EIGHT DAY

Thursday 27 July 2018

DRAFT HANSARD

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EIGHTH DAY

Friday 27 July 2018

The Deputy Speaker (Mr Jeffery Pesab Komal) took the Chair at 10 a.m..

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

Sitting suspended.

The Deputy Speaker, again took the Chair at 10.50 a.m., and invited the Member for Daulo, **Honourable Pogio Ghate**, to say Prayers:

'Dear Father, tenk yu wanpela taim ken lo dispela gutpla naispela moning. Mipla daunim mipla yet na larim yu kamap bikpla insait lo dispela haus. Papa, mipla ino gutpela, but yu singautim mipela lo kam insait lo displa haus na mipla bai toktok lo gutpla blo displa nation na gutpla blo pipol blo yu lo displa kantri mipla stap lo em.

Papa mipla daunmim mipela long wanem yu givim mipla wok olsem lida, namel lo mipla i gat ol minista na gavana i stap, Praim Minista na tu ol brata lo hap sait istap, mipla tok tenk yu.

Father, mipla askim yu kam namel lo givim mipla guidance na wisdom so mipla ken tokaut lo wanem bel mipla gat lo displa kantri.

Father, mipla prea nau na comitim mipla olgeta aninit lo bikpla han blo yu na mipla i askim long gutpla tingting, wisdom na mipla askim yu lo stap wantaim mipla lo helpim mipla, stia na lukautim mipla. Father wantaim displa mipla prea na mipla tingim displa beten olsem bikpla blo mipla i lainim mipla long em.'

INAUGURAL SPEAKERS' SUMMIT – STATEMENT BY THE DEPUTY SPEAKER

Mr DEPUTY SPEAKER – Honourable Members, the Chair wishes to advice that as part of the Chair's vision to improve the relationship between the National Parliament and the

PNG business community, the Chair has decided to co-host the Inaugural Speakers' Summit, together with the Investment Promotion Authority and the PNG Business Counsel in September this year.

If Honourable Members will recall, during your induction program in August, 2017, an effort was made to further dialogue with the state entities and the wider business community through the PNG Business Council. As a result of this effort and dialogue, there is now an initiative to involve business houses to showcase their products and services which honourable members may choose to have access to for the betterment of their provinces and districts.

Honourable Members, will have received an invitation for the week-long event starting on 2 September, coinciding with the next Meeting of Parliament.

The theme of the Summit is, 'Growing a greater PNG infinite opportunities', and its intent is to promote businesses and the political leadership to build modern districts.

The event intends to bring foreign business leaders, international experts and leaders to discuss various development models and public private partnership frameworks; economic policies of China and Israel, and foreign investment platform keen to grow the agriculture, tourism and SME sectors.

02/08

An integral part of the program will be the exhibition which will feature companies building PNG development partner programs and thriving micro, small and medium enterprises.

Honourable Members, this event comes at a time when PNG is calling loudly that it is ready to bring its people and resources well into the 22^{nd} Century.

A handbook on the event is being distributed to all honourable Members. Please do read and familiarise yourselves with the tentative programs.

The chair actively encourages the participation of all members in this important event.

QUESTIONS

Election of Councillors and Presidents

Mr CHARLIE BENJAMIN – Thank you, Mr Deputy Speaker, for allowing me to ask my question today. I direct my question to the Minister for Inter-Government Relations.

My question is in relation to the response given by the Prime Minister to the Governor of East Sepik Province, concerning the election of the presidents for the local-level government. Is it optional for each province to decide whether the people or the councillors will vote for the presidents?

I want clarification on this issue because the Prime Minister has made that comment so when I go back to my province, I can inform the people of Manus on the status of the election of the presidents, on whether the people will vote their presidents or the councillors will vote the presidents in.

For the case of Manus, the people normally vote the presidents. This is because all the councillors they live with the people and most of them are not fully educated yet they naturally possess wisdom to lead and guide their people.

