanapa Bridge, as there is a performance based contract with Dekenai Construction from Vanapa to Beraina and I am sure the Minister is aware of that, and (c) Sogeri Road from the Nine-Mile round-a-bout to Sogeri itself?

Thank you, Mr Speaker.

Mr MICHEAL NALI – Thank you, Mr Speaker. I want to thank the honourable Member for Rigo for the questions and the answers will be straight forward.

14/02

On the subject of Hiritano Highway, the road starting from Nine Mile or Laloki Bridge all the way to Kerema is being taken care of. From Vanapa. to Bereina and onto Kerema has already had its contract awarded to Dekenai for K80 million, it is a performance based contract so the company will be on that road for four years to ensure that there is no breakages such as potholes and so on.

From Laloki to Vanapa, negotiations are going on between the department and the World Bank who has agreed to pick up that section of the road and tenders would be called very shortly.

On the Magi Highway section of the road, parts of it have already been maintained and is an ongoing project. We understand the concerns of the Member so I can make a commitment to you that since it is an ongoing project the department has already been advised and we will continue to maintain the road as far as we can go, even as far as Kupiano if we can.

Mr Speaker, having said that, we also understand that a lot of the roads in villages within the city such as Pari, Barakau, Tubuseria and eastward to Papa-Lealea are also important when the participants come in for the APEC Leaders' Summit they will want to visit those areas. These are parts of the projects also.

I would like to sit down with the Governors of Central, NCD, the local members and the Department of Works so we can put in some maintenance programs in place to make sure that all these roads are accessible to our visitors and people.

Environmental Fraud Allegations Against Barrick Niugini

Mr NIXON MANGAPE – My questions will be directed to the Minister for Environment and Conservation. No question has gone to him and he is idle so I wish that my brother stands up.

Mr Speaker, before I direct my questions to the Minister for Environment and Conservation, I'd like to stress that the Mining Industry has been and will be an important sector that has been the backbone of our country's economy.

Since the discovery of traces of gold in the Port Rift at Redscar Bay in Milne Bay in 1852 all the mine developments, whether small, medium or large scale projects have varying degrees

of economic, social and environmental impact. We all have seen, experienced and felt these impacts in our own way.

Mr Speaker, gold mining in the Morobe Gold Fields has left long lasting impressions with litter of dredges and mercury contaminated rivers, creeks and fields. The Panguna Crisis was due to excessive environmental damage and unfair distribution of wealth. Liabilities of environmental damages by the Ok Tedi Mine was legalised before the exit of BHP. River communities along the Lagaip-Strickland River Systems have been excessively affected by the Pogera Gold Mine. The discolouration of water has choke off aquatic life the fish in that system cannot see because their eyes have been damaged. These brings no protein to the families along the river streams.

15/02

Mr Speaker, we should have learnt from the environmental impacts of mining in Morobe goldfields, Panguna, OK Tedi and Pogera, which was unleashed in the name of development. It will probably over 50 years, for the environment to recover and stabilise.

After 40 years of independence we still cannot make good decisions to minimise these impacts.

Mr Speaker, the three questions relates to series of allegations of environmental fraud by Pogera River Alluvial Miners Association against Barrick Niugini; the operator of the Pogera Gold Mine in my electorate.

My questions to the Minister for Environment, Conservation and Climate Change are:

(1) Can the Minister confirm or deny that Barrick now holds a 50-year environmental permit No.WDL3121, which will expire on 31 December 2053?

The terms and references for *Environmental Act 2000* and *Environmental Amendment Act 2002*, provides for less than 25 years and not more than that.

Barrick now operates under a separate environmental law in the country.

(2) Can the Minister tell us why the State environmental permit was issued secretly to Barrick on 3 January 2007, without complying with other lawful requirements?

(3) Is the Minister aware that the affected communities through their associations have petitioned the National Government through your office to establish a commission of inquiry to investigate the systematic widespread and great violation of environment laws and fraud allegations against Barrick?

(4) Mr Minister, although the license may have been issued before your time in office, what is your position and what actions are you going to take on these issues?

Mr JOHN PUNDARI – Mr Speaker at last I have a question to answer. But since this is my first time to speak on this Floor of this Parliament, let me take this opportunity to thank my people of Kompiam-Ambum for electing me to serve them for a fifth term.

Mr Speaker, the questions asked by the Member for Lagaip-Pogera are very important and we all know about Pogera. It has contributed immensely to the development of this country and one of the pioneering mining development in the country.

Mr Speaker, we have learnt from the legacies of OK Tedi and Paguna Mine in Bougainville.

We need to be careful in how we manage environmental impacts going forward. And the Member for Lagaip-Pogera is spot on and I sincerely thank him for his series of questions, in so far as the Barrick Niugini is concerned.

16/02

Mr Speaker, in so far as Barrick as the developer and the operator of the Pogera Gold Mine is concerned, my authority or the Institution that I lead as Minister is responsible for compliance and standards and performances of our environmental permitting of all Mining Industries in the country.

In regard to the 50-year lease, I am not aware and I will have this ascertained with my department. As to the secrecy of a permit being issued, it is something that I cannot confirm or deny. I will have to inform the honourable Member on that after I have consulted my officers.

Mr Speaker, in relation to the Commission of Inquiry and the fraudulent natures that surrounds the operator regarding the environmental impact and how it has dealt with the institutions of the State or the people for that matter, I wish to inform the Member through you that I am not aware and that is something that I will look into and get back to the Member.

DEPARTMENT OF DEFENCE – ANNUAL REPORT, 2016 –

PAPER AND STATEMENT –

MOTION TO TAKE NOTE OF PAPER

Mr SOLAN MIRISIN (Teleformin – Minister for Defence) – Pursuant to Statute, I present the 2016 Annual Report of the Papua New Guinea Defence Force:

'2016 Defence Annual Report'

Mr Speaker, I seek leave of the Parliament to make a statement in connection with the Report.

Leave granted.

Mr Speaker, I stand before this honourable Parliament to present to you the 2016 Annual Report in compliance with *Section 63 of the Defence Act 1974*.

Mr Speaker, please take note that I will be using the name Defence organization interchangeably to mean both the Department of Defence and the Papua New Guinea Defence Force. The two entities make up the Defence organization but have distinct roles and functions.

Ministry of Defence is very unique and has two sections. Secretary of Defence looks after civilians, almost 200-300 of them, and the Commander looks after the uniformed soldiers, almost 4000 – 5000 uniformed men and women. So it is unlike other Ministries.

Mr Speaker, the 2016 Defence Annual Report is the first since 2011 and the first for me as the Minister for Defence. The Papua New Guinea Defence organization has not provided any report since 2011 because of continuous changes to the Secretary of Defence and numerous government guidance and policy remain clear for Defence.

Mr Speaker, like all Government departments and agencies 2016 has been a challenging year for Defence and yet Defence continuous in its capacity building as directed by the National Government under the PNG Vision 2050, National Strategy for Responsible Sustainable Development and the Medium Term Development Plan too.

These directions are further contained and re-enforced in the National Security Policy and the Defence White Paper 2013.

17/02

Mr Speaker, the capacity building efforts include three main activities:

- increasing the number of soldiers;
- training and acquisition of military platforms including relevant hardwares; and,
- rebuilding of Defence Infrastructures including institutional houses, offices, roads and utility service lines.

Mr Speaker, these activities directly support the PNGDF in fulfilling its roles and functions under Section 202 of the *Constitution*, and that is;

- To defend Papua New Guinea,

- Aid to civil emergencies,
- Nation Building and;
- Fulfilling International Obligations.

Mr Speaker, I am pleased to say that in 2016 soldiers numbers have increased to over 3300 men and women. Of these, there are over 170 female soldiers in various capacities across the force. There is one female navy officer, one civil engineer, two lawyers, seven medical doctors, 40 nurses and the rest are in the infantry or operational units.

Also Mr Speaker, in 2016, four of our officers participated at the United Nations Peace Keeping operations in Darfur and El-Paso in North Sudan and Zuba in South Sudan.

Mr Speaker, this is a significant progress in our Force and the Country must know that. Our elaborate training programs for all the soldiers including those in the infantry, navy and the air squadron continued throughout 2016. There is a measured improvement in our mobility and logistics arrangements and this is progressing well.

Under our rebuild program, Defence has completed its reroofing and road maintenance projects in Murray Barracks and Taurama Barracks at a cost of K7 million.

Mr Speaker, also in 2016, the Army Reserve Force completed the drafting of the enabling legislation and regulation in line with the Government's directed national youth scheme; incorporated the Kumul Association for retired servicemen and women; and the ex-serviceman's management framework. These initiatives are progressing well.

Mr Speaker, throughout 2016, PNGDF continued to support the Royal Papua New Guinea Constabulary in responding to internal security issues. And this support is continuing.

