

FIRST DAY

Tuesday 22 May 2018

DRAFT HANSARD

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FIRST DAY

Tuesday 23 May 2018

The Parliament met at 2 p.m., according to the terms of Resolution of 13 April 2018.

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

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

The Speaker again took the Chair at 2.20 p.m., and invited the Member for Moresby-North East and Minister for Housing, Honourable **John Kaupa**, to say Prayers:

‘Tenkyu Papa God yu givim dispela biutiful kantri bilon Papua Niu Gini wantaim olgeta risoses na olgeta biutis. Insait lo dispela kantri mipla gat 8 million populesin nap las na insait lon display u apointim 111 Membas of Palament husait mipla kam lon displa Flo of Palament na makim Honrabal Praim Minista Pita ONil olsem Praim Minista tudei. Blesim em na blesim oposisin lida wantaim Spika as mipla progress insait igo lon narapela Palament Sesion . Igat kainkain hevi lo dispela kantri but hevenli fada mipla lukluk lo intavensin blo yu na blesin na wisdom blo yu antap lo wanwant Member na Minister lo dispela Palament iken maus blo majority populesin na ol lain stap lo remotest hap lo kantri na mipela iken spikim na brinim ol kain sevises na taim mipela debate lo dispela Paplament imas gat kaikai bilon em na blesim olgeat igo insait lo 8 million poipol blo dispela kantri. Wanatim dispela mi askim komfot na wisdom blo yu mas kam wantaim dispela lo flo of Palament as mipla progress insait lo miting blo dispela Haus. Amen’.

**COURT OF DISPUTED RETURNS – DECLARATION OF MEMBER FOR
CENTRAL BOUGAINVILLE OPEN ELECTORATE –
STATEMENT BY THE SPEAKER**

Mr SPEAKER – Honourable Members, I present the National Court Order Election Petition 33 of 2017 dated 13 April 2018, which sat as a Court of Disputed Returns in the matter between Mr Sam Akoitai and Father Simon Dumarinu and the Electoral Commission of Papua New Guinea.

The Court ordered that the results of the recount for the Central Bougainville Open Electorate were formally ratified as correct and valid.

Pursuant to Section 212 of the Organic Law on National and Local Level Government Elections it was declared that Mr Sam Akoitai was duly elected as Member for Central Bougainville Open Electorate.

Mr Sam Akoitai was sworn into Office at the National Parliament’s State Function Room on Thursday, 19 April 2018, where he made his declaration of Loyalty and Declaration of Office before me.

I welcome the new Member.

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

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

(a) The *National Broadcasting Corporation* (NBC) radio and television will be allowed to telecast and broadcast live questions without notice; and

(b) *EMTV and TVWAN* will be allowed to telecast live questions without notices;

For News purposes for the duration of the Meeting.

CERTIFICATION OF ACTS

Mr SPEAKER – Honourable Members, I have to inform the Parliament that the Speaker has in accordance with *Section 110* of the *Constitution* certified 11 *Acts* made by the National Parliament. A list of these Acts will appear in today's Minutes of Proceedings

1. Asia Pacific Economic Cooperation (APEC) Safety and Security (Amendment) Act 2018;
2. Emergency General Powers Act;
3. Firearms (Amendment) Act 2018;
4. Mining (Ok Tedi Mine Continuation (Ninth Supplemental) Agreement) (Amendment) Act 2018; and
5. Western, Enga, Southern Highlands and Hela Provinces (WESH) Restoration Authority Act 2018.

02/01

QUESTIONS

PNG's Credit Rating

Mr IAN LING-STUCKEY – I wish to direct my question to the Deputy Prime Minister and Treasurer.

Mr Speaker, the children of our country have received some very bad news which I believe the Government has tried to hide.

PNG's economic future including getting out of the current budget crises and foreign exchange crisis has become dependent on being able to raise loans in international finance markets. Indeed the 2018 Budget assumes that 81 per cent, over three quarters of the Budget deficit, would be financed by loans from foreign markets especially the so-called PNG International Sovereign Bond or Euro Bond.

Mr Speaker, on the 23 of March 2018, for only the fourth time the international credit ratings agency called Moody's moved PNG's credit rating to a negative watch. This happened once in 1999, in 2000, in 2015 and again in 2018.

Mr Speaker, I have to say and I note that this never happened once under a National Alliance Government. A party which can properly manage the finances of our great nation.

Moody's is one of the biggest credit ratings agencies in the world and their advice is read and in indeed accepted by all international financiers.

Mr Speaker, then on the 16 of April 2018, another credit ratings agency SMP actually downgraded the PNGs credit rating to a 'B'. In school getting a B is not bad but in real in the credit world it is bad. It means your credit rating is below investment grade. Specifically from SMPs website a B rating means and I quote "Adverse business financial or economic conditions will likely impair the obligors' capacity or willingness to meet its financial commitments on the obligation". This means that if anything else goes wrong then you are a pretty risky bet. This is only the second time that SMP –

Mr SPEAKER – Honourable Member for Kavieng, what is your question?

Mr IAN LING STUCKEY – Mr Speaker, these are complex financial matters and they need to be prefaced thoroughly so that the Members of Parliament can understand these issues. These issues are of national interest so may I continue with the preface?

Mr SPEAKER – Can you be brief and then ask your question so the Minister can respond because others also have their questions to ask too.

Mr IAN LING STUCKEY – Okay, I will be quick with the preface and then ask my questions.

This downgraded followed with our own banks like BSP credit ratings showing how Government mismanagement directly hurts our own big banks. On 16 April 2018, the Asian Development Bank also stated that PNG's growth rate in 2018, is expected to falter to 1.8 per cent.

My questions are as follows;

(1) Mr Treasurer, do you acknowledge that credit rating agencies have never before in PNGs history so mark down PNG's credit rating in such a short period of time?

(2) Mr Treasurer, do you acknowledge that this well respected credit agencies no longer trust the fake figures you are putting into budget documents?

(3) Mr Treasurer, when will you allow the fake 2018 Budget and fake FBO or fake Final Budget Outcome to be audited by an independent body outside of PNG so that our people can be really informed of PNG's economic situation and why the outside world is marking us down despite all the hype around APEC.

03/01

Mr CHARLES ABEL – Thank you Mr Speaker, and thank you honourable Member for Kavieng and Shadow Minister for Finance and Treasury matters for his comprehensive questions relating essentially to the state of our economy and the assessment by couple of rating agencies internationally.

I say, Mr Speaker that there is no secret about the fact that our economy is going through some difficult time. There's are range of circumstances in relation to that, that has been accruing over some times and we have discussed that at length so many times on the Floor of this Parliament including some of the things this Government is doing to correct the situation.

I said recently on the Floor of Parliament that it is disappointing given some of these circumstances including one of the largest earthquake ever faced by this country in our history that has significantly impacted on a particular location where all our resource projects are located, on top of the global financial situation, on top of the collapse of the oil price as well as some of our own measures that we have undertaken in order to increase financial envelope and that is taking on additional debt against the surety of these projects are on line that these agencies gave us that rating and we accept that. That is their role that we take on board overall assessment of things.

Mr Speaker, I think the story is that despite these issues, we continue to progress, we continue to obtain financing from most of the leading financiers in the world including the World Bank and the ADB, the Credit Suez as part of our Budget strategy to balance the third trench that we are about to draw down this week and the situation is beginning to improve. The collapse of the oil price is beginning to turn around. As we move back to about \$70, you will see a significant turnaround.

Mr Speaker, if it was not for the earthquake, with these changing circumstance in the recovery of the global economy, we would have performed significantly above the Budget expectation of the 2018 Budget. Rather than questioning that so-called fake Budget and notwithstanding the earthquake, given the turnaround in the circumstances, with the new projects that are coming on line and all the measures that we are undertaking in the 25 Point Plan, I am very confident not only where we draw down this financing plan including the Sovereign Bond but you will see quite a significant turnaround in the economy and consequently also in the 2018 Budget.

Mr Speaker, we are part of the international community and we continue to take note of these reports that come through. But the important thing is that things are turning around, important thing is that the Government is proactive in managing the issues, Government is

focussed on living the 2018 Budget, the Government is conscious of the commitments to our people. We are managing the economy in a responsible manner and we have the support of many development partners.

As I have alluded to, the World Bank is coming through with US\$150 million which is partially in response to the earthquake, the ABD is coming on board with a budget support of US\$100 million, we are drawing the balance from the Credit Suez loan of US\$190 million and we are organising the Sovereign Bond issue. These are all part of the 2018 Budget. All these matters are on track, as I have said, with things in the parameters of the Budget like US\$52 dollars per barrel budgeted, with oil price now sitting at US\$77 dollars, there is significant upsurge.

A lot of the parameters I've explained in the Budget Speech including the new projects that are coming on line, they are not factored in the budget as well.

Mr Speaker, we are facing these issues, no one is denying them and no one is denying that we have some challenges and cash flow issues and so on. But we are managing through these. It's part of the economy that is acceptable to the commodity prices.

We need to build a more vigilant economy, we need to continue working with our partners and I think you will see as we progress that there will be a significant turnaround coming on line and Papua New Guinea should be very confident about the 2018 Budget and also the future of this country. Thank you.

04/10

Supplementary Question

Mr BRYAN KRAMMER – The question is to the Minister for Planning. He stated that we would have exceeded expectations. For the record, would we be exceeding the fake budget expectations or which budget would we be exceeding?

(Members interjecting)

Mr POWES PARKOP - Thank you Mr Speaker for giving me the opportunity to ask these questions.

I have some questions that I would like to ask the Prime Minister regarding election reforms.

Mr Speaker, the Prime Minister is aware and we are all aware that most reforms are done at the last minute causing a lot of complaints among our people which hinders reforms from taking place thus we are in a system that is very problematic and costly.

It gives us a lot of headache. This is my third term in Parliament and I have not ceased to receive election petitions against my seat. In my first term there were three petitions against my win, in my second term there were three petitions against my win and now there about two or three petitions. Some of these petitions are nuisances.

Renew Voting System

Before I ask my question, I would like the Prime Minister to ask the Electoral Commission to engage a trauma councillor. Because some candidates are so psyched up during the election thinking they will win and when they lose they make unnecessary petitions. There are no basis for their petitions. So my questions are in relation to electoral reforms to establish whether the Prime Minister has any plans for it.

Firstly the LPV voting system has good intentions, but there seems to be problems. In the 2012 Elections, when the Prime Minister was elected, we were still counting. So are we going to retain this system or is there a new system.

(1) Are there any plans to review the LPV system?

Criteria For Election Petitions

Secondly, on the, 'Right to petition'. Currently, there are cases where some candidates petitioning against the incumbent MP have are those with the least votes, but do so because they have the right to petition. Some of them just petition unnecessarily. Some are just extortion. .

(2) Are there any plans to restrict the right to petition?

Can it be limited to the first runner-up, instead of allowing everybody else? There should be some percentage applied on the number of persons to petition.

There should be requirements or qualifications to contest the elections. Some of us in the city have contested numerous times, and they were not even close to winning, yet they still get nominated to contest the elections. We know it's their right, but the cost of printing ballot papers and logistics just to facilitate these group who are less likely to win is expensive. These group of candidates get nominated to contest just to acquire the right to petition.

So, Mr Speaker, in the last Parliament, the Government tried to enact legislation on having prequalification to have candidates paying K10 000 nomination fees, which some agreed while others did not. In other countries, there are prequalification's that a candidate must be endorsed by five per cent of the registered voters.

Increased Nomination Fee

(3) So are there any plans to have such a system in place?

This is so that those who have less chances of winning can pursue other interests. Use your time and resources wisely and don't be an expense to the State, just to have your photo on the ballot paper. It is a costly exercise. Some people are irresponsible, and careless.

The Biometric System

Mr Speaker, as we have seen, Venezuela voted during the weekend and the results have now been released. Even India with almost one billion population, had 800 million of its population vote. Within a week the results were out. But for Papua New Guinea, about a million people may vote or maybe less but it takes months or almost a year to have the results.

(4) Can the biometric System be implemented?

I have raised quite a number of questions, the Prime Minister can respond where he can and take note of the others and respond later.

05/01

In relation to reform in some electorates, Talasea is a very big electorate. In the case of Ambunti-Dreikikir, both Ambunti and Dreikikir are located on opposite sides and Maprik is in the middle. And Kiriwina-Goodenough is also faced with this same problem.

Here in the National Capital District we are faced with this same problem whereby the Motuans are not represented in this Parliament, they have a population of over 50 000 to 60 000 people.

Electoral Reforms

Are there any plans in place to separate these electorates or form new electorates?

Mr PETER O'NEILL – Mr Speaker, I thank the Governor of National Capital District for his questions.

Mr Speaker, electoral reform is an important agenda for this Parliament. We have already committed to that process right after the elections given the challenges that we faced during the elections.

Mr Speaker, it is fair to say that for a developing country such as PNG, an election that takes more than four months to conduct is certainly very detrimental to the economy and the normal conducting of businesses throughout the country and it affects everybody in the community for two or three months that we conduct the elections.

As for globally whereby election results come out within one to two days shows that a lot of improvement needs to be done through our electoral process so that we can achieve election results as quickly as possible and a new government be instituted as quickly as possible so that normalcy returns to the community and the country.

Mr Speaker, I want to inform this honourable House that Cabinet has already suggested some reforms to the Law Reform Commission, we have tasked them to carry out these task immediately and our aim is that during November Meeting of Parliament legislative reforms will be put to Parliament for its debate and approval.

Mr Speaker, that will include the shortening of the election period. Many of us know that those who wish to contest elections already start campaigning and letting the community know that they are interested. And so having a prolonged campaign period is really time consuming and waste of money and resources.

So what we want to do is reduce that number of period down to acceptable level where we all can live with and get the election process out of the way as quickly as possible.

The other issue is about the comparison about whether LPV system has delivered the outcome that we always wanted whether there is lack of violence in the electoral process and that is the main reason why LPV system was introduced. But as you can see in every elections there are elements of violence in some of the electorates throughout the country.

So it's fair to say that whether it's first-past-the post or the LPV voting system. There are elements of disturbance in some of the electorates and that is a law and order matter. We need to lift the presence of security within those electorates so that the elections can be conducted as smoothly as possible.

Our recommendations is that those options be looked at again with the view of going back to first-past-the-post. When you look across the global community where there is Westminster System of Government, including England for instance; they all follow the first-past-the-post system of election process.

The only countries that follows the LVP or preferential voting system is Australia and PNG. Australia is a developed country and mature in economy where people respect the voting process and it cannot be shared with ours because we still have some challenges and that is why it's important that we have a simple system that is going to make it easier for our people to vote and making sure that counting process is made easier and the election result can come out as quickly as possible so that we can get on with the process of formation of government.

06/01

Mr Speaker, that is another issue that the Law Reform Commission is now being tasked to formulate a legislation around those premises and draft the appropriate legislation that we can take to Parliament for further debate and approval.

The second issue that the governor has asked about is petitions. Petitions have become a concern in the country where it is giving a lack of stability for Members to concentrate on the work that they have been tasked to do. And the legal costs of conducting election petitions in the country is ridiculously high.

Mr Speaker, it is beyond the salaries and the income of the individual Members to finance such election petitions for a prolonged period of time and it causes unnecessary stress so we need to find a way to try and mitigate this.

That is why our proposal is that, anybody has the right to petition the elections, that's fine. Whoever feels that they have been deprived of the right outcomes during the electoral process but we want them to put a surety on the legal costs. Not just a commitment, they must put the fees up front, in a trust account with the courts so that they can be able to know that when they lose, that will go to the opposing party to meet the costs that they have put the opposing party through.

So I think it is only fair that we leave the surety of the costs that is going to be associated with the proceedings so that at the same time we are not denying any of the candidates who wish to pursue the legal challenges that they want.

In terms of qualification I think it's a very difficult question, every individual in the country has got the right to stand for office whether they get one vote or 20 000 votes does not really matter. I think our people deserve the right to stand for elections.

But, I think we may have to find a way to have a preliminary or early primary rounds where we can be able to, say if you want to stand for elections, secure the signatures of certain percentage of the electors so that you can qualify to run for elections.

These are things that we need to look into and I think our officials will be tasked to do that.

Mr Speaker, the fourth issue about electoral boundaries, again, I have tasked the officials to put the names together and I am hoping that before this Parliament rises I will be able to announce the name which constitute the electoral boundaries commission. They will then go out and make sure that they align the boundaries well so that our people are well represented on this Floor of Parliament.

While I have the opportunity let me also say that the LLG Elections are coming up. The Minister for Inter-Government Relations has already scheduled a date, the writs will be issued on August 31, this year. There will be no delays. We cannot allow another year of delay and more delay in the LLG Elections. That particular level of government needs proper representation and we must conclude the elections in an orderly manner.

I also want to inform the nation that I am advised by our officials that the legislation that this honourable House passed where now ward councillors are now going to elect the councils presidents and this is going to be uniform throughout the country.

Mr Speaker, let's get the LLG elections out of the way. If we need to go back and have the LLG presidents elected by the people, let us reform it when we come back but we cannot delay the elections any further. We have to go according to the law in making sure that the elections are conducted in an orderly manner.

I have requested our Treasury people to put some money into the account for the elections over the next few weeks so that we can be able to plan clearly on how we can be able to conduct the elections right throughout the country.

07/01

Supplementary Question

Mr BRYAN KRAMER – Before I ask the Supplementary Question, I want to acknowledge the good question that the Governor for NCD asked in relation to election petitions and concerns he has of candidates contesting that keep repeating and contesting. And on record he is one person who files election petitions. He also on his first election, polled 2000 votes so if he was to apply his own question he wouldn't be sitting here today.

Mr Powes Parkop – Point of Order! These are not facts because when I ran in 2002 for the first time, I came fifth. I didn't poll 2000 votes. I contested only in 2002 and then I contested in 2006 bi-election and in 2007 I won. My record is very clear.

Mr SPEAKER – The Point of Order is in order.

First-Past-the-Post-System

BRYAN KRAMMER – Thank you, Mr Speaker, I have the 2007 to 2012 records here, for the benefit of Honourable Parkop, he won with 2 354 votes so there can be no doubt in his 2002 records.

However, my question to the Prime Minister is in relation to the decision that he is now proposing to go back to the first-past-the-post system.

Can he deny or confirm that under the first-past-the-post system that he was initially proposing in 2017 that nine more PNC candidates from his own party would have won had he applied the first-past-the-post system?

(Laughter- in- the- Chamber)

Mr PETER O’NEILL –Mr Speaker, this is not a reform that is exclusively for PNC, it is for the nation and we all know the realities and the problems that we have. Madang is one of those violent seats that he has been a party to in encouraging and enticing by violently trying to get in for quite some time. I don’t know how many elections he ran but he should know.

Mr Speaker, it could be anyone else in 2022, in fact it could be Bryan Kramer’s new party that could be leading all the seats on first count so let’s wait and see.

Mr LEKWA GURE – Thank you Mr Speaker for allowing me to ask a question which goes to the Minister for Health and HIV/AIDS.

I’m not a great one for anything and everything that’s said on social media but unfortunately many of us need to deal with what’s being said on social media. I understand that there are reports on social media in relation to Anti-retroviral drugs for HIV sufferers in the country.

The reports on social media are saying that we have a shortage of the drugs or no drugs at all for HIV/AIDS sufferers.

Can the Minister reassure the HIV/AIDS sufferers and indeed the community at large if there is indeed a shortage of Anti-Retro Viral drugs in the country?

Sir PUKA TEMU – Thank you, Mr Speaker. I thank the honourable Member for Rigo, my neighbour, for asking that very, very important question and he is absolutely right.

There is a lot of people on social media, like the Member for Madang who usually go on social media but there is a case that was raised on social media by one of our senior doctors

from Port Moresby General Hospital claiming that the hospital is running out of all the essential items like surgical items, anti-retroviral, a drug called oxy-toxin which is the drugs that doctors use when the mother is bleeding and other which were published on social media.

I want to assure our people that since the Parliament passed the budget, and as you and I know, the medical supplies Budget was one of the biggest that any government has ever allocated. So we are now in a catch-up mode at the moment.

08/01

It's one of the biggest that any Government has ever allocated. We are now on a cash up mode at the moment. I was informed of this situation where we were running out of antiretroviral drugs. At the moment in the country there are 26 000 HIV positive patients who are on Antiretroviral. Our prevalence on HIV is about 0.9 percent and that means if we have 8 million people we have about 70 000 HIV positive sufferers. So only 47 per cent of those who are positive are currently on the Antiretroviral and on the register there 26 000 of them.

I had a meeting with some of them because they raised concerns themselves with UN AIDS as well and we did a press release which *The National Newspaper* picked up and that text still remains. We did an urgent emergency order and I want to assure that 500 000 tablets are now sitting at the Customs and we are waiting for the lady to do the assessment and she has gone missing so I have asked the Treasury to find that lady at the Customs to do the assessment quickly. We are requesting through a formal letter that they can do the assessment later but release the drugs immediately today or tomorrow so that the 26 000 people can be back on the drugs. We have worked with UNAIDS and UNICEF is now mobilizing another 3 – 4 months of Antiretroviral drugs and I am assured by our UNICEF team that they should be in the country within two weeks. So the drugs we have purchased on emergency and the drugs given to us by UNICEF should cover our drug shortage for at least three months max. This will bring us back on track in providing medication and as I believe it would be six months of buffer for all medicines in the country so that we don't run out.

For the general supplies of cotton wool and surgical items like needles and threads, these were all tendered the time period for tender has lapsed and the Technical Evaluation Committee will be doing the assessment and the report will go to the Central Supplies Tenders Board and CSTB should clear it to purchase other general supplies.

On the 100 percent medical kits which are for Aid Posts and Health Centres we did a release phase which arrived February and as we speak the second phase has arrived and the

third and final phase will arrive in August this year. So most of our aid posts and health Centres should have sufficient cover for the rest of the year.

I am now managing that process to make sure that purchasing is done because it takes an average of six months where we purchase and they arrive. We are working very closely with the Deputy Prime Minister and Minister for Treasury to release the warrants on time so that we manage this issue of drug supply shortage throughout the country.

Mr Speaker, I can assure the country that we are on top of the issue particularly on medical supplies but we would want to know if any centres out there are running out so that we can do the emergency purchases quickly and get the items out quickly.

We should be okay at the front line of services regarding kit services nationwide.

Supplementary Questions **Non- Delivery of Medical Kits**

Mr JOE SUNGI – Mr Speaker, in terms of the contractors that are contracted to supply the medical kits, last week I was in Vanimo and after going to my electorate we found out that the medical kits for West Sepik especially for Vanimo were dumped in Wewak by the contractor.

09/01

(1) Does the contract include the destination where the kits should be delivered, such as to aid posts, health centres, sub-health centres or the rural district hospital?

For the case of Vanimo the medical kits were dumped in Wewak which is a totally different province. This means that the contractor got away with the money without delivering the kits. This was conveyed to me in person by the chairman of the provincial health authority and the CEO. They told me that they had to personally transport the kits from Wewak to Aitape and then by boat to Vanimo.

(2) Can the Minister explain to the Parliament and the concerned people why we are giving contracts for transportation of kits when the provincial health authorities are already in place to carry out the same tasks?

(3) Can the Minister shed light on whether the contracts extend to the delivery of kits to the health facility?

Sir PUKA TEMU – The contract is to deliver to the facility. The tendering is done and the companies that are contracted are those that meet our criteria to deliver the health kits. I have challenged all those that have been awarded and one company is going to be responsible for one region. It was previously one company looking after two regions but now it's one company for one region. Therefore four companies have been awarded contracts and as of my last week's brief, the New Guinea Islands have completed their distribution of the medical kits. The Momase Region is almost completed with 90 per cent of delivery. The rest of the regions are almost 90 per cent in their delivery too.

We need to be informed by any authority if the logistics contractor is not fully doing its job. Under the contract the kits must be delivered to our health facilities and not left somewhere else. It is only the purchaser of the medical supplies that direct the supplies to the medical stores. We make sure that the area medical supplies coming from overseas reach their destinations. It is the responsibility of the logistics company as the contractor to make sure that these kits are delivered to their rightful medical facility.

It is very important and I have personally instructed all those logistic companies that if you do not carry out your duties as per the contracts then I will terminate your contracts. We are monitoring them regularly, however, if there is a problem with the delivery of the kits in Vanimo then I am more than happy to look into it. There are supposed to be 11 boxes going to our aid post and 22 boxes to the health centres. They are clearly labelled and so it would be very easy to identify them. These processes are continuing until we tap into the new reforms that we are currently looking at.

Mr Speaker, under the Budget we are now building provincial transit stores. Eventually the responsibility for logistics will go to the provincial transit stores where the provincial health authorities will be in charge. While health authorities on the ground complain about taking up those responsibilities they don't necessarily do so. This is why when I was the Secretary for Health, I got all the hospitals back under funding by the National Government.

10/01

Our provincial governments said so much about funding our hospitals but never did so these are the reforms that we are moving into. We are asking the Governors to establish their provincial health reforms by July and we are building the remaining provincial transit warehouses and then hopefully in the 2019 Budget we will be able to allow the Provincial Health Authority to take charge of distributing and then you can assess the performance of the local distributor, which is the better way to go. Thank you Mr Speaker.

CHRIS HAIVETA – Mr Speaker, my question goes to the Minister for Works and Member for Mendi.

Mr Speaker, my question concerns standards and policy on maintenance and upgrade of road right throughout the country especially the National Highways. I ask this question because, it seems that we seem to have double standards so I want to find out from the Minister, what is the policy on maintenance of national roads, and what standards are being used.

And I draw his attention to two roads in particular. During my time in government, couple of years ago, we constructed the Burns Peak road, that makes it easy for us to get from commercial downtown to Jacksons and the second road is the Bereina –Malalaua road which links Port Moresby with Gulf province. I ask this question because the Bereina-Malalaua road is in terrible condition. It will now take more than three to four hours on what was a 45 minute trip to get to Malaua from Bereina. So that road is in a very bad shape as no maintenance has been done on it, yet now we see a perfectly good road being ripped apart from downtown Port Moresby all the way up to Burn speak and I believe it will continue all the way up to the airport. I understand that APEC is happening but do we need to subject residents of Port Moresby and ourselves to a total upgrade which in my view is unnecessary. So my question is,

What standards are you applying in choosing and assessing roads for maintenance especially national highways right throughout the country?

Mr MICHAEL NALI – Thank you, Mr Speaker and I thank the Governor of Gulf for his very important question.

Mr Speaker, in terms of the standards, we don't carry out the projects based on our own standards rather, we rely on the standards by New Zealand and Australia because of their involvement in helping us build our infrastructure in the country, directly or indirectly through AUSAID. When talking about standards, we also try to live up to international standards and practices.

Mr Speaker, coming back to that, the roads constructed throughout the country are not all the same. There are different standards and different designs depending on where those roads are. For roads in Lae city and Port Moresby city and the Highlands Highway, these roads are used by big trucks and there are large impact on the roads, the standards of these roads are completely different, they have much higher standards. That is why these roads will cost more money unlike the ordinary roads those back in the districts and in some smaller parts of the country.

Mr Speaker, a classic example is the Buluminski Highway. Many times, I have stated that the Buluminski Highway is very durable, it has been built and it continues to stands. The interesting part of this Highway is that, it receives little attention but it is still in good condition.

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But coming back to standards used as asked by the Member, we seriously consider standards as very important and we use or consult even with those international road construction company to build roads. We liaise with our development partners and standard wise it's of paramount importance and we try to live up with the standard of the world.

Secondly, the issue in relation to road at Burns Peak; normally Department of Works or any constructor for that matter seal roads according to their life-span. For instance, the life-span of road can be eight to ten years and after ten years we have to reseal it again. And after four to five years we have to reconstruct that portion of the road again.

Unfortunately, in PNG we don't practise this because of financial constraints and so forth so we still use the same road for many years and maintain them not to that required standard.

The Burns Peak roads was one of the road that was built during our time when Sir Julius was the Prime Minister. And so many criticism have been made regarding that road but that road has served Port Moresby very well and it's one of the major roads in our nation's capital. But right now the road has been reconstructed. And it's being funded by the Chinese Government purposely for the APEC meeting. That portion of the road is under the control of NCDC, but as the Minister responsible for Works Department, I have the right to intervene on the status of the road being constructed to make sure that standards are met.

Mr Speaker, I have done that by directing the Works Secretary to liaise with the contractor and NCDC on what standard has been used on this portion of the road.

This component called stabiliser is not used on all the roads in NCDC because when stabiliser is mixed it holds the sub-base before the road is sealed. But I was told that they have used premixed material and the thickness is much higher and it's being used in most parts of the world so hopefully the road should be in good condition. But as I mentioned all the roads in NCDC is under the care and control of NCDC.

The Bereina-Malalaua road and even all the roads in other centres around country face the same problem where by the condition of all the roads are really bad and all of us have seen it. I do travel to most parts of the provinces and seen it myself. We have a big road network and we don't give much attention to it because of limited funds. That is why most people complain about Department of Works not carrying out its duties properly. When the Department of Works carry out maintenance work people start to complain about substandard work done resulting in roads deteriorating.

No it's not that we have highly qualified engineers who are attached with the department that they know what they are doing.

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Our engineers who have been trained both at universities here and overseas have returned with the required skills. So the Department of Works has the capacity.

On the Bereina-Malalaua Road, yes, we have not spent a lot of time and money to upgrade it, just like all the other major highways in our country. But, as you would appreciate, the World Bank funding is already in place to cater for this part of the highway, from Vanapa to Bereina and all the way to Kerema.

So, hopefully, over time I wish to inform the governor and our people in the Gulf Province that we will do our best to make sure that we upgrade some of the worst parts along that highway.

**OMBUDSMAN COMMISSION OF PAPUA NEW GUINEA – ANNUAL REPORT,
2014 – PAPER – MOTION TO TAKE NOTE OF PAPER**

Mr SPEAKER – Pursuant to statute, I present the following paper:

Ombudsman Commission of Papua New Guinea – Annual Report 2014

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

That the Parliament take note of the paper and that debate be adjourned to a later date.

Debate adjourned.

**OMBUDSMAN COMMISSION OF PAPUA NEW GUINEA – ANNUAL REPORT,
2015 – PAPER – MOTION TO TAKE NOTE OF PAPER**

Mr SPEAKER – Pursuant to statute, I present the following paper:

Ombudsman Commission of Papua New Guinea – Annual Report 2015

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

That the Parliament take note of the paper and that debate be adjourned to a later date.

Debate adjourned.

ADJOURNMENT

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

That the Parliament do now adjourn.

The Parliament adjourned at 3.24 p.m..