As for the voting of presidents, it is different because they have to possess certain degree of knowledge in terms of education to take part in the assembly and DDD debates which carries some weights and also direct us open members and governors.

Whatever statement presented by the Prime Minister in this Parliament becomes a policy and also a direction.

(1) In the event when there is an election to vote the presidents, are you prepared to implement the direction given by the Prime Minister?

(2) If not, are you going to make amendments to a certain part of the *Constitution* to cater for the direction given?

If amendments are altered then I have heard from the Prime Minister that the elections of the councillors and presidents has been deferred to April next year, meaning there is enough time.

(3) If this is the situation, can you make sure that all is well with the set time and date so that we won't confuse ourselves and all the provinces can have a clear understanding of the set options only?

Minister, I am asking these questions because you are exceptional and I heard from the Prime Minister is that if you don't follow the directives given then you will have to vacate the ministry and look for a new job, so may my questions can strengthen you.

Mr KEVIN ISIFU – Thank you, Mr Deputy Speaker, I thank the Governor for Manus for his questions in relation to the elections of the councillors and the presidents.

We deferred it to April next year through legal advice because of the circumstances surrounding the country at the moment.

03/08

There are laws governing LLG elections. In order for us to change the way elections are conducted, we have to follow the due processes. We will do it according to law when making the necessary changes.

There is still time and that is why we have deferred to the elections to April 2019. There are many issues to sort out as a Government, in terms of the reform with the decentralisation of the powers and functions from Waigani to the provinces. We all know that all our provinces are not the same. Each province has its own needs, expectations and requirements on how to run their own provinces and that is why the Government is following what the provinces prefer according to their perspectives.

The Prime Minister has already made a commitment and this Government is going to make changes according to the law if time allows. The elections are taking place in April 2019, so I believe that we still have ample time for these things.

Supplementary Question

Council and Council Presidential Powers

Mr JAMES DONALD – We know that under the *Organic Law on Provincial Governments and Local-level Governments*, the PEC and provincial assemblies will have members who are presidents. If we don't conduct the LLG Elections this year, how do we define or clarify the powers that these presidents still have? I ask this because their decisions during this time would be deemed unlawful.

Can the Minister clarify this issue to the Parliament and the people of Papua New Guinea?

Mr KEVIN ISIFU – I thank the Member for North Fly for your supplementary question.

Your question is in regards to the legality of councils and council presidents during this time up till the elections in April 2019 when writs open. We have did have a lot of legal consultations and yes, the law allows this to happen.

The council presidents will have the same powers and continue with it until the elections in April 2019. It won't be illegal because everything will be done according to our laws. After much consultations with the Attorney General and government lawyers, we are

certain that this is the position that we will take. The council presidents will still have their powers until the issuing of writs in April 2019.

04/08

PNG's Total Debt Over Four Years

Mr IAN LING-STUCKEY – Thank you, Mr Deputy Speaker. My series of questions are directed to the Treasurer.

Now that I have your attention, the alternative government, indeed all ministers and Members of this Parliament desperately require more visibility with PNG's real debt problem.

On Tuesday this week I queried bank interest payments on our country's total debt portfolio. In response to my query on whether from 2014 to June 2018, in just four and a half years, PNG taxpayers have paid a record bank interest of K48.4 billion, you answered, no.

In response to my query on whether it is true that PNG's bank interests have more than doubled in four and a half years from K6.6 billion to K13.4 billion in 2017, you answered no.

Now that we both agree that K48.4 billion and K6.6 billion and K13.4 billion are not interest payments only, my questions are:

(1) Do you admit or deny that the document I hold here titled, 'Summary Public Debt', reflects a true and accurate record of PNG's domestic and international principle and interest repayments?

(2) Can the Treasurer confirm that the K48.4 billion paid out in just four and a half years between 2014 and 2018 is not bank interest only, if so then the K48.4 billion is correct and it is a debt that still has to be repaid?