Mr Speaker, I am also pleased to inform this House that throughout 2016 our soldiers continued their preparations for the 2018 APEC meeting with on-going joint military training and exercises with our traditional security partners including Australia, New Zealand and the United States. Our Force have undergone several special joint military exercises such as

- exercise kakadu with the New Zealand Navy;
- exercise koa moana with the US Marine Corp
- exercise paradise with the Australia Naval element
- exercise komodo with Indonesia

Our Special Forces, the Long Range Recon Unit (LLRU) and the Quick Responds Force (QRF) have been in constant training in Counter-terrorism and hostage combat situations through 2016 as well.

Mr. Speaker, also in 2016, Defence continued to maintain its strategic relationship with other military partners such as China, India, Japan and Singapore.

Mr Speaker, in 2016, the Defence Organization also continued the Baiyer-Madang road project as part of its Civic Action initiative in support of the Governments Missing-Link Program.

Finally, 2016 has seen a very strong enforcement of discipline in our force and ill-disciplined soldiers have either been demoted or terminated from the force. This strong emphasis on discipline is continuing. With this I now commend the 2016 Defence Annual Report to this honourable House. Thank you, Mr Speaker.

18/02

Debate (on motion by **Mr James Marape**) adjourned.

Sitting suspended from 11.45 a.m to 2 p.m.

19/02

**DEPARTMENT OF HEALTH AND HIV/AIDS – HEALTH SECTOR ANNUAL
MANAGEMENT REPORT, 2016 – PAPER AND STATEMENT –
MOTION TO TAKE NOTE OF PAPER**

Sir PUKA TEMU (Abau –Minister for Health and HIV/AIDS) – Mr Speaker, I present the Health Sector Annual Management Report 2016.

I ask leave of Parliament to make a statement in connection with the report.

Leave granted.

Mr Speaker, I would like to thank you for giving me the opportunity to present the 2016 Health Sector Annual Management Report. This report was in actual fact signed-off by the Former Minister for Health and HIV/AIDS, honourable Michael Malabag. I commend him for his leadership in of one of the biggest and the most complex sector in this great nation over the last five (5) years. I wish him well in his next chapter of life as a citizen while I continue from where he has left.

Current Health Status

Mr Speaker, the Health Industry is quite diverse and complex and so are the challenges we face as we try to better the lives of our people. We aspire to a high quality health system but before we provide quality care; we must ensure that primary health care services are accessible to all so that our pregnant mothers in remote villages deliver in a health facility with a skilled health professional, that our children with pneumonia are taken to the nearest aid post and are treated with proper medicines, that TB is no longer a public health problem and that our environment related diseases like diarrhoea and typhoid fever do not affect the health of our children and citizens anymore.

Mr Speaker, these scenarios may sound simple, however, they are quite complex and are more than just an aid post building, far more than having a skilled worker and making medicines available for treatment. It requires cooperation and contribution from the community and all our partners and stakeholders.

As Members of the 10th National Parliament, while congratulating all of you for your election victory, I wish to inform you that, we are all accountable to provide basic Health Services to the people and our constituents. We must ensure all the aid posts and health centres in our districts are open and fully functional, the transport infrastructures and qualified health professionals are available and are provided good accommodation. We must also ensure water supplies and communication services are easily available, law and order is maintained and provide a conducive environment for delivery of health services in our respective electorates as mandated by our people.

Mr Speaker, health services in the country is delivered from a network of 3,857 health facilities through a seven (7) level health system with their distinct role delineations. At national level we have Port Moresby General Hospital on level 7 as the National Referral Hospital, while Mount Hagen, Angau and Nonga Hospitals are at level 6 as Regional Hospitals, 18 provincial hospitals at level 5 and nine (9) district Hospitals at level 4. We have 737 health centres and Urban Clinics at level 3. At the community level, we have 15 community health posts on level 2 and 3074 Aid Posts at level one (1) of which 1857 (62%) are open and 40 percent (1217) remain closed.

Mr Speaker, these closed aid posts are depriving our women and children in the remote areas from receiving health services that is rightfully theirs. I humbly request, that most of these

aid posts must be re-opened during this term of Parliament and you individual MFs must help me achieve that.

Mr Speaker, I wish to inform this honourable Parliament that, health services delivery is the function of the provinces.

20/02

Mr Speaker, I wish to inform this Honourable Parliament that, health services delivery is the function of the provinces. The services are provided by our provincial hospitals and the rural health facilities. However, the provincial health systems are currently divided and fragmented by various legislations that they currently operate under. The Hospitals cannot easily work with the Provincial and the District Health Services thus compromising the quality of services "big-time" being provided to our people especially in the rural areas.

Mr Speaker, to address these issues of quality and system fragmentation, Department of Health is implementing the *Provincial Health Authorities Act of 2007* and has so far 10 provinces have been declared PHA provinces and the East Sepik PHA will be declared very in October this year. Because, PHA is the vehicle to deliver improved and quality health serves; Mr Speaker, I have given directions to roll-out the Health Reforms to all the provinces by end of 2018. I therefore request the support of the Governors and the Local MPs together with resources so that the PHAs can function effectively to deliver Health Services to the people.

Mr Speaker, in terms of financing, the Health Sector received a budget of K1.8 billion- in 2015 but was reduced to K1.5 billion in 2016. There was a reduction of K300 million mainly in the hospitals and church health services. The Churches reduction of K40 million was made good with Development Budgets covering the whole year.

Although there was a very slight increase in the Department of Health, budget of K619.9 million up K5.4 million from K614 million in 2015, the cash-flow situation did have some slight impacts in the operations of the Department.

Mr Speaker, because of this, our Medical Supply procurements and Distribution were affected towards the end of the year, however, we are correcting the situation now. Only in the last NEC, the Cabinet approved K100 million to clear the outstanding medical supply and distribution bills. Additional funds will be sought to ensure the medical supply issues are fully addressed from here onwards.

Mr Speaker, my concern as the Minister responsible for Health and HIV/AIDS is the financing of the rural health services that is responsible for the health of the rural majority and

the urban marginalized. The Health Functional Grants that are meant for them is slowed down by the process of disbursement from Department of Treasury to the Provincial Governments then to the Provincial Health Services. As a result, our Public Health Services is affected as shown by the Sector Performance Assessment Report.

Mr Speaker, I understand that the Health Functional Grants are meant to go through the Provincial Governments in line with the Organic Law on Provincial Governments. Such Laws are good for people like you and me but not for health services because money must be available to where it matters most through the fastest and the shortest time possible to the health facilities at all times to save lives of our mothers and children.

21/02

I am glad to report through the presentation of the 2016 Performance Report that in 2018 the presentation by the Budget by our Deputy Prime Minister and Treasurer, the health functional grant will go directly to the provincial health authority and I think that is a big change in terms of reforming in the disbursement of funds that are dedicated to certain sectors like health, education and infrastructure.

Mr. Speaker, Health is a labour intensive sector. Having the right number of appropriately trained and skilled Health Workers in the hospitals, health centres and other facilities is extremely important. Continuous failures by the previous governments is placing a huge burden on the health workforce of the country. The nation has a population of over 8 million people and to provide health care to them, we have only 9 500 front-line health workers such as Doctors, Health Extension Officers, Nurses, Community Health Workers and Allied Health Workers compared to 50 000 – 60 000 Teachers, I have 9500 Health Workers in the country. To make it worse, more than half of the Health work force will retire in the next 5-10 years due to aging. This is one of the dilemmas we have in the country and we are now having plans to make sure that the attrition rate, particularly from the nursing workforce which is the oldest workforce in the country is sufficiently manage. We are already talking about negotiating with private providers to start another nursing school at costs that we can afford an so now those strategies are being put in place.

Mr Speaker, I am thankful to the PNC-led Government for making some bold decision to address the workforce crises in the country: the decisions to open new Nursing Colleges in Enga, Kimbe, Arawa and in Wewak plus new CHW Schools in Simbu and Jiwaka provinces. The Government also approved the Enhancement Plan to recruit additional health workers from both within and abroad, increased the retirement age

from 55 to 65 years for health workers and heavily investing in the infrastructure development in the training institutions in the country.

Mr Speaker, just this morning the Prime Minister asked me to sit down with the Australian Doctors International Voluntary Organisation. They are providing service in New Ireland and Western Province and after the meeting I have asked for a memorandum of understanding agreement with the Department of Health because these retired Australian Doctors, are very highly qualified and are willing to come to Papua New Guinea.

Now, I would like to urge the Governors of the Provinces at your request, I can then negotiate with this important Australian Doctor's International Organisation to come to you to provide focus on not only hospital based but they will be specifically engaged to do continuous rural patrolling of health centres and provide services.

These are the doctors that will come to your province so look after them and they will do the patrolling in your provinces. That is a new chapter we are moving into and these are Australian Standard of Education which are very high and we are happy that this group that are providing volunteer services with qualified doctors are willing to come and participate. I think they have had 15 years of experience in New Ireland and the health indicators there are showing much improvement. They are now working very closely with Western Province and so I have asked for a memorandum of agreement with my department so that those other provinces who are willing to invite them to come can do so through this agreement, to come and serve our people where they are.

So, this is going to be a very good program and I will also be going to India like my counterpart, the Planning Minister at the end of this Parliament session then we will go and look at the highest qualified cardiac specialist that we can engage because we are looking at building Port Moresby General Hospital to a level seven.

22/02

The highest qualified cadre of specialists that we can engage so that we can build port Moresby General Hospital to a truly Level Seven hospital so that the specialists services that our people always want and go seeking in Philippines or Singapore will be minimised.

As a government, under the Prime Minister's leadership, as you saw in the Budget, we have allocated K20 million to establish a cancer centre in Port Moresby General Hospital and we are also going to allocate funds for the ANGAU Cancer Centre and are now negotiating with private service providers to partner us under public-private partnership agreements.

Mr Speaker, our Prime Minister led a delegation to Cuba and made an arrangement to bring in 30 Cuban doctors and place them in 15 districts in the country for the immediate medium term and for the long term. The government, after returning from Cuba made a milestone decision to declare the current school as a new stand-alone health university to be funded and managed separately. It is aimed to train 200-300 doctors a year unlike now where only 40 to 50 doctors are graduated over the last 50 years.

It will cover health worker training in the country also but implementation has been slowed by the court order taken out by the University of Papua New Guinea and we are managing that at the moment.

Mr. Speaker, medical supplies and drugs are a key priority for the Department of Health. Important reforms to improve the system have been identified and the system is currently in transition to full implementation of these improvements. This includes establishing M-supply, electronic inventory system across the sector for effective reporting and registry of stock supplies in remote centres and major warehousing upgrades: including the refurbishment of Area Medical Store down in Badili and construction of provincial transit stores. Ongoing work is needed to continue to improve the supply chain, particularly for procurement, storage distribution and management at the health facility level. Until these changes are completed; the inefficiencies and poor performing systems remain. I have, therefore, Mr Speaker, made it my priority, to address the issues in Medical Supplies Procurement and Distribution in the country in my first 100 days list priorities in Office.

Mr Speaker, the health sector is also leveraging its partnerships. The Christian and Catholic Church Health Services are vital partners in rural health service delivery and are being better integrated with provincial health services in order to strengthen health service delivery to the rural majority and the urban disadvantaged.

Mr Speaker, Health is also strengthening its partnerships with other NGOs such as Oil Search,, YWAM, MSF Sans Frontiers, Rotary Against Malaria, World Vision, St Johns Ambulance and many more to partner with us to deliver services to our people. NDoH is also partnering with other Governments and multilateral agencies such as Australia, China and the Asian Development Bank who provide international expertise and much-needed resources for improving the health sector through infrastructure developments, capacity building, and support to program interventions. The private sector and NGOs also play a critical role in health service delivery through establishing and operating health facilities that complement our services. These partnerships extend the resources of the Government and enable my ministry and the department to adopt best practices from partners to strengthen our health system.

I have met with our partners and I have been advocating for what we call SWAp, Sector Wide Approach in the health sector where all the partners, through one management and reporting system will come and partner us and in that partnership we pool resources and support the provincial health authorities to deliver the much needed services to our people.

23/02

I wish to inform this honourable Parliament that the Annual Health Sector Performances Assessment One Report provides a snap shot of health sector performances by provinces for 2016 and preceding years. The report has been printed and its available for all Members access it.

I have also decided to provide provincial health profiles including their performances to help you understand the status of health in the respective provinces next week when presenting my statement for the first 100 days performance.

So as leaders you know exactly the health position of your people under your leadership. We are able to manage that through our health information system. And I want each of you to go through it, it requires updating every time but at least it will indicate to all the members of this country, a chart in the health sector so that whatever resources that you have at the provincial assembly, PEC or DDA must be allocated to support health because it's our responsibility.

Few programs like malaria control were exception and it's a very important program. Some of you may remember the Rotarians against malaria which we call it RAM program. These Rotarians helped the department by bringing in the treated mosquito nets from the global malaria program. And they helped to distribute the treated mosquito nets and this is one program where the private/public partnership has resulted in the outcomes that we would want. The incidents and prevalence of malaria is on the downward trend and that needs to be maintained. And such partnerships with committed private organisation like the Rotarians that are committed to ensuring that treated mosquito nets are delivered on time and distributed to every household where there is high incidents of malaria, example in the Gulf Province, and the malaria incidents have really decreased.

Few programs like malaria control were exceptions and the number of outreach clinics continue to decline and more aid-post were reported to be closed and the supervised visits also declined over the past five years.

Furthermore, there was no evidence of any improvements in most maternal and child health indicators with the exception of the decline in child mortality from pneumonia, child

immunisation, supervised births, antenatal care, family planning coverages have seen downward trend.

And because of this it's my responsibility to take ownership by making sure that this trends over the next five years will go upwards. Particularity the immunisation trends is at global coverage or acceptable standard is that every community must have 80 per cent coverage for immunisable diseases, right now we are 50 per cent below at the moment.

We have a good budget for 2018, and we are now designing immunisation programs. And I am appealing to all the members to give counterpart funding so that the immunisable disease coverage can achieve 80 per cent all the time in our country, so that we won't experience outbreak of measles or other diseases.

The most improved provinces stated in the 2016 report are; Chimbu, Jiwaka, Milne Bay, West New Britain and Western Highlands Provinces. And I congratulate those of you who provided the support to your Health sector in your provinces.

24/02

The most improved provinces in 2016 were Chimbu, Jiwaka, Milne Bay, West New Britain and Western Highlands provinces. Let me congratulate these provinces for providing and appreciating and giving support to the health sector in their provinces.

We now have the ability to monitor and also scale the performance of districts and provinces and these provinces are now leading the way.

The National Government is now making sure that provincial health authorities are in place and I humbly request the honourable Governors to take this as their personal responsibility as well to making sure that the provincial health authorities is given the support it deserves.

As Minister responsible I will be there to help when you need it and I will make sure that the systems are working.

Mr Speaker, because we are focusing province by province those of you who provide the right leadership I believe your health indicators will improve and you can proudly come to Parliament and report your improvements with low maternal deaths and improve immunization rates and your health officers are operating, your health centers are no longer closing and you are having a new system. For example when I went to East Sepik the Governor was talking about giving doctors time or some leeway so they don't have to go to provinces and live there because they have children and families to attend to. So we have to adopt a flexible way of

posting our doctors to go and come during the year serving certain months of the year. this will improve their performances too.

At the same time I want to say that it has been proven that the direct health interventions will only contribute to 40 per cent of the health improvements in any community. But 60 per cent comes outside of the health interventions, like good water, housing, communication, electricity et cetera. All these things contribute more than the direct health intervention. As we always say prevention is better than cure. This is why where countries have improved public infrastructure like roads, electricity, communication, water, sewerage, those countries no longer suffer the disease burden that we are suffering from as a young developing country.

As Minister responsible for health I will fully support building roads to cover the whole country, better communication, nationwide coverage of electricity and education of girls in the country to better manage families. These are the interventions that will contribute directly to improve health performance in our country.

Mr. Speaker, we continue to encounter and meet challenges, such as in providing quality cancer services. In order to operate the cancer therapy machine, the country must first establish a Regulatory System, this consist of a Radiation Safety and Control Legislation and an Independent Regulatory Authority to oversee the safety of using radioactive sources around the environment.

Mr. Speaker, we have progressed the Radiation Safety and Control Bill and it is now before the Department of Justice and Attorney General to issue the Certificate of Necessities (CoN) and I request that this Bill be fast-tracked.

The reason why I want to push this Bill is because we are all aware that the cancer rate, particularly cervical cancer, mouth cancer, breast cancer are all on the increase. The nation must respond to the increase of cancer in our country.

Mr Speaker, the good news about cervical cancer is we now have a vaccine. And for those who have read the Dailies last week will know.

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The good news about cervical cancer is we now have a vaccine to vaccinate young girls from the ages nine to it. 14 year old girls in the country. Once they are vaccinated they are prevented from having cervical cancer, the good news is, doctors have found a virus called human papilloma virus and now we have the vaccine available to us. This vaccine has been piloted in NCD schools last year and I have instructed the Secretary to expand this program throughout the country district by district. This is where my colleagues, the Open Members

assist. I need your DSIP funds to help vehicle availability and accommodation availability and making these girls available at schools or villages to receive vaccination and prevent them from suffering from this particular disease which is now being presented very late. Last week I met with a company that has found a machine that will detect cervical cancer within minutes. At the moment we wait for six to 12 months for the result on screening on cervical cancer. We are now developing an agreement with the company so that we can pilot it in some of the places and if we demonstrate that is a very effective screening machine for cervical cancer, I will ask the government to provide funding to have these machines distributed all over the country. So that is the type of technology that it is now becoming available.

Mr Speaker, another important legislation developed and passed by the Ninth Parliament was the *Tobacco Control Act 2016*. This law will regulate the illicit sale of tobacco and control the rate of smoking. The regulations for the Act are developed this year and is expected to be fully implemented in 2018. One of the provisions in the law, for example is the ban of smoking in PMVs including the offside of the PMV. Many times we have seen people not able to control their smoking habits. Even the driver and the crew smoke in the presence of the 25 passengers. Passive smoking causes cancer too and these are part of the law but like all good laws, our failure as a country, we don't polish them effectively and so I am calling up on the Minister for Transport to work together to make sure that this regulation is strictly polished and if we start with NCD, let's make it work in NCD. So all the Members of NCD, Governor of NCD, the Police, please let us get our act together properly so we can manage some of the laws and showcase that we are capable of polishing laws that we pass on this Floor of Parliament.

Mr Speaker, to conclude, I would like to acknowledge our committed health workers throughout the country. Despite the declining workforce throughout the country compared to an increasing population, we are fortunate for their efforts and dedication as they continue to serve our people. The work they do takes second place to none and theirs is a first order profession. Mr Speaker, let me take this opportunity to thank our church partners in health service delivery who serve our people in some of the most remote parts of our country and their commitment to our people. I also commend our partners both bilateral and multilateral for their technical and financial support and on-going commitment to improving our health system. I am grateful to our government for the priority it continues to place on the health of our people and ask all to continue in this joint endeavour to promote, protect and strengthen the wellbeing of people from this year on wards.

With that I would like to commend that Parliament take note of 2016 Department of Health Annual Management Report.

Debate (on motion by **Mr James Marape**) adjourned.

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**MINISTRY OF FOREIGN AFFAIRS AND TRADE – FOREIGN POLICY AND
ACHIEVEMENTS – PAPER AND STATEMENT –
MOTION TO TAKE NOTE OF PAPER**

Mr RIMBINK PATO (Wapenamanda – Minister for Foreign Affairs and Trade) –
Thank you Mr Speaker. Since I last gave an overall summary of our foreign policy achievements to the Parliament, I have been involved in a wide range of activities which I intend to report to this parliament.

I now propose to outline these together with the achievements made and plans forged.

The focus of my team and I has been on connectivity, the principle that guides our foreign policy and motivates us to establish cordial relationships with as many countries as possible in our globalised world. Our motto is "a friend to all, and enemy of none".

We have been able to pursue this while taking all efforts to economise, often obtaining external funding for travel when available.

We have concentrated on the major themes of protecting the security of our country and developing the prosperity of our people. This includes devoting close attention to the issues of sustainable development of our natural resources and resilience to climate change.

Naturally, a big focus in recent months has been on the forthcoming APEC meeting in Port Moresby in less than 10 months' time.

This will be an unparalleled opportunity to showcase the investment, trade and business opportunities that are available in Papua New Guinea, blessed as we are with rich resources of people, minerals, forests, agricultural areas, fisheries and scenic and cultural wonders.

An additional resource we are stressing more and more is our strategic location. More nations are becoming aware that we are close to the booming Asian economies, we are in an ocean of increasing strategic and economic significance and are at the front door of Australia and in direct line with Japan to the north. This encourages investment and development partnerships.

It also has corresponding security components, which we attend to often in private, but also in places where we share our views with our people via the media.

There have been questions raised recently in Australia about development assistance from China to the Pacific, and I responded in media statements by pointing out that we are

grateful to the generous assistance provided by China, and are confident that our processes and theirs will continue to develop with experience to ensure both parties are satisfied with arrangements.

At the APEC meeting in Danang in Vietnam in November 2017, I was pleased to deliver a speech about Papua New Guinea in which I was able to highlight its wonders and opportunities. That speech, together with an excellent video screened to the attendees, led to very positive feedback and excitement among the delegates about attending APEC in Port Moresby this.

During that meeting, I participated in a highly productive round of bilateral meetings during all of which I was asked by the Foreign Ministers to nominate how their country could help. This began with our very first meeting, a bilateral with the Foreign Minister for Japan, which in addition to its provision of vehicles and musical instruments and training, has very kindly offered more.

We met with Japan, New Zealand, Australia, Thailand, the Philippines, Brunei, Russia, Singapore, Indonesia, Vietnam, the United States and China.

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All offered generous support for APEC whether by way of funding, training or provision of materials. I responded with practical suggestions which were well received.

In addition to matters to do with APEC 2018, we discussed proposals for development assistance ranging from educational scholarship to hydro-electricity schemes, airline connections, agricultural assistance, fish farming, and technical training in the oil and gas industries.

I draw your attention to the excellent work the New Zealanders are doing with hydro-electricity, and the funding required. This scheme will undoubtedly provide great benefits for thousands of people and will be an example to other nations on how to partner with us in renewable energy projects.

At APEC we worked as a team, led effectively by the Prime Minister. Minister Tkatchenko worked diligently on matters to do with APEC 2018 and other planning and development topics. I focused on bilateral discussions with the Foreign Ministers.

Earlier in 2017, as guest of the United Arab Emirates, I visited Dubai and discussed proposals for participation in Expo2020 and took the opportunity to extend talks into wider trade and renewable energy matters.

It was in Dubai where I met with Papua New Guinean pilots and engineers who fly the biggest passenger aircraft in the world, the A380s for Emirates and Etihad. To meet these fellow countrymen, and their spouses, was one of the highlights of the year, because in them I saw potential that had been realised, how they had become some of the top pilots and engineers in the world. I felt very proud that one of them was the chief pilot of the aircraft on the way home.

Capacity building of our people, women and men, is among the biggest challenges and opportunities we face. When we see educated and motivated people like those pilots, I met in Dubai, I know our people can achieve at the very highest levels of all professions. That is why in my meetings overseas I always propose where I can capacity building programs, educational scholarships, trade training schools, and mentorship. That is similar to what the Australian Government is doing with their Columba plan.

It has become obvious that a key to development in all nations is the active training, education and involvement of women, one half of their population. Traditionally, they have not had many opportunities but we are working to change that. Their increasing participation in the professions, the trades, health services, education, business, agriculture and, indeed politics and the public service, will propel our nation forward.

At the World Trade Organisation ministerial meeting in Argentina, I spoke to delegates on proposals to eliminate harmful subsidies to fishing industries. Progress is slow but by working with our allies in this matter I am confident we will succeed.

I was also able to have some further discussions with APEC members on assistance for the November event. The WTO meeting proved an opportunity to agree with the United Kingdom on cooperation measures as it arranges for Brexit.

I also engaged in a bilateral meeting with Argentina where proposal for soccer coaches to come to PNG and for agricultural expertise to be shared were the highlights of the discussions. It was good to work alongside Minister Wera Mori who engaged in discussions regarding small and medium size enterprises.

In South Korea, I met its new and dynamic Foreign Minister and had an excellent response to proposals for renewable energy pilot schemes, and support for APEC.

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At the Bali democracy Forum held in Jakarta, because of volcanic activity in Bali, I spoke on the key elements of the democratic process involved in our project of uniting a diverse land, a project similar in many ways to what is happening in the world as a whole.

For the interest of Members, I now table a copy of the speech I presented at that forum. It was well received by some 100 plus delegates who attended the forum in Indonesia.

I pointed out that we, like other democracies, have to ensure there is equity and justice in our society to ensure that the forces of disintegration do not grow as they we have elsewhere.

We have to be frank on such occasions at the Forum and point out that some cultural traditions which exist in other societies and our own, Especially the use of violence to solve problems have long had their day, and need to be replaced by genuine discussion on agreed principles and a commitment to the adjudicated and independent outcome. This is at the very heart of what it means to be a democracy

Making the most of such events, I reinforced our great relationships with our neighbour, Indonesia and discussed plans to develop our border area in ways that will assist peoples on both sides to develop economically.

In Malta at the Oceans conference I addressed delegates on the current status of the Pacific, the threat of pollution of plastics, the illegal raiding of its fishing resources, and the steps we need to combat all such challenges. It was a good place to remind the world that Papua New Guinea is the guardian of a third of the world's tuna, the fish that feeds the world.

Their support for the protection of this global resource is vital by satellite surveillance, fast patrol vessels, by enforceable regulations and by international influence.

A key underpinning of our foreign policy is our relationship and sense of community with our Pacific sister states. Our meetings with them in Apia and elsewhere have forged even closer our commitment to become resilient as much as possible to climate change, to do we can to protect our great fisheries, and to bring education and advancement opportunities to our peoples.

Our longstanding friend and development partner, Australia, has been outstanding in its support, including generous funding for APEC and the provision of various forms of much valued assistance for that event, including for security.

Just last week I had an intensive bilateral with my counterpart, the Hon Julie Bishop all in preparation for more meetings with her and her colleagues in the weeks to come which will take place in April this year.

We have offered all assistance to our friends in Australia, New Zealand the United Kingdom to suitably commemorate the sacrifices of their young men near the recently discovered site of the First World War submarine in our waters between New Ireland, East New Britain and West New Britain.

Parliament will be interested to know that the State of Queensland is keen to revamp and revive the existing MOU with PNG. We expect all sorts of benefits to flow to both sides in terms of educational exchanges, the delivery of agricultural machinery and matters to do with our sea border.

Turning to the United Nations and the recent General Assembly debate on Jerusalem, I have already addressed this earlier in an answer to the question from the Member for Nuku. The vote was not against Israel, the vote was against a decision of the United States bi-laterally to open an embassy or consulate in Jerusalem.

On many occasions we voted against the United States. This was not the first occasion, two-thirds of the world did what we did and it was consistent with our foreign policy and there will be other opportunities.

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I have been in full consultation with the US State Department and the Embassy here in relation to the position we took.

We are communicating with the State of Israel as well. So there is nothing in consistent with the Bible. And of course it is in the best of our national interest.

Naturally, of course we will remain close friends with the United States and with the State of Israel. Having taken the position we have there is nothing we can do about the vote. It is like what Bill Clinton said once that if the water has fallen under the bridge, you cannot bring it back, it is gone. So the decision was made and it was in our nation's best interest.

You would have seen in the recent times the media reports concerning the sale of property in New Zealand. I have to inform Parliament that the property was sold for N8, \$800 300 and the proceeds have been deposited into the High Commission's Trust Account in New Zealand.

The sale occurred as a result of the seismic activity that has caused substantial structural damage to the property. The mission advised that it was best to sell the property for some equivalent to the purchase price.

For transparency and accountability reasons, I have instituted an investigation into the sale. An audit team, comprising officials from the Department of the Prime Minister and NEC as well as from the Department of Foreign Affairs will be visiting Wellington this month to look into the matter and report back to the Department.

We are continuing to look at ways to economise on our overseas representation. Discussions in the Cabinet will finalise specific methods of economising overseas representation including purchasing of assets for our missions abroad.

In conclusion, Mr Speaker, may I say what a great privilege and responsibility it is to speak at overseas meetings on behalf of our beautiful country.

I have found there is an increasing interest in us as more and more learn of our great cultural heritage, the variety of our scenic wonders, and all that comes with an awareness of the investment, business and trade opportunities.

In November we will bring the world, and the Pacific region in particular, to our beloved homeland. We will extend the genuine friendliness that is at the heart of our societies in Papua New Guinea. We will display our cultural treasures, through dance, through costumes unparalleled in their spectacular beauty, through our drums and flutes, and all symbolised in the stunning architecture of APEC Haus which is taking shape on the waterfront.

We will provide all the possibilities for other nations to work with us to develop our beloved country. Let us all, as representatives of all our talented and diverse peoples in Papua New Guinea, work together to think of the ways we can contribute to the comfort and enjoyment of our honoured guests which will represent up to 60 per cent of the world's economies and their leaders who will arrive in November for the Leaders' Summit.

This will be a great and enduring contribution to the aims of our foreign policy I mentioned at the start of this address: The security and prosperity of Papua New Guinea.

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Mr JAMES MARAPE (Tari-Pori – Minister for Finance and Rural Development) – I move –

That the Parliament take note of the paper.

Mr Speaker, let me firstly place on record as Member for Tari-Pori my greatest admiration and appreciation to the fact that Honourable Rimbink Pato really lifted the bar in as far as the Minister, Foreign Affairs is concerned. In one or two occasions, I have been privileged to go out and serve in meetings representing our country with the leaders of our region and the APEC with our good Minister. He continues to sell our country well in as far as handling his role in the ministry and. I place on record my greatest appreciation to the fact that he is doing a wonderful job.

Mr Speaker, having said this and reading through this statement, from the off-set, let me support our foreign policy up till today that we are friends to all and enemies to none as emphasised by the Minister in this statement. We live in a world where today much of our

foreign exchanges are not so much on politics and other fronts but more importantly in matters of trade. Many of our foreign relations has a great underlining trade denominator.

Mr Speaker, in that context, we are now living under the stages of our preparations for the APEC 2018, it goes more to amplify the need to have a very strong foreign policy and relationships with many nations around us as is the case with our Foreign Minister to date. There is a great need for continual selling of our country as a haven of doing business and that role is played by firstly government to government, ministerial interactions and people to people interactions. The Minister for Foreign Affairs has played his role very well to date and the onus is on every one of us to continue to show nations around us that we are a good and better place for investment.

Mr Speaker, every one of us come to this House with a bag full of demand and rightfully so, we are elected to serve our people. We place demand on the government budgetary processes to secure funds for our electorate. Funds in the Waigani Public Accounts are generated from within our economy. Infusion of foreign capital into an economy, is like infusing blood into a patient who is sick. One must maintain a healthy diet to ensure that he is healthy in the analogy of using a patient.

However, in the instance of our economy, there is a continual need for us to ensure that we have investments that come in. Foreign direct investments are activities of business that infuses directly into our economy new money that means business, growing of our economy, we collecting more from taxes, and from the projects that we participate in. Attracting investments into our country is really by the relations that we have with our bilateral partners.

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Mr Speaker, it's very important to have a good foreign relationship and I fully support, as part of O'Neil-Abel government, the view that we must be of friends to all and enemies to none.

Mr Speaker, many times we speak in this Parliament as elected leaders. But in many of our public outbursts and comments, we must talk with some elements of restraint in the sense that every discussions or whatever that comes out from our conversation in public becomes public conversation and even with the headlines that the media runs will either attract or turn away rejects investors from our country.

One good example is the PNG LNG project that we can all anchor our view on as far as attracting foreign investor is concern.

The PNG LNG project was secured in the backdrop of global depressed environment. There was global financial crisis in 2008 to 2009. It really was not a good time for many countries around the world to secure direct foreign investments.

But in 2008 to 2009, the then Somare Government was able to attract investments simply on the back drops of one stable government and secondly, solid government policies that we had in place showed out to the world that we as a country had correct legislative in place and sound financial regime for investment.

So in 2009, the project was able to secure more than 20 financial institutions globally based in London, Europe, China and USA. More than 20 banks were signed up to advance 70 per cent of money needed to finance the US\$22 billion project. That came out on a backdrop of a country that showed, despite the global financial crisis happening we sowed resilient image and positive signal coming out in the economy around us.

Customers of PNG LNG project in China, Japan were able to have trust in the Government of PNG and signed contract with PNG LNG project securing for the project to go ahead.

Mr Speaker, sending correct signal out of the country is very important, Foreign direct investment will grow the economy and PNG LNG was able to expand our economy three to four times in 2008 to 2009.

That is the reason why the Government has the capacity now to increase Budget. And the Government is able to ensure that we have an increased budgetary allocations because the economy expanded.

Mr Speaker, bringing in those foreign investors into our country ensures that we continue to grow our economy but otherwise our economy will be stagnant and will slow down and we will continue to consume within our own economy and we won't get anyway.

Mr Speaker, we need good foreign relations with our neighbouring countries such as Australia because it is ranged in the top 20 economics globally and Indonesia our next door neighbour.

Many times we see Indonesia with little elements of restrain simply because we are preoccupied with the misconception that they are our enemy next door

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Mr Speaker, many a times we see Indonesia with a little element of restrain simply because we are preoccupied with the misconception that they are our enemies next door.

Mr Speaker, the same people who tell us to believe that Indonesia is potentially our enemies are the ones doing great business with them. They sell their cattle and agriculture. For goodness sake Indonesia is ready to ensure that our cattle is not shipped but loaded on trucks and sent next door.

Mr Speaker, within the next 10 years they will be within the top 10 economic powers in the world. They have 300 million people to feed and clothed.

It is important that as Members of Parliament on both sides of the Floor to do away with engaging in many of the verbiage that come out in a not so prepared manner.

We must speak about our neighbours around us with some element of respect because foreign direct investment infuses new money to our economy and as it grows we are able to finance the needs in our electorates.

Mr Speaker, we ask ourselves an honest question in our electorates on how are we attracting foreign direct investments individually. In our electorates we just don't have the capacity.

Mr Speaker, collectively as a good voice emanating from our country we can market our country as a good investment spot.

Mr Speaker, that is why being a Members of the APEC is an exciting thing. APEC is 50 percent plus the world GDP. APEC has greater member consumer in the next 10 – 50 years where they have the buying power in energy and food for instance. Consumers in as far as exporting the tourism potentials to markets like ours.

Mr Speaker, let me conclude by saying and appealing to the conscience of every one of the leaders here whether you are asking questions on the floor or you making public statements to do it within the context of responsibility to our national duties.

We need to market our country as a place of investment in the context of global competition for investment. Today the world is just an electronic button hold away from business Billionaires millionaires and shareholders are drinking coffee in Sydney, London, New York, Shanghai, Beijing, Tokyo and they have billions to invest and they are looking into Africa, Asia where the markets are green and untapped markets to invest.

When we continue showing on social media, print media or through public outburst that we are a country full of rapists, criminals, corruption, we continue to burn each other down. The investment dollar will cease elsewhere while you and me continue to fight amongst ourselves. We will continue to fight within the K10 billion we currently have within our fiscal phase for developments for your districts.

Ask the Works Minister, he will tell you. The K100 000 we allocate doesn't match the K200 –K300 million we allocate to him because the bills are going up to billions of kina.

Mr Speaker we must be equally prepared to be the first man of your country and shine a good image for your country.

We need billions of dollars to cascade into our economy and as they come into our economy it is our responsibility to create a robust, safe and corrupt free system of government so that they come in and we catch them and we expend them into all our development programs.

Mr Speaker, foreign relationship has a greater role in as far as our trade relationships are concerned. It is incumbent upon everyone here not to assist the Foreign Minister or the Prime Minister because he is leading this government to assist our country in ensuring the image that we are sending out to the global market space is a positive image to attract foreign investment into our country.

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Mr GARRY JUFFA (Northern) – I would like to add a few words on the statement by the Foreign Minister. I also join the Minister for Finance in congratulating the Minister in doing an excellent job. Statement put forward by the Foreign Affairs Minister, I will commend him for that. He has worked hard tirelessly and we are aware of his efforts at large. We are also proud when he is out there representing us because he articulates himself well and represents the country well. I just have a few comments to make and this is in relation to the investment in our country and the fact that the Minister said we are trying to sell the country.

My comments are in relation to how we screen the investors that are coming into the country and this is an effort that we must undertake with great vigour and energy. As we all know investors are a large group characters and entities. Not everyone coming into the country with bags of money are coming in to help us. In most instances, they are coming in here to help themselves. It is up to you and I to be the guardians of this economy and to put in place protective measures so that we screen these investors to ensure that whatever it is that they are coming to do, that they at all times respect our laws and who we are as a people and as resource owners. Yes, this is a global market and we have resources to sell but we cannot rush to sell our resources for peanuts. We must sell them for what they are worth. Submissions and proposals that are coming in before NEC in from different economies through whatever means need to be scrutinised very carefully.

I recall at one time, the foreign missions and embassies used to have an NIO office. And the responsibilities of the NIO offices was to collect information with regards to persons of

interest or entities of interest that were coming into Papua New Guinea for whatever reason and ensure that these persons were not a threat whether an economy, political or national security threat to this nation and its interest. That office was abolished. Our foreign missions out there in the world are by large do not have the capacity to carry out the research required.

I am sure the Minister for Foreign Affairs will agree with me that it is a severe strain on his resources. He needs to be resourced so that such capacity must be developed. Every foreign mission in this country has that capacity. They don't call them for what they really are, they give them all types of fancy names and advices. But their real role is to collect and collate information as to what is happening here and make decisions according to their own strategic and tactical reasons. We are not doing this. Our doors are wide open to anybody and everybody and I can tell you, transnational criminal are making a beeline for this country because they know that they can operate with impunity. That is how the SABL's came about for example, what was a great idea was hijacked by a number of dubious characters that cost us the taxpayers significant amounts of money. We are an extremely rich resourced nation, that, no one debates or argues, we are blessed. But we have to protect these resources. We have to put in place the necessary mechanisms to protect the interest of our people many of whom are illiterate and quite innocent. Innocent as to how the world works, moves and operates.

Today's world is driven by materialism , it is the profit margin that drives interest and the profit margin can control government and the profit margin can develop the interest in such a way that is detrimental to our peoples interest. Yes, we want to sell this country and its resources, but for the right price and the best possible price.

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We should not go to the negotiation table and sit there quietly and let anyone come and tell us what our resources are worth. We must know what they are worth before we can even go to the table to negotiate.

We must have these information readily available. Our intelligent community today is in disarray and I can tell you this. We have had an acting NIO for the last two or three years. Our national security policy is not a modernised policy where by it is working as other modern security intelligent policy apparatus in the region or in the world at large.

We are not taking advantage of the technology and because of this loopholes that exist there all manner of entities that are creeping into our economy. They will cause you and I significant headaches and they will cost our people.

I must commend the Prime Minister for his efforts in the last term to try to review and upgrade the national security policy.

I would also like to say that there needs to be a review of that review. I had a look at it and I can say that it is in significant need of a review. A national security apparatus is in terrible condition. For instance, at the dawn of independence that NIO which is responsible for national intelligence matters had an office capacity of 130 officers. Today, it has less than 30 officers but the population has increased. The opportunities and threats have also increased. When an economy expands its intelligence capacity must also expand.

These are the eyes and ears to protect our people's interests and not just a national security interest but economic and political interests as well.

I would like to plead to the government to put more effort into this area. Resource the Foreign Affairs Ministry for instance so that out there we have eyes and ears to scrutinize who is coming into our country.

We all know that not everyone coming into this country are here to help us. Many of them are coming in to help themselves. I believe we do have an active Minister for Foreign Affairs and we would like to support him but he needs that capacity. We need to develop those necessary mechanisms that will protect our interests so that when we are negotiating for our gas, gold, oil, nickel or whatever it is that we have, we know what it is worth, so that we can get the best possible deal. If we review our laws, you will find that many of our laws are colonial laws.

That is why these are not actually our laws. These are their laws created for their benefit therefore, we need our law.

We need to review those laws so that when we put in place our laws, we should get the benefit that we deserve for our resources. Not sitting there like beggars with begging bowls waiting for crumbs and accepting whatever they give us.

It's like they have cut out one part of the pig's ears and left it for us to share while they take the whole piece away. We need to stop this attitude.

Mr Speaker, in conclusion, I commend the Minister for Foreign Affairs.

Mr WERA MORI (Chuave – Minister for Commerce & Industry) – Thank you, Mr Deputy Speaker. I just want to make a brief contribution.

Firstly, I would like to commend the great work that the Minister for Foreign Affairs is doing and the leadership that he is providing in the forefront of our mission trade.

I had the opportunity and the privilege of accompanying him to Argentina and I would like to place on record that there was an occasion when our Foreign Affairs Minister spoke. I know that he spoke on behalf of the 8 million people of Papua New Guinea and he did this country proud.

The 150 countries that were there made speeches before our Minister made his inaugural speech that put the people of Argentina to tears.

What basically happened, Mr Speaker, was that Argentina lost some of its sailor last year in a submarine and that was not acknowledged by those who actually spoke ahead of our Minister. And when our Minister passed the condolences of the Prime Minister and the Government and the people of Papua New Guinea, it really made a very big impact. And that crystallised the friendship between the nation of Argentina and Papua New Guinea.

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These are some of the characteristics and the traits of a Minister. And he has it in him to put the country on the fore front. I want to say here that the approach and the leadership taken by this Government and through the many forums has he has represented that opened up a lot of opportunities for us.

We need to grow as a nation despite our problems and situations. We must also capitalise on our strengths and I would like to thank the Foreign Affairs Minister because what is mandatory in his presentations also opens up opportunities especially in the area of commerce and trade. We need to culture that and basically grow it. I have a situation where we need to grow Papua New Guineans SMEs to half a million by the year 2030. But that cannot be readily achievable until such time we take it on and capitalise on the opportunities. And that we must make sure that we have got to have foreign direct investment in this country.

Mr Speaker, foreign direct investment in this country is not easy. We must be able to have the guts to sell this country and we have to compete with the rest of the world. What it basically means is that we must have the best man to speak up and sell Papua New Guinea's case to the world. And I would like to commend the Minister for well done. We need to also quarantine Papua New Guinea against exportations by other interests and especially from complaints by foreigners taking over businesses in the country.

I would like to inform the Members of Parliament that as a Government we are also taking steps to make sure that we protect our interests; and as I speak we will have laws that will come and are now in the process of being stat, so that by the time they are introduced in

Parliament, it will be in the mutual benefit, not only for Papua New Guinea but also for those that we do business with.

We must be mindful of the fact that simply put we do not want to shut ourselves from our multi-lateral and bi-lateral partners and sometimes we may be shooting ourselves in the foot. I would like to thank the Minister, especially in the area of trade that he is promoting. This is one area that we lack in my department in the past but through his leadership we are creating a separate office for the office of trade. I know that it will increase the volume of business that will be coming to this country and I look forward to work closely and support the Prime Minister and the Minister for Foreign Affairs and trade, through the good leadership that they provide, I know that we will bring this country forward.

Mr MICHAEL NALI – I have looked around and noticed not everyone wants to talk. Maybe many have been fed up listening to me. I had the privilege of working under a very competent Foreign Minister who had to take up the Ministry while he was also the Prime Minister. And it is good to see Sir Julius Chan still here. I think I have seen a lot of foreign ministers come and go and I cannot talk them down as they have all done their best and they were great foreign ministers in the likes of Sir John Kaputin, who was a great advocate; someone who took the bull by the horn and led the Africans, Carribeans and Pacific Islanders

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He was the Foreign Affairs Minister who stood up and shut some of our very close friends when he was not happy with how we were treated. But on this occasion.

Mr Speaker, I want to congratulate the Foreign Minister on his great leadership, not because he is who he is, but because he is a very competent Papua New Guinean whom I have known for many years. When I first came into parliament, I had nowhere to stay but he was a big brother to me and I thank him so much for that.

When I came into parliament, I thought Foreign Affairs might not be appropriate for him so I was trying to lobby for some other work for him but he proved me wrong. He as our Foreign Minister in the last Parliament and this time again.

To become a Foreign Minister, it is not an ordinary responsibility. During my time, I travelled almost everywhere in the world and I don't like travelling anymore. I don't like travelling long hours, the best can be three hours to Brisbane, Cairns or Mendi. But we must understand that he is also a family man but I'm pretty sure he does not take his family around everywhere he goes.

I want to congratulate you Minister and place on record that it is an unbelievable responsibility but you have done it very well with dignity and made us proud.

Mr Speaker, for a Foreign Minister to do well, if he is a genius in this responsibility, yes, he can do it alone. But many foreign ministers need people who are qualified, competent and must be committed to that responsibility. I'm talking about the Ambassadors and the High Commissioners.

In saying this, I must also thank some people who represented us in other parts of the world like consulates, they also contributed to a lot of the activities of our Foreign Minister representing the country.

In the recent UN decision, especially, what was the reason for making a standing against the United States of America in recognising Israel?

Mr Speaker, I think that was the right decision, our Foreign Minister made on advice provided to him by our officials as well.

Mr Speaker, I was once a Vice Minister working under a very competent Secretary of the Foreign Affairs who is Mr Gabriel Dusava, a prominent Papua New Guinean who served under the last Government in the embassy of Japan and is now back, but he was an officer who took courage of the responsibilities to do with Foreign Affairs.

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Mr Speaker, our eyes and ears are those officers that we have right throughout the world, that are representing us and they are the ones that market us.

Mr Speaker, I think that there is a need for training for Foreign Service staff. This country has grown out of the original way of doing things. We have gone off the track in the last 15 to 20 years when we started bringing Papua New Guineans from outside who are not trained to be diplomats and that is where the mistake was made.

Of course, in certain areas where you have defence attaches or people who have background in security, especially in countries like Indonesia, Malaysia and maybe Singapore, yes, we can have former Police Officers, former CIS Officers and former Defence Force Personnel attached, but in other areas it is important that we send the right people out there to represent us.

Mr Speaker, I also had the opportunity to represent our country on a lot of meetings, when I was a young man, I used to attend the ASP-EU meetings mostly held in Brussel. Africans went in big numbers and they would fight for space in the market to sell the food stuff like banana, pineapple, cocoa, copra and other cash crops.

When we talk about Foreign Affairs, the Minister's duty is to go attend these meetings, discuss with other Foreign Affairs Ministers and discuss about how rich our country is but the bigger part of this responsibility is when it comes to trade, every diplomat will talk about trade and money.

As for us in Papua New Guinea from the start when Bougainville Copper Mine started we started to export copper and then later when other mines like Ok Tedi came in we started to export both copper and gold, copra and cocoa which have done well in the international market, coffee and timber and now we are talking about oil and gas.

Mr Speaker, the aircrafts that flies, Air Nuigini I do not know how much fuel is produced locally but I still believe that a lot of fuel is imported from outside for aircrafts although we are supplying oil and gas to other parts of the world.

Although, we are producing locally when you go into a supermarket you will find that almost 75 per cent of goods are being imported from elsewhere and are sold here.

So, I think that it is important for us as a country to sit down and discuss how best we can consume our own produce instead of importing.

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It is important for us as a country to start to sit down and talk about how best we can replace some of these and use great man like the Minister for Foreign Affairs and Member for Wapenamanda, a prominent lawyer. When we have people like him we should be using them to get up there and market what best we can produce.

Mr Speaker, I also take my hat off to the Minister for National Planning. When he was Minister for Commerce and Trade, I was not in Parliament, I was outside but even when I was outside, I was born to be this kind of person or animal so I also sat down and looked at what our leaders were doing.

I must also commend the Minister for National Planning for putting his foot down against Fiji by saying, no, we can also manufacture this, and we can produce this and supply that. If you are not willing to take our products into your markets, we will not get yours too. It's as simple as that.

Mr Speaker, we have the right to decide. It is important. We need great statesmen to get up there.

Mr Speaker, there is a man from Chimbu who is hanging out up at the golf course playing golf every day. He almost died when there was no ambulance but the Prime Minister saved him. I am talking about Ambassador Aiwa Olmi.

This great Chimbu is hanging around there doing nothing but I've heard him speak. He has always said to his people that he was a salesman selling Papua New Guinea. And, Mr Speaker, that is very, very true. If you have great men out there market our country they will market it very, very well.

So, Mr Speaker, I think a couple of days back I made some criticisms, not very big, very small, Minister don't get me wrong but being a Vice-Minister to the Office of Foreign Affairs, I said that some things were not right.

Mr Speaker, I think we need to sit down and set some strict guidelines as to how our Foreign Service conducts themselves, especially when it comes to money. I am pretty sure we send money to our offices internationally but some of these money may have been misused. I have no evidence to justify this statement but I am just saying that.

Mr Speaker, also, with the dependants that are travelling with the staff, ambassadors, high commissioners and other senior staff, they should only be entitled to take their children with them and not grandchildren. Seriously, taxpayers are paying for the extras as well.

To conclude, I would suggest that we strengthen, with the responsibility that our Minister for Foreign Affairs and Trade has, I think it is important that we place more emphasis on trade so while our Foreign Minister is marking the country on political and other issues we can have officers on the ground who can get a few years in making sure that trade is emphasised very strongly because every other country is talking about trade and we need to do the same.

With that, thank you, Mr Speaker.

Mr PETER O'NEILL (Ialibu-Pangia – Prime Minister) – Thank you, Mr Deputy Speaker. Let me join the other speakers in commending the Foreign Minister for the excellent statement and work that he is continuing to do in representing our country, especially in promoting our foreign policy by connecting PNG to the rest of the world and promoting trade with many of our trading partners' right throughout the global community.

Mr Speaker, I think one of the reasons apart from his personal standing, qualifications and experiences, I think one of the main reasons why the foreign Ministers is doing so well in strengthening many of our bilateral relationships with other countries is because of the continuity of holding the same ministry and having experience in dealing with issues and having the experience in dealing with issues and having institutional memory about relationships with people in those countries.

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Mr Deputy Speaker, I think that is one of the main reasons why the Minister for Foreign Affairs is doing a good job in strengthening many of our bilateral relationship with other countries and this is because of the continuity of holding the same ministry and having the experience in dealing with issues and having the institutional memory about the relationships with people in those countries.

This year will be his sixth as Minister for Foreign Affairs and sometimes he might want to experience new ministry but as we evolve and mature as a country, we find that this sort of experience is not easy to come by. That is why when we engage with many countries around the world, you will notice that for the first time when you attend international conferences, we are almost on first name basis with some of our colleagues right throughout the world. That has a bit of advantage it because it makes it easy for them to speak to us on issues and also in resolving differences. Sometimes, we have arguments, for example our relationship with Australia whereby we agree or disagree on certain issues but that doesn't mean that we can't speak on other issues that are of mutual benefit to both nations. Having consistency in a Ministry helps those understandings much better and I commend the Minister for Foreign Affairs for representing us very well.

Yesterday during question time, some of the Members questioned some of the relationship we have China for instance. Mr Speaker, I am not here to defend China, they are big enough to defend themselves likewise Australia, USA or Japan. We have a very strong bilateral relationship with each of these countries. But our relationships are for the benefit of our country, it is not for protection of other countries' national interest. And of course, Ministers contacts through his foreign offices right throughout our development partner countries is managed that way in promoting our country and protecting our national interest.

For instance, when we go and negotiate for development and infrastructure projects for our country, we try to get the best deal that is available on the table. When you examine our relationship for instance with China, as far as I know, we don't have one single commercial structured loan with PNG and China. All our facilities with China are all concessional, meaning that we get very low interest rates and long grace period so that we have the ability to try and use the infrastructure to make money and repayment period for a long time.

So the interest rates of one and half to two per cent is comparable to the same rates that World Bank, IMF or ADB give to any country around the world.

Sometimes people think that we are getting four, five or ten-year loans but it's not the case. We try to build the infrastructure that is going to serve our nation for many years to come. We have seen the mistakes of the past where we borrow money on short term and the demands of paying that loans are very high and we are just borrowing to keep maintenance of our infrastructure.

Mr Speaker, we have to be very sensitive with our relationship with foreign countries. I know the Governor for Northern has just recently stated, certainly they are not here only to look after PNG but make money as well and that is expected of any investor and it doesn't matter big or small. They want to invest and make money but we must make sure that they make a fair share and not at the expense of our people. It's our responsibility to protect our people's share.

When we look at some of the exports of our oil, gas or copper, most of these agreements were very long term agreements and not for four to five years only. These agreements were signed many years ago for 20 to 30-year contracts. So some of us we inherited those problems and when we go into negotiations for new projects, we learn from the mistakes of the past and try not to repeat them, making sure that these resources are used to developing our country.

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So again foreign relationships are very important. How we conduct our relationships and how we manage them especially when we are going to develop some very big world class projects like the second LNG Project, expansion of P'nyang and the expansion of the first LNG, when we are going to raise money for money for Wafi Golpu, Frieda Mines and Yandera. All these projects combined will exceed over \$US 20 billion to raise.

That also depends entirely on the relationships that we have with the countries. Because most of the time it is the Governments who are lending to such projects. Let me give you an example of the first LNG Project that we are seeing the export of our gas. Most of the \$US 19 billion were raised by governments. Like the Government of Australia, United States, China through the Exim Bank they lent us the money to develop these projects.

So it is very important that when we say things we must be guarded in what we say. Because they literally their Embassies here are posting everything that you say to their country and every leader and everybody knows what is going on in our country as well. The world is very small with the new communication technologies it is very easy to communicate. They also worry about instability. They think if Governments change and leaders change and Ministers change what is going to be their policy and their new approach. That kind of unpredictability

is very bad and damaging for any investment in any country. I know the Foreign Minister is doing his very best and he is representing us very well by establishing very good contacts right throughout the world. The area we have to focus now is on Trade.

Mr Speaker, when we travel and engage with our own diplomats who are representing us all around the world, we can see that they are very good at diplomatic relationships but they are not so experienced in trade negotiations. We have established bilateral relationship with countries in political and social relationships but not at the business relationship level.

That is why when we are hosting events like the APEC we are training many young Papua New Guineans in the APEC organization so that they can in future lead the Trade Office.

The Minister for Foreign Affairs and Trade has been tasked by our Government to establish a fully-fledged trade office so that they can beef up the capacity so that we can enter into trade negotiations and investments as well. Those who will be doing that is the young people we are training today. Not the diplomats we have. Because they have no experience in trade negotiations.

Mr Speaker, just to give you an example we have been sending 4-5 young Papua New Guineans to the Singapore APEC office as a secondment to be trained. I can tell you about the comments coming from the Director of APEC and some of these senior leaders in the APEC Organization who tell us that we have some of the smartest young people who have been attached there compared to any other country. So we can be very proud, that these young people can take the future of our country into the next level. This is a great opportunity to engage with business leaders.

Mr Speaker, many are times we think that APEC is just a small organization. As Minister for Finance just stated we have 21 countries out of almost 200 countries in the world and they control 50 percent of the entire world's GDP. They control almost 60 percent of the global trade. Whatever you trade. Whether you are buying shirt or gold, or copper or oil this 21 countries control that much percentage. It is a very huge component of the global economic position of this particular organization.

Recently Papua New Guinea got invited to the first world economic forum in Lagos. I attended that meeting and I noticed that yes there are some really big businesses there and big financiers who attended that meeting as well. But I can assure you that this is not as big as APEC.

The APEC organization is attended by close to 10 000 CEO's in one week gathering at the same time in one city is a huge number and huge opportunity. That is why we have to get our business people and people who are trying to do trade internationally must register and

engage meaningfully and attend all these meetings. Making sure that they collect every business card that has been offered to them and communicate with them. Many of them are very willing to assist small to medium term enterprises and I think you will find that our engagement at this level is very good.

In terms of trade and investments we must try and get investment that is going to benefit our country. As the Minister for Works has just stated earlier when you go to the supermarket it is not 75 percent it is almost 90 percent of what is on the shelves is important.

No country can sustain itself in the long term by making sure that we depend on our imports all the time. What happens tomorrow when I think there are less than 20 countries in the world that produce rice and grow it? If they say that we are only producing enough to feed our own and we don't have enough to export it what in PNG going to do? There will be crisis because we eat rice every day. We have been led to believe that we cannot grow rice for many years. Now our experts tell us that is wrong and not simply true.

We need investments that are going to replace imports in our country so that we can keep our money in the country. Yes they bring their money to invest here but they make a return out of it but the actual investments stays and feeds our country and our economy. That is what we need to do.

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A few weeks ago we had an announcement about the first production of milk in our country. When we announced that we are going to produce milk in the country, many of our critics laughed at us. But today it is on the shelf of the supermarkets, our own milk produced and packed in Papua New Guinea.

Mr Speaker, yesterday, I was told the imported Pauls Milk price was reduced from K12 to K6 to match the local production. Where were they before? They could have reduced the price to K6 before. They now have competition because our milk is locally produced. I urge Papua New Guineans to buy locally produced food, and support our industries. This is keeping jobs in Papua New Guinea. If we have successful industries in our country, we will make sure that we keep the jobs in our country. Every time when you buy a foreign imported produce, you are exporting jobs for them to produce that food so that they can be able to feed us. We need to start thinking like Papua New Guineans and support our own industry. That is the only way there is a long term sustainability of our survival.

Another example is on the tuna fishing industry. When the Government announced that we will go through a rebate scheme and not the vessel number of days, giving numbers of days

to fishing companies so they can go fishing and take fish and export it overseas without coming on shore everybody criticised that, saying they will shut down the factories and they will disappear. We are now in the second month of the year and no one has shut down their factory. In fact they have made more money in the first two months in fisheries than we have made in the whole year, the year before. That goes to show that our strategy is working because we want them to bring our fish back into our factories, get the job done by Papua New Guineans so that Papua New Guineans are employed earning money and we can export it from our country. Keep our jobs and investment in our country. That is the task that the Minister for Foreign Affairs and his team are doing and I can tell you that we stand fully behind it.

Mr Speaker, apart from jobs and trade, yesterday, The Member for Rabaul talked about foreign interest and protection of serving foreign interest in our country and that is a good point he made. We need to tighten the laws. We have to protect Papua New Guinean interest and if there are means and ways of doing it, we are open to discussion on tightening these laws and the Foreign Affairs Minister is responsible to do so.

One area he touched on was political contributions. That has been regulated by the legislation passed by the Morauta Government, where the Integrity of Political Party and Candidates restricts people from contributing more than certain amounts to political parties or politicians or leaders. That law is working, it brings accountability and transparency because we have to declare who is contributing political funds to political parties and individuals through the party returns that needs to be lodged. We are open to it. If you want to be a lobbyist or consultant to a foreign company or foreign interest, you have to register and declare your interest. These are mechanisms that we have to bring in so that even the public is held accountable on whose interest they are representing.

There are some good discussions going on and it is a commendable effort by the Minister for Foreign Affairs Trade. Let us support him and get this ministry moving as it has been dead for many years. When he took over, they were selling all our assets and buildings and shutting down some of the embassies. We tried to keep the embassies open despite limited resources and funding because it is the face of our country.

Mr Speaker, we have to make it possible for our partners and their citizens to engage with us meaningfully, there is no point shutting down these offices just because we have to save money. There are other ways in which we can save money so that we are able to serve our country better. Mr Speaker, there are some well-trained diplomats who are now at retirement age and they have returned back to the country.

Mr Speaker, I urge the departments and the districts and provinces these people have lots of experience that can be beneficial to our organisation. They can be utilised as mentors in training our young people in making sure that they do the right thing in serving our country. Some of their names were mentioned by the Minister for Works, these are very competent Papua New Guineans with very high integrity and standing. These are people we can utilise. There are many who have retired and become villagers. We should be utilising them to mentor some of our young people in becoming better public servants going forward. Once again, let us commend the Minister and the work that he has done.

On the issue of the vote on Israel, I know the Minister has given you an example and that is not a vote against Israel. The motion was against an action of United States. I want to assure our people that this vote was taken on 22 December while everyone was on Christmas holiday. Every vote that we have taken since coming to office has supported Israel, not only on United Nations but other organisations like the International Energy and Atomic Association where we have to vote supporting Israel on their stand against some of the countries who are trying to have access to atomic energy. Papua New Guinea has been the biggest supporter that it takes the Prime Minister of Israel to call us when such important votes are taken. I'm certain he would have called me because he has my number and he calls when important votes are taken when he thinks that Israel needs to be protected. I can assure our people that we will continue to vote with Israel so that we can be able to strengthen our relationship with Israel. I can also say this, during our visit to Israel we were one of the first countries that were invited to open up an office in Jerusalem for our Embassy. Those things are under consideration, it's about affordability. When we have enough funding to open up an office, we will do so, but the issues in the Middle East are very complicated. It has taken thousands of years to come to this situations we are facing today, which are still not resolved and the conflicts are still there. We are hoping that the international community and the parties can sit down together and resolve these issues in a more acceptable manner that we expect according to international law and also according to the resolutions that were passed in 1967 which we were following as well.

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Debate (on motion by **Mr Douglas Tomuriesa**) adjourned.

ADJOURNMENT

Motion (by **Mr Douglas Tomuriesa**) agreed to –

That the Parliament do now adjourn

The Parliament adjourned at 4.10 p.m..