

SECOND DAY

Tuesday 3 April 2018

DRAFT HANSARD

Subject:

Page No:

CERTIFICATION OF ACTS.....	2
QUESTIONS	2
Front Loading of DSIP Funds	5
Supplementary Question - Flooding in Kairuku-Hiri Electorate	6
K3 Million Service Contract by NCDC	7
Goroka Shop Raid Investigation Update.....	10
Supplementary Question - Transnational crime	12
Supplementary Question - Police Conducting Unnecessary Roadblocks	12
Development Levy For Landowners.....	13
Release 2 per cent Royalty payment for Landowners.....	14
Supplementary Question	
Amount of Development Levies Released.....	16
Funds for South Bougainville Roads	16
 OMBUDSMAN COMMISSION OF PAPUA NEW GUINEA – FINAL REPORT ON THE INVESTIGATION INTO IMPROPER AND UNLAWFUL ISSUANCE OF ENTRY PERMITS AND GRANTING OF CITIZENSHIP TO JOKO TJANDRA, OCTOBER 2017 – PAPER – MOTION TO TAKE NOTE OF PAPER.....	 18
 OMBUDSMAN COMMISSION OF PAPUA NEW GUINEA – FINAL REPORT ON THE INVESTIGATION INTO ALLEGED IMPROPER DECISION BY THE GOVERNMENT OFFICE ALLOCATION COMMITTEE TO ENGAGE CENTRAL LAND LIMITED, OCTOBER 2017 – PAPER –.....	 18
 MOTION TO TAKE NOTE OF PAPER	 18
 ADJOURNMENT	 19

SECOND DAY

Tuesday 3 April 2018

The Parliament met at 2 p.m., according to the Terms of its Resolution of 27 March 2018.

The Acting Speaker (**Mr Pesab Jeffery Komal**) took the Chair.

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

Sitting suspended.

The Acting Speaker again took the Chair at 2.40 p.m., and invited the Member for South Bougainville and Deputy Opposition Leader, **Honourable Timothy Masiu** to say Prayers:

‘Papa God lo Heven, yu bikpla na gutpla God tumas. Mipla kam gen lo yu lo displa taim lo sikim wisdom na gaidens blo yu as mipla ibung long displa haus wei ol pipol blong mipla imakim mipla long kam na sindaun lo em.

Papa mipla tok tenkiu long ol isius blong displa kantri wei mipla ol lidas ibung long diskasim na toktok long em. Taim mipla igat ol displa kain isius istap olsem long bikpla hevi ibin kamap long sampla provinses long Hailens na Western provinse, mipla itingim ol pipol wei ol istap long hevi long dispela taim.

Papa mipla askim long intavensen blo yu tru long wisdom blo yu long gaidim ol lidas wei mipla ken bung na kamap wantaim gutpla tingting long hau mipla iken halpim gut ol pipol blong mipela.

Papa mipla tingim tu ol pipol long Bogenvil long dispela taim wei referendem wok long klostu kamap long dispela taim. Mipela askim yu long save blong yu long givim lidesip long wanem samting mipela imas wokim long kamapim gutpela sindaun bilong ol pipol na kantri bilong yumi.

Papa mipla igat planti narapla hevi tu wei kantri iwok long go tru long ol. Mipela iaskim yu long gaidens bilong yu long dispela taim. Mipela inonap haitim na giaman, mipela mas kam tru long yu na askim forgivnes blong yu. Mipla mas admitim na askim yu long lidim mipla so mipla iken kamap wantiam gutpla ol disisen blong ol pipol.

Papa tenkiu long dispela sindaun blong mipla long dispela haus long tude. Blesim olgeta toktok, blesim Praim Minista bilong mipela, Oposisen Lida, olgeta Ministas, olgeta Membas bilong Paliamen na olgeta pipol bilong mipela. Blesim mipela olgeta so wanem samting mipela toktok long em bai em karim kaikai long laif blong ol. Papa tenkiu long dispela marimari blong yu, bel isi bilong yu na fogivnes blong yu. Amen.’

CERTIFICATION OF ACTS

Mr ACTING SPEAKER – Honourable Members, I have to inform the Parliament that the Speaker has in accordance with *Section 110 of Constitution* certified 11 Acts made by the National Parliament:

1. *Appropriation (General Public Services Expenditure 2018 Budget) Act 2017;*
2. *Appropriation (Judiciary Services 2018 Budget) Act 2017;*
3. *Appropriation (National Parliament 2018 Budget) Act 2017;*
4. *Custom Tariff (2018 Budget)(Amendment) Act 2017;*
5. *Excise Tariff (2018 Budget)(Amendment) Act 2017;*
6. *Goods and Services Tax (2018 Budget)(Amendment) Act 2017;*
7. *Income Tax (2018 Budget)(Amendment) Act 2017;*
8. *Income Tax (Salary and Wages Tax)(Rates)(2018 Budget)(Amendment) Act 2017;*
9. *Oil and Gas (2018 Budget)(Amendment) Act 2017;*
10. *Pacific Institute of Leadership and Governance Act 2017; and*
11. *Public Money Management Regularization Act 2017.*

02/02

QUESTIONS

Mr JAMES DONALD – Thank you, Mr Acting Speaker, I would like to direct my questions to the Prime Minister.

The devastating earthquake in the central part of PNG had devastating impact on the people’s way of life especially in Western, Hela, Southern Highland provinces and others.

Precious lives have been lost, countless injuries suffered and gardens and environment in which people depend on for their livelihood is destroyed, the river systems are carrying the silt and debris downstream destroying the riverine eco-systems in the Strickland and Fly rivers plus many smaller riverine eco-systems and the damages and destruction to the people's lives have been devastating.

As, I speak the after-shocks are continuing to happen, the intensity and frequency of these earthquakes are totally unprecedented in the collective memory of our people. We cannot assume that these type of earthquakes have happened before and we are still counting the aftershocks daily. I have many questions to ask you as the CEO of this country:

In the Emergency Sitting last week, you reported of K59 million contributed by non-governmental organisations towards relief work but no figure on what your government contributed.

(1) Can you now give a report of how much money your government has contributed and how much into future relief work? This is excluding restoration work.

(2) Of the K50 million that was contributed by OTML, none of it was given to the Western Province, where the money came from, why?

This Parliament is divided on what caused the earthquake, some say it is natural while others say it is caused by an escalation in petroleum, oil and gas activities. We cannot just assume things one way or the other, there has been too many lives lost, injuries caused and damages suffered.

(3) Can you establish an independent enquiry to investigate the cause of the earthquake and report back to this Parliament and the people of PNG, whether the earthquakes were caused by natural processes or caused by the gas and oil extraction activities?

(4) Upon receipt of the independent report, can you consider the possibilities of;

(a) amending the laws to set up the statutory regulatory body to monitor the rate or speed and volume of oil and gas extraction?

(b) Empower such regularity to cap extraction as and when necessary to counteract the intensity and regulatory of future earthquakes?

(c) Consider possible civil and criminal implications of the operator of the gas and oil projects, if it is found to artificially induced earthquakes?

(d) Consider notifying the joint venture partners at this early point to set up a Damages Trust Fund out of the proceeds of gas sales which can be contributed pro-rata to the equity held by the partners so that deaths, injury, property, environment damages claims are settled out of this trust fund in future?

Mr Acting Speaker, can the Prime Minister answer these questions sincerely and honestly?

Thank you.

Mr PETER O'NEILL – Thank you, Mr Acting Speaker, and I thank the good Member for North-Fly, who has certainly asked a long series of questions and deserves very detailed answers which I will certainly provide after this Parliament to him.

03/02

The first question briefly talked about the K59 million that has been contributed by many business houses and donors who sincerely want to support the relief effort in these provinces while the Government in its wisdom has already released K20 million from its own finances directly to those districts that are affected so that they can also assist in the emergency relief efforts. That also includes North Fly.

If he check with his treasury and stop wasting his time on facebook, I'm certain he will know that this money is already available within a week or days

Mr James Donald – Point of Order! Can the Prime Minister answer me directly because I want to know about my share of the money?

Mr PETER O'NEILL- The Government also made a commitment of K450 million over the next three or four years which will be funded out of the budget in making sure we rebuild the infrastructure that are being destroyed by the earthquake.

Mr Speaker, I just want to give an example of the enormity that is ahead of us. It is not an easy task in rebuilding the communities that are being destroyed. It does not require politics to politicise the suffering of our people through political process.

Mr Speaker, in fact today we got a report from the Hela Province for the first time, according to experts on the ground with the costings, the infrastructures that are destroyed are already well over K200 million. That is the lower end of the figures when we talk about one province affected without having the roads. It will take quite a substantial amount of money to rebuild and we will rebuild through with the provinces that have been affected.

Mr Speaker, the second question on the funding from OK Tedi, OK Tedi is a company that has been operating in Papua New Guinea for a very long time and has a corporate

responsibility to the nation. Not only to Western Province but to the nation. That is why in their own wisdom they made this contribution of K50 million.

Mr Speaker, I can assure the honourable Member that parts of Western Province like Nomad that has been affected, the supply committees already told me that relief supplies have already reached those affected communities.

Mr Speaker, it's not just targeted for one particular section of the community. We are trying to make sure that relief effort cover the entire provinces that have been affected. Mr Speaker, I can assure the honourable Member that we will do everything possible to make sure that the relief supplies and relief efforts reached the communities that need it the most.

Mr Speaker, the third issue about the independent enquiry, I've made a public statement in Tari and in the media that we will ask the Australian Government to provide us with an independent report so that people will not assume that our Government is trying to cloud the outcome of any report that may establish the cause of the earthquake.

Mr Kerenge Kua – Point of Order! The question is about an enquiry and I don't think Australian Government is entirely independent because their finance company, Asic has substantially finance the gas project and therefore the Australian Government report wouldn't be independent. Therefore independent means independent outside of Australia.

Mr PETER O'NEILL- I'm quite happy to sit down and discuss the names of the individuals that the learned Member for Sinasina-Yongamugl may suggest, we are quite happy to look at names but these things cost a lot of money. Of course lawyers lead in these kind of investigations and we all know the kind of amount they charge.

Mr Speaker, we are working with the Government of Australia and United State of America, especially the geo-science organisations who are quite independent and I will provide the report to the honourable Member so that he can be made aware of the investigations.

04/02

Front Loading of DSIP Funds

Dr LINO TOM – Thankyou Mr Acting Speaker, I want to direct my questions to the Minister for Finance and Rural Development in regards to disaster funding.

Mr Acting Speaker, before I ask my questions I would like to pass my condolences to the people who have lost loved ones and properties during this natural disaster in the five affected provinces, especially in your electorate.

Mr Acting Speaker I didn't want to be so insensitive and naïve and so I had to remain silent given the amount of lives and properties lost in the severely affected areas like Tari, Mendi, Nipa-Kutubu and the others.

However, Mr Acting Speaker the magnitude of the quake was also quite big in my electorate and initial assessments done by myself and the technical experts indicate that quite a lot of significant structural damages have been done to a number of very important basic structures.

Therefore, despite not receiving any funds as yet from the government as mistakenly alluded to in the last Meeting, I want to know.

If your department can front load our DSIP appropriations of K10 million for the disaster affected electorates upfront instead of the procedural quarterly remittances so we can address those issues holistically?

Most of the damages that were done are still being assessed as we speak and the report will be presented before the disaster committee, Ministers and leaders responsible.

Mr JAMES MARAPE – Mr Acting Speaker, let me firstly thank the member for Wabag for his question and also for his decorum in the House.

Mr Acting Speaker let me sincerely apologise to him and his people of Wabag. In last week Tuesday's Parliament meeting there was an inference made that his district was also part of the districts who received some funding for the disaster. I checked and confirmed that I was wrong, it was not his district but his sister districts in Lagaip-Pogera and Kandep and the other districts in North Fly and my district in Tari-Pori, Komo-Magarima, Nipa-Kutubu, Mendi, Ialibu-Pangia, Kagua-Erave and Imbonggu.

But we certainly know his district was part of the areas affected by the disaster and we take note of his recommendations that some of the DSIP funds be front loaded so that he can embark upon these work. We take on board his views and recommendations and we will look into that favourably in due course.

Supplementary Question

Flooding in Kairuku-Hiri Electorate

Mr PETER ISOAIMO – Thankyou Mr Acting Speaker, I also rise on behalf of my electorate to pass our condolences to the five provinces affected in the recent earthquake.

Prior to the earthquake we had a week and half of continuous rain that caused flooding in the two districts of my electorate. The Vanapa River in the Hiri district has burst its banks and in the head waters we lost three lives, two originally from Goilala and one from Koiari. And the Saint Joseph's River in Kairuku district has burst its banks and claimed a life of a gentleman from Waima area of Kairuku district.

05/02

My question to the Minister is, when will we receive our share of the DSIP funds or the District Support Grant together with the financial instruments in order for us to attempt to buy relief supplies to meet the needs of our people. Thank you Mr Acting Speaker.

Mr JAMES MARAPE – Thank you, Mr Acting Speaker. I also thank the Member for Kairuki-Hiri for raising this question. I also acknowledge his sympathies for the passing of our people in the earthquake. I confirm that his district was under flood and certainly weather induced disasters. When they had the flood, they were raising funds and I did attend one of the disaster relief fundraising and made a small contribution not knowing that my own district will be affected a few weeks later.

Mr Speaker, we are in the process of finalising the first instalment of DSIP this week, so late this week and early next week, there will be some DSIPs being rolled out to districts, all districts who participate in district work programs. When that does come to pass, like always, we will certainly give to all districts their district funds and as well as provincial funds.

K3 Million Service Contract by NCDC

Mr BRYAN KRAMER – Thank you, Mr Acting Speaker. My question is directed to the Minister of Finance. This is in relation to an issue of immense public interest, into an awarding of a public expenditure of over K250 000 a month, where in a K3 million service contract was issued by NCDC to a company.

Mr Justin Tkatchenko – Point of order! This question is only to promote his own self ego and the situation is, he is defaming other people for the sake of it. It has nothing to do with Parliament interest.

(Opposition Members interjecting)

ACTING SPEAKER – Your Point of Order is in order.

Mr BRIAN KRAMER – Thank you Mr Acting Speaker, but, I have not asked the question yet, so how can my question be out of order.

Mr ACTING SPEKAER – Ask your question.

Mr BRIAN KRAMER – Thank you Mr Speaker. This matter relates to expenditure of public funds.

Mr Acting Speaker, I am asking the Finance Minister in relation to the company, Yu Yet PNG Limited which was registered in 2015 by two foreign nationals. The two foreign nationals, by registering a company under their names and holding shareholding in it therefore define the company as a foreign enterprise. Under *section 25 (2)* of the *IPA Act*, a foreign enterprise shall not carry on business unless a certificate has been granted.

Mr Acting Speaker, today, I contacted the Office of Investment Promotion Authority to establish whether the foreign company Yu Yet PNG Limited has in fact obtained IPA certification. The officer's response is 'no', there is no record that the company has in fact obtained certification.

Mr Acting my question to the Minister for Finance is,

(1) Can he establish that they have awarded a contract to a company that is illegally operating in PNG?

(2) Can his office make inquiries to determine if the funds that have been awarded can be recouped since the contract is illegal because the company is illegal?

Mr JAMES MARAPE – Mr Acting Speaker, I want to respond to the question from the Member for Madang in this manner. I know he is a very good public commentator in matters that relates to laws of the land. Mr Acting Speaker, if he cares to properly read provisions of the *Public Finance (Management) Act*, he would understand that there are various ceilings and levels of contract disbursement.

06/02

Contracts below K500 000.00 are handled by *Section 32* officers.

Mr Acting Speaker, the Member for Madang has a very keen interest in what is happening in NCDC and I am lost for words as to what this is in regard to –

Mr Bryan Krammer – Point of Order! With respect to the Minister for Finance, even in my own district in regards to public expenditure, when I was given the DSIP, I always seek clarification. I always get direction from Finance Secretary in relation to the proper expenditure of public funds.

I appreciate that the decision in relation to the expenditure with regard to this matter was made by NCD but again it relates to public expenditure which comes under your jurisdiction. The amount was K3 million and not K500 thousand. I am therefore asking the good Minister if his department can make an inquiry.

Mr Powes Parkop – Point of Order! The purpose of asking a question in Parliament is to get proper and clear answers. It is not to politicise issues. If the Member for Madang who styles himself as lawyer or an economist or the jack of all trades then if he knows his Standing Orders then he will know that he cannot ask me directly.

He should not ask questions that the Minister for Finance is incapable of asking. If it is about the certification then can he just stick to that? He should not go further.

(Opposition Members interjecting)

Mr Powes Parkop – There is a saying “The weather does not allow”. I have no problems and nothing to hide. I can answer this question but this question is directed to somebody who has no knowledge.

Mr ACTING SPEAKER – There’s a lot of point of orders.

(Laughter in the Chamber)

Mr ACTING SPEAKER – We have a lot of point of orders but the Minister is answering the question so let him finish answering.

Mr Salio Waipo – Mr Acting Speaker, can you ask the Governor to withdraw the word incapable? He said the Minister is incapable so can he withdraw that?

(Mr Powes Parkop interjecting)

Mr ACTING SPEAKER – The Minister is answering the question so let him finish.

Mr JAMES MARAPE – I think the Governor means well when he said the Minister is incapable of answering the question from the perspective that I may not be privy to the details of the contract. Under the *Public Finance Management Act*, different levels of procurement are handled at various levels.

For instance, under K5 million, procurement is allowed to be carried by various provincial supply and tender boards that we have. Our various district administrators or section 32 designated officers at various levels of government can handle contracts up to K500 thousand.

This arrangements as far as the *Public Finance Management Act* is concerned, that contract was disbursed within the powers that NCDC has but if the good Member for Madang feels that there are impropriety then I will request him to provide to us relevant information rather than running to facebook or the media all the time.

There are very appropriate channels of government that we have to provide to me as Minister responsible for *Public Finance Management Act*, he can also provide the information to the Police and Ombudsman Commission so that they can handle his queries.

07/02

Goroka Shop Raid Investigation Update

Mr PETER NUMU – Thank you, Mr Acting Speaker. My question is directed to the Minister for Police and can the Ministers for Foreign Affairs and Commerce take note. Before, I ask my question, I would like to convey my deepest sympathy on behalf of the six hundred thousand people of Eastern Highlands Province to the five provinces that have been affected by the earthquake. My province is gathering items to donate to the victims in our traditional way.

My question is regarding an article in a daily newspaper on 9 March, 2018, where the Police from Hagen went up to Goroka to a supermarket and found some high powered weapons, some counterfeit goods, some outdated goods and a huge bundles of cash; hundred kina and fifty kina notes that were packed in big cartons and the coins in the bags which were not banked.

Before, I ask my question, I would like to thank the Minister and the Commissioner for engaging the independent Police from Hagen to step-in and undertake this major task and for helping me and the Eastern Highlands Provincial Government.

Is the investigation and raid that was conducted still going on and if yes, the people of Eastern Highlands and the whole country would like to know what the progress is like?

Because, the foreign-owned companies that are operating here in our country must comply with the laws and regulations that we have in place. They must respect our people, they must not sell outdated food and I do not know if the counterfeit goods help the government in paying taxes or not. And, money that is not banked could be very risky and many problems can be attached. That was only in one supermarket that they found all these but I believe that there are many others businesses that are operating like this in many other parts of the country.

If they have violated the laws in the investigations, I want the Ministers responsible to deport them because they did not honour the laws in our country.

Thank you.

Mr JELTA WONG – Thank you, Mr Acting Speaker. Firstly, I would like to thank the Governor of Eastern Highland Province for his question but I can't take all the credit for this. Under the leadership of the Deputy Prime Minister, we have put a group of Ministers together which includes Immigration and Labour Ministries and a task force was put together to stop these type of illegal activities that are happening in the country and this was one of our first account that occurred in Goroka.

The reason why we brought the Hagen based core team was because the policemen in Hagen were already trained for this so instead of using the Goroka Police, we brought the policemen from Hagen.

But, I want to thank the Governor for his assistance in helping out to stop this type of crime in his province and he was very helpful to us.

Under the Deputy Prime Minister the task force has been set-up but we have not put out the papers for it yet so once we do, we will let everyone know.

Thank you

08/02

Supplementary Question

Transnational crime

Mr GARRY JUFFA – Thank you Mr Acting Speaker. My question is in relation to the matter described here by the Governor for Eastern Highlands, which are transnational crimes. Within the Police Department, there is a specific entity referred to as a Transnational Crime Unit This Unit is supported by the National Criminal Intelligence Unit and the Asian Organised Crime Unit. These three units have been dismantled and are no longer functioning to their fullest capacity. They are the units responsible for investigating these type of activities and dealing with them.

(1) Can the Minister for Police inform us whether he has any intention of reviving this unit, developing the necessary capacity so that they can conduct the investigations that are very necessary to curb growing transnational crime in this country?

These crimes are causing significant damage to our people and our country.

(2) Can the Minister also advice, whether this effort by his Ministry and his taskforce will extend to illegal logging camps that are proliferating around the country where such illegal activities are happening?

One such area is my province. Thank you very much.

Mr JELTA WONG – Thank you, Governor of Oro. I have written to the Commissioner of Police to advise him on this issue of trans-national crime, asking him of his plans to address this issue and he is onto it now. This goes for every illegal operation in Papua New Guinea, not only timber. We have put together a wide range of people and we are asking for people on that side to come over with their expertise so thank you.

Supplementary Question

Police Conducting Unnecessary Roadblocks

Mr PETER ISOAIMO – Thank You Mr Acting Speaker. My question is directed to the Minister for Police. Since the partial ban on betel nut last month, it seems all the Police officers think that they can set up road blocks from 8 mile to Brown River and beyond that to stop the rural people from bringing in their betel nuts to sell. The Governor has imposed a partial ban on shopfronts and public places whilst awaiting the APEC Summit and not for

Police officers to conduct road block along the Hiritano Highway. The people are now so scared, they have to drive into my house asking me to escort them to Teptep Wholesale Market.

(1) Are Police Officers allowed to do this?

Sometimes the Police officers stop them saying it's late to enter the city so they have to wait. Then they ask them for bribery money and when these passengers pay the police officers, they let them go. There are a lot of good Police officers but these officers conducting road blocks are not,

(2) Can the Minister look into this issue and ensure do away with such illegal and corrupt practices?

Mr JELTA WONG – Thank you Member for Kairuku-Hiri. At this point in time, I have not received any complaint from anyone about the betelnut ban or anything relating to that matter or complaints about police officer confiscating betel nut from these places. If you have a complaint, direct it to my office or to the Commissioner's office and we will look straight into it. Thank you.

Development Levy For Landowners

Mr KERENGA KUA – Thank you. Mr Speaker. On behalf of my district, I pass my condolences to the districts affected by the recent earthquake in Hela, Southern Highlands and Western Province. Mr Acting Speaker, these districts have their mandated leaders when such disasters occurs and these leaders must take lead. But how can they do so when they lack the resources? They are entitled to these resources but these resources have not been handed to them. I want to know why, therefore my question is directed to the Treasurer.

Can the Treasurer clarify why, he has not released the two per cent Project Development Levy out of this gas project to the Governors and the council presidents of Hela and Southern Highlands, Western Highlands, Enga and Western Province and maybe Gulf too? These are the disaster stricken provinces. This is because these levies are collected since the gas project started exporting.

09/02

A lot of these funds that they have collected are parked in the trust account and there is no injunctions to stop these funds. The good thing is that these funds have accumulated over the years into hundreds of millions of kina. And I know for sure the Governor for Hela, Southern Highlands and all their open Members needs this money.

So can you humbly release this project development levy because there is no injunction stopping it, they can use these funds to carry out some work in their electorates and later the Government of Waigani assist them later.

I want an answer now because it's for the benefit of those leaders. They are quiet and not saying anything in relation to this issue because they are sitting with you on that side. So they wanted me to raise this question to you so that's why I am asking you.

(Laughter-in-the-Chamber)

Release 2 per cent Royalty payment for Landowners

Mr KERENGA KUA – Secondly, we are aware that there is a royalty payment of two percent for landowners parked at MRDC or somewhere. These funds rightfully belongs to the landowners and it's not for MRDC or any organisations.

Why are these funds not released immediately when they are severely affected by this natural disaster? They are still waiting for relief funds when their rightful funds are still parked somewhere. Why this royalty payment of two percent not reaching them. If there is an injunction in place then instruct lawyers to go to court and get the variation for this order and release some of the percentages to those Governors and Open Members so that they can distribute these funds to all the landowners to use for their daily living and get their relief funds later.

These two funds that I am referring to is their money and it's not for National Government or any donor agencies.

Treasurer please answer this question properly.

Mr CHARLES ABEL – Mr Acting Speaker I thank the Member for Sinasina-Yonggamugl for his questions.

It's good to see you representing the landowners of those earthquake affected areas. Mr Acting Speaker, the royalty payment of two percent for landowners have been accumulating in appropriate place, which is the Central Bank.

The mechanism under the LNG Agreement has secured these funding. The Government as we all know has been going through a difficult process in terms of releasing these funds.

And of course in this particular time with the natural disaster that happened, the requirements are even more acute and the necessity to utilise these funding is even more acute. But it doesn't mean that we bypass the processes that are required. It has come through an

exhaustive process and you know that recently somebody's funding was released including last year to the provincial government in this area. The landowners in the Central Province in terms of the pipeline landowners have been receiving it.

However, the process is still ongoing in terms of the Gulf, Southern Highlands, and Hela provinces in relation to royalty benefits. That process is protected but it's very important that the correct landowners are identified before the funds are released. If not it may create even more problems if these funding goes to the wrong landowners.

So we need to find other mechanisms to satisfy the requirements in terms of disaster which is the subject of the debate here today. Rather than tapping into other areas that may potentially create problems when given to wrong people in the utilising of that money.

So it's admirable that the Member came up with these alternatives. But, I just made it clear that those funds are secured and at an appropriate time when the proper landowner's identification process is completed then funds will be released to the appropriate landowners.

Mr Bryan Krammer – Point of Order! In relation to the development levy that has no bearing on landowners. As for the landowner issue, we appreciate that it's before the court to determine bases of social mapping.

The question raised by the Member for Sinasina-Yongamugl is in relation to the two percent of development levy that relates to the Provincial Government and Local-level Government outside the Umbrella Agreement (UBSA).

So if there is no dispute in court with these funds then these funds should be released because it relates to their area.

10/02

Mr Charles Abel- Thank you, Mr Deputy Speaker, that's what I've been saying in my answer, those funds relating to the Provincial Government have been and are being released. Those aspects of the two per cent have not been held back. It is the landowner related benefit that are the issue and are held back subject to the due process. There is no issue relating to the Provincial Government share of the funding as there was significant portion of share released this year and last year in terms of the Provincial Government share.

Mr Deputy Speaker, I think we have to be very careful when we talk about this particular issue on the earthquake, it is a sensitive issue relating to the area that is affecting the Government significantly because of the important projects that are there, it is causing other social issues so we just need to be careful how we talk about solutions so that we are responsible

and we don't end up creating even greater issues up there around the subject of royalties and other benefit streams to the landowners.

Mr Toboi Yoto – Point of Order! The Treasurer said the development levies for the affected provinces have been disbursed. Can he confirm if he has given the shares for the Western Province because Juha is in Western Province and I'm yet to get my development levy?

Mr CHARLES ABEL – Thank you Mr Acting Speaker, I think royalty levies and development levies relates to projects footprint areas that production actually commenced. Where there is no production underway, you will not be accumulating any such levies. We can look further into the production at Juha so far and what has accumulated in that regard. But obviously there is no production happening there, you will not be accumulating levies because they are production based. Thank you Mr Deputy Speaker.

Supplementary Question Amount of Development Levies Released

Mr Bryan Krammer – He has stated that development levies has been released but what he failed to state is what that amount is. I'm sure the Minister for Treasury will know this information but to date he has failed to put an amount so that we can establish if this amount has been released and when it was released. My supplementary question to the Minister is, please if you can confirm what the amount is and if you don't know than you just state that you don't know. Thank you.

Mr CHARLES ABEL – Thank you Mr Acting Speaker, I can confirm that K90 million was released last year to the two main provinces that were affected, where the footprint area is but we will get those exact figures and I can make it available to the Parliament and to the Member that asked the question. Thank you.

Funds for South Bougainville Roads

Mr TIMOTHY MASIU – Thank you Mr Acting Speaker, I rise to ask my questions to the good Minister for Works since he is very quiet. There has been heavy rain in many parts of the country and many roads have been affected so I want to ask the Minister about the two contractors, Dekenai who was awarded the road contract for Arawa-Kieta to Toimanafu and Covec contracted for the road project from Toimanafu to Kangu. Since the awarding of the

contracts, there has been no more work taking place while other roads from Panguna to Buin is getting upgrading and maintenance by AusAID. Roads are badly affected and the people are really struggling at this time.

Minister, what is your response to the situation these two companies are in, whether the Government will allocate funds to them to continue their work? Covec has done some work but is slow so I want to know on behalf of my people what kind of response you would give because there is a huge need for the road to be upgraded properly for the people to use to sell their cocoa and copra and going to and from the towns.

If it is true that a team from the Prime Minister and the NEC Department have travelled to Bougainville to investigate the work of these two companies or not?

11/02

Mr MICHAEL NALI – Thank you, Mr Speaker. I thank the Deputy Opposition Leader for the good question he asked.

He talked about the two roads, one in Central Bougainville and the other one in South Bougainville.

Only this year we allocated a bit of money to two companies, not a big amount but just a bare minimal amount.

I have a problem. My problem is that you have asked me this question previously and I referred the question to the Minister for National Planning because we are only responsible for the provision of technical expertise while finance is managed by the Minister for Planning.

The government has already decided that these two roads will come under the control of the Department of Works so we have allocated a little money this year. I have already discussed the difficulties I am faced with.

The government is definitely committed to these two roads and as soon as we get some money we are going to assist these two contractors. We have given them a bit of money lately but I don't think it is enough but we have already talked to the two contractors and they are aware of the situation so I will be able to give you an update of the status of the roads in the duration of this Meeting.

**OMBUDSMAN COMMISSION OF PAPUA NEW GUINEA – FINAL REPORT
ON THE INVESTIGATION INTO IMPROPER AND UNLAWFUL ISSUANCE OF
ENTRY PERMITS AND GRANTING OF CITIZENSHIP TO JOKO TJANDRA,
OCTOBER 2017 – PAPER – MOTION TO TAKE NOTE OF PAPER**

Mr ACTING SPEAKER – Honourable Members, pursuant to Statute, I present the Ombudsman Commission of Papua New Guinea the Final Report on the Investigation into improper and unlawful issuance of entry permits and granting of citizenship by naturalisation and issuance of Papua New Guinea passports to Joko Tjandra, alias Joe Chan by the Papua New Guinea Immigration and Citizenship Services Authority, Report, 2017.

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

That the Parliament take note of the paper and the debate be made an order of the day for subsequent sitting.

Debate adjourned.

**OMBUDSMAN COMMISSION OF PAPUA NEW GUINEA – FINAL REPORT
ON THE INVESTIGATION INTO ALLEGED IMPROPER DECISION BY THE
GOVERNMENT OFFICE ALLOCATION COMMITTEE TO ENGAGE
CENTRAL LAND LIMITED, OCTOBER 2017 – PAPER –
MOTION TO TAKE NOTE OF PAPER**

Mr ACTING SPEAKER – Honourable Members, pursuant to Statute, I present the Ombudsman Commission of Papua New Guinea on the Final Report on the investigation into alleged improper decision by the Government Office Allocation Committee to engage Central Land Limited to build a 32-storey government office complex at Waigani Central in the National Capital District, Report 2017.

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

That the Parliament take note of the paper and the debate be made an order of the day for subsequent sitting.

Debate adjourned.

12/02

ADJOURNMENT

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

That the Parliament do now adjourn.

The Parliament adjourned at 3.35 p.m..