Mr Deputy Speaker, in relation to public debt, it is immaterial and irrelevant whether K48.4 is bank interest alone or both principle and bank interest. The fact is K48.4 billion is true and still has to be repaid.

Mr Deputy Speaker, having repaid a massive record of K48.4 billion in bank interest and principle repayments in the last four and a half years,

(3) Is this the reason why the national government's Tuition Fee Free policy has not been successfully implemented in many, if not most of our districts and provinces?

All Members and districts on both the Government and Opposition sides should have received about K6.5 million for our DSIP funds since we are now approaching the month of August but instead have received only K3 million.

All Members from both the Government and Opposition should have received half of our DSG funds of K250 000.00 since we are over half way through the year, but, instead have received nothing. Most, if not all provincial governments have not received the national government grant for last year as well as this year.

(4) Using the Treasurer's own department numbers, do you admit or deny that in 2017 alone, K13.46 billion represented a true record of bank interests and principle repayments for PNG's total debt?

05/08

Using your own words on Tuesday this week for the year 2017 and I quote, '*our total Budget is in order of K12 to K13 billion*' and if your Department's own numbers of K13.46 billion is true for 2017, total ban interest and principle repayment then,

(5) Do you finally admit that your National Government might be experiencing symptoms of bankruptcy or at best severe cash flow deficiencies?

(6) For the year 2017, again using the Treasury Departments own numbers, do you admit or deny that your National Government excessively borrowed a record K11.26 billion from Treasury Bills that ultimately cost tax payers a record interest only payment of K567 million?

(7) Whilst the Treasurer will claim that Treasury Bills of K11.62 billion was fully repaid in 2017, which it did, all Members of both sides of the House must ask, where did the Government find the money to repay the Treasury Bills?

The answer becomes clear from the Treasurer's own numbers, the T-Bill borrowings silly season started in 2016 with K6.4 billion. It was repaid by either rolling over the debts or offering new T-Bill borrowings of K10.5 billion in 2016. This was again repeated in 2017 and 2018 with much large borrowings.

Mr Deputy Speaker, it seems that the National Government's borrowing strategy operates like a pyramid scheme. It borrows from one party in one year to pay another party in the next year. We have five years of demonstrated record to prove that. We know how the pyramid scheme ends. The last borrower goes broke when the money runs out and the operators goes to jail. This is not how we manage our country's economy.

On that note the alternative Government cautions the Treasurer to review and exercise restraint with public borrowing.

Mr CHARLES ABEL – Thank you, Mr Deputy Speaker, and thank you Member for Kavieng for persisting with these line of questioning.

As I walked into Parliament this morning, I had one of the ushers hand me a blurry sheet with numbers which I could barely read. I presume that is what the Member for Kavieng is referring to. I am still trying to understand where he is coming from with these numbers because in the initial questions he gave a couple of days ago, he referred to interest cost and claimed a ridiculous amounts of K48 billion in interest cost over the last four years.

Today, he decided to change his tact and is talking about interest and capital repayments. It will be good if the Member for Kavieng, sat down and did an analysis of the Budget and how all national budgets have been constructed since Independence because essentially we are following the same budget pro-forma and preparation though our agencies of Government like Treasury from day one. Simply adjusting it for amendments to international standards. So in trying to understand where he is coming from, the presumption is of course that it involves capital repayments as well as interest repayments.

I will discuss that in a little while, but the bottom line is that the debt stock as I continue to repeat, is published in the documents and in last year's Budget is in the order of K25 billion. That is the total domestic and foreign debt. The budgeted interest payments in 2017 is K1.6 billion that outs interest average cost at 6.4 per cent. A lot of that interest cost is related to domestic financing.

06/08

Treasury bills are rather high cost and they have roll-over risk. When you talk about laundry payment as opposed to interest payment. It is the interest payments that are recognised in the standard budgetary documents that list the K13.8 billion in terms of revenue and the total budget envelop from year to year.

If you want to bring into question the debt repayment side of it that is opposed to the interest side of it, you come into this accounting question which involves roll-over of debts. As I tried to look into your figures here, I can see as I struggles to read it that most of the institutions

Mr Ian Ling-Stuckey - Point of Order! Mr Speaker, these are not my figures. These are the Treasurer's Department's own numbers. The questions are very clear and simple. Treasurer your answer is supposed to be yes or no. Are these documents correct yes or no and does the K48.4 billion that represent capital or interest payments over four and half years. Your answer is yes or no. Thank you Mr Speaker.

Mr CHARLES ABEL – Thank you, Mr Deputy Speaker, he has listed eight to nine questions and I am trying to answer those questions.

As to where this piece of paper has come from, I don't know yet? It could have come from your computer or from somebody's backyard. I don't know because all I have is perhaps understand where you are coming from and where you got this piece of paper from. But for argument sake, presuming these figures are correct -

Mr Walter Schnaubelt – Point of Order! The Treasurer is alluding to proper and professional behaviour. I am still waiting for my report that he has promised to give. So if we are going to talk about professionalism – that is why I maintain some on both sides. Thank you.

Mr DEPUTY SPEAKER – Mr Deputy Prime Minister, go ahead.

Mr CHARLES ABEL- Thank you, Mr Deputy Speaker, we will find out where these numbers have come from but presuming that they are correct and I can see that blurry figure at the bottom, the K48 billion. Presuming that is correct and how you came up with that K48 billion over four years, I can see and in trying to read some of the details that our traditional financing partners like the Asian development bank and the World Bank that we borrow from, the numbers are more in the millions.

The bigger numbers are coming from the inscribe Stock and Treasury Bills Finances and the provisions that we have that is largely because these are rollover items, short term debts as you explained yourself.

There is a weekly auction that goes on in public finance including the Central Bank. So on a week by week basis, they are issuing treasury bills and are repaying so it's a rollover. If you add those amounts on a weekly basis, it will accumulate to a large amount of money. But it is the net debt that you should be concerned about. These are financing flows. It is the interest expense that you should be worrying about and the net debt at the end of the year that you should worry about which is currently sitting at K25 billion.

I will bring the MYEFO forward and continue to demonstrate this. But if you add up every single loan raising and loan repayment, it's going to accumulate into a big amount of money.

Separately in the budget on a year by year basis, there is K10 billion in those sorts of flows. They are financing flows. They go in and out and never affected the difference between what you borrowed or repaid.

But if you add all those borrowings on weekly basis it is going to run into a lot of money. If you balance against what has been repaid than you should not worry. The net earnings of your debt stocks.

Say if you borrow an additional billion that adds on to the bottom line in terms of your debt stock and the concern is that interest that you are paying on that debt stock. So on a day by day basis, if you add every single loan repayment and weekly auction particularly inscribe stock in treasury bills, you are going to get a big number like this.

On annual basis, those flows are in the order of K10 billion, but in your budget proforma format that you present recognises it is the interest expense that is recognised and it is the debt stock that you recognise. You do not count every single toea backwards and forward.

I will suggest that the shadow minister for Treasury and Finance understands better the basic accounting that goes in budgetary processes. They are not introduced by this Government. They are the standard ways that every government has been presenting. We are simply following that. You can go through and find similar numbers for every single government. So we are arguing about overall debt stock. We are saying, yes, there is some concerns about the risks of the debt stock. I have explained it already and that is why we are doing the debt restructuring. But we are aggressively borrowing, yes, to invest in this country.

I have explained that but you are misunderstanding slightly and misleading the public that you pay this amount of money.

07/08

It is a misrepresentation of what is actually happening. I would suggest you concentrate on the debt stock and the interest behind that. I will present next week if Parliament decides to continue sitting, the 'MYEFO' report and if Parliament doesn't convene, I will present it separately in a press conference. And we will go through some of the issues that we are talking about, in terms of the budget situation.

The first half of the year, the revenue figures are on track despite the massive earthquake we had. Going into the second half of the year, traditionally, this is where most of the revenues are collected together with what is flowing through from the additional oil prices and the expenses management that we have been doing.

You will find that some of the items in the budget in terms of the expenditure loans that we are falling behind on, we will catch up on them. I will explain carefully how that is happening.

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But to date, K3 million has been paid to each district in terms of the DSIP and we are anticipating to pay another million. Forty-four per cent of the recurrent budget has been met and within that there are some issues like only 25 per cent of the functional grants have been met. Nobody is trying to hide these things and I will be explaining that process through the MYEFO.

We have come through some difficult times and we have also been hit by this massive earthquake. There was seven weeks of non-production. Fortunately, the rise in oil prices that is coming through now will translate into improve revenue flows. And also, the hard work done by the Customs and IRC is translating into good revenue and we are very optimistic that the bulk of our revenue will be collected in the second half of the year and these things will be shown in the mid-year financial outlook report.

Mr Bryan Kramer – Point of Order! Mr Deputy Speaker, while I appreciate the articulation of use of words by the Deputy Prime Minister and the Treasurer. He is the Treasurer, we are not hearing his numbers. We are hearing mere words, surely he can confirm the numbers. So the question made by the Shadow Minister was, is the total debt paid for the last five years K48 billion? Either you can confirm it as that amount or not. You have made the point that the interest is K1.6 billion. Can the Treasurer state actual amounts and not just words?

Mr CHARLES ABEL – I think I have explained quite clearly and I am prolonging and repeating myself. But I said in response to the K48 billion that you have listed here, which we will confirm. The government repays in the order of K10 billion, in terms of flows each year. But a lot of that money is exaggerated because of the short term roll-over debts. It is collected and repaid. It is the net debt that you have to worry about, not the flows.

I urge you to understand the formatting of budgets, so that you understand this process. It is nothing new, it is the traditional way budgets have been presented. These are the numbers that we are referring to. We will continue to make the explanation when the MYEFO comes out. I can't say that these particular numbers are correct because I don't know where this particular piece of paper has come from. These are very important questions. It is important that we understand the basic formatting of the budget.

The Deputy Finance spokesman in the articulation of his question in the first instance confused interest and capital repayments and calling interest in the order of K12 billion a year is misleading. And it points to a fundamental misunderstanding at how budgets work.

Mr Ian Ling Stuckey – Point Of Order! These are documents from his own Department. Treasurer, your answer is a yes or a no. you say the revenue is on track. You keep telling us it is on track, so where is our DSIP funds of K6.5 million? Tell this Parliament that is all we want to know. And we will continue with our business.

Mr CHARLES ABEL –I think you are adding more questions onto your list.

08/08

Laughter-in- the -Chamber.

Mr Charlie Benjamin – Point of Order! Thank you, Mr Deputy Speaker. I want the Chair to put the House in order in terms of entertaining point of orders. Members should not raise point of orders to argue over answers and replies from other members. You can rephrase in your next question but don't argue with his answers by raising point of orders. You only argue during Grievances Debates. A Point of Order is raised when an order is not in order but you don't use it as an opportunity to debate the answers, it's not allowed.

Mr DEPUTY SPEAKER – The Point of Order is in order.

Laughter-in-the-Chamber.

Mr CHARLES ABEL – Mr Deputy Speaker, in the presentation of Mid-year economic and Fiscal Outlook Report (MYEFO), I will also spent some time explaining the format in the budget as well.

Mr Deputy Speaker, the bottom line is, debt is sitting at K25 billion and approximately K1.6 billion interest budgeted and we will pay a similar amount this year. The debt to GDP sitting at 30 per cent but will give the exact figures in the mid-year economic and fiscal outlook report. At any one time in a weekly basis and auctions are being conducted by the Central Bank that involves racing in the order of millions of kina on a weekly basis in collections and repayments. If you add those collections and repayments up you will come up with a flow of funds figure in the order of K10 billion a year. If one looks at K10 billion a year approximately it would come close to K40 billion in four years.

So there will be some sort of coloration there without knowing where exactly these papers have come from. So I think the shadow spokesman is just getting mixed up between kina capital repayment and interest rate repayment. It's very important that he understands how budgets are formatted and there is no secrets here, everything is in the budget document and will be in the MYEFO report.

I continue to say that it is nothing new. We had some difficult times by going through the budget exercise in trying to meet all the commitments. I will explain in the MYEFO report, how some of these flows are coming through in terms of revenue collected and meeting our commitments.

When I say revenue is on track, for example, the Customs and IRC collections are on track and they have collected 50 percent of budgeted revenue but on the dividends side, it is only 12 percent. And we are dealing with some legacy issues as well such as Superannuation debts and pay rise. We will take the opportunity to explain that but I thank the opposition's folks for their questions and I encourage him to develop a better understanding of how the budget books are tabulated.

Supplementary Questions Exact figures of National Budget

Mr KERENGA KUA – Thank you, Mr Deputy Speaker. The question and the answer that I have heard suggested to me, Mr Deputy Speaker, that the total interest and principal payment would be in the vicinity of K48 billion in that order over a period of five years, and in the vicinity of K10 billion plus annually.

Now those who understand the budgetary process in the financial aspects can speak about that later, I am trying to correlate that to the law to ensure that whatever we doing in running our accounts are consistent with what the laws of PNG say.

Beginning with the *Constitution Section 209*, its states that the Parliament shall approve the revenue rising and expenditure of the Government annually.

When we do our budget Mr Deputy Speaker, in the last two to three years as I can recall, we have been running the total approved budget in the vicinity of K14 billion a year, and within that on the revenue rising component, you will have a loans component of about K3billion to K4 billion. So your loans are supposed to be confined to a ceiling that is prescribed in the budget.

These are figures that are coming from the directly from Treasury, which is saying and that can be confirmed, you give us the figures and we will address the veracity of it in due course, but when you hide the figures, we keep on talking like this.

So the point is this Mr Deputy Speaker, if it now emerging that the borrowings and the payments are exceeding K10 billion a year, than that is well beyond the budget that may be approved by this Parliament

Mr DEPUTY SPEAKER – Honourable Member please ask the question.

09/08

National Budget Consistent with Law

Mr KERENGA KUA –. If over the years, because of the financial procedures that we have been running in Treasury to formulate a budget in that order which runs outside the spirit, intent and meaning of the Appropriation Bills then that's an illegal regime and that needs to be reconciled.

(1) Can the Treasurer and the Attorney General sit together and see whether that practice is consistent with the laws of this country?

Mr CHARLES ABEL – Thank you, Mr Deputy Speaker. I recall a similar question asked a couple of years ago by the Member for Sinasina-Yongamugl in relation to this particular point. It comes back to lack of fundamental understanding of how the budget are presented. This is the traditional way budgets are presented. These financing flows captured in the budget papers are endorsed and approved by Parliament every year. You just have to understand how budget are presented. This is a legal manner and with formal approval of the financing flows in the budget. These are all endorsed in the budget documents and nothing has actually changed and it's captured in the budget.

Mr Kerenga Kua – Point of Order! My point is, I am not talking about the practice. I am asking whether this accords with the law because the laws says we set the ceiling on the Floor of Parliament, which was set at K3 or K4 billion. Now we have been told, it went up to K10 billion a year. This is not the ceiling we set and that's the law as it is.

Mr CHARLES ABEL – Mr Deputy Speaker, he is asking whether the Parliament has formally endorsed this financing flows as captured in the budget and the point is yes. These flows are captured in the budget and endorsed by Parliament through the *Budgetary Appropriation Act*. You just need to understand how the formatting of the budget actually works and it's a traditional way. We can perhaps better articulate that in the setting of the next budget. But I can point out to you, where exactly those flows are captured in the budget papers and endorsed by Parliament. It is an international accounting standard that we adhere to in the formatting. If you understand how accounting processes works between the balance sheet and the income statement, the income statement is formally endorsed in that K13 billion, but the balance sheet movements and flows are separately presented in the budget and these flows are captured and endorsed by Parliament. Unless, PNG has its own way of presenting financial documents, we may move away from the international practice and do that when Parliament endorses.

Provincial Administrator - Madang

Mr JIMMY UGURO – Mr Deputy Speaker, I want to direct my question to the Minister for Public Service.

Mr Deputy Speaker, the Madang Provincial Administrator's position is still outstanding since the suspension of the former provincial administrator, Daniel Alois. He actually responded to the Governor, on his charges and is awaiting the reply. The delay of the acting appointment has affected the service delivery for all our districts in the province. We the open members rely heavily on the provincial administrator's position because the projects worth K500 000 and above goes through the provincial supply and tenders board approval.

(1) When will the Madang Province appoint a permanent Provincial Administrator?

(2) If the Minister cannot make a decision then can Mr Daniel Alois can be reinstated back to his position so services can be delivered smoothly?

(3) Minister, can you direct the provincial governors in making decision to appoint the provincial administrators can there be any consultation between the open members because the position of the provincial administrators really affects

10/08

(4) Can the Minister guide the provincial governors when making decisions to appoint the provincial administrators?

(5) Can there be any consultation between open Members of Parliament because the position of administrators really affect the districts and its operations.

Mr ELIAS KAPAVORE – I thank the Member for Usino-Bundi for these important questions.

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The provincial administrator position is an important role in the public service in our provinces .We are equally concerned about ensuring this particular people are appointed properly.

In regards to the Madang provincial administrator, Mr Danny Alois was suspended in February this year by the provincial executive council and that decision was endorsed by NEC. He had 10 allegations against him from the Governor's office and according to the information that we received, he did not respond to those allegations. This means that he would have confirmed or admitted to those allegations therefore he was suspended. His term of appointment was due on 21 of May, 2018 and the Governor was informed to have the PEC submit to me a list of other potential candidates for this post.

I am yet to receive a response letter from my department to the governor's office regarding the acting appointment of the Madang Provincial Administrator. It is important for the Governor and the Madang PEC to take control of the PEC. They must have a meeting to hasten this appointment. It is important that we have a provincial executive council in place to address this situation.

I would also like to advice all the governors who are now in the process of making appointments to consult with their local MPs for their respective province. It is important because the PAs are in charge of the positions of the CEOs of respective districts who ensure services do go through.

At the moment, we need to get a letter from the PEC for Madang so that we can make another appointment. I am yet to receive a letter from the governor and his team. I am also writing another letter to him. If we do not get a letter from him, then I have the delegated powers under NEC to make intervene and make some decisions in this particular cases.

Mr Deputy Speaker, my point is, the office of governors' in respective provinces must take control of their respective PEC so that they can make important appointments with regard to the provincial administrator's position.

Serving Public Servants Contesting Elections

Mr WESLEY RAMINAI – I wish to direct my question to the Minister for Public Service and also would like the Minister for Education and the Governor for Southern Highlands to take note.

My question is in relation to those public servants who went for 2017 National Elections. Many public servants resigned from work to contest the elections but there are some who pretended to resign to contest, but never did.

There are cases in my province where a provincial advisor for one government department contested the elections claiming he was on leave. I am sure there are a number of similar cases throughout the country.

Can the Minister and his department look into this matter and take the necessary steps?

11/08

Mr ELIAS KAPAVORE – Thank you, Mr Deputy Speaker. I would like to thank, the Member for Kagua-Erave for this important question.

The Public Service General Orders are explicitly clear about public servants who want to contest for a general election. When you wish to contest in a general election, you have to give notice to your employer six months in advance; for an LLG election, it is one month in advance. It is clear that these specific processes must be followed.

We have instances where those who lost in the elections were recruited back on the positions they left previously. My Department has a list of names of some individuals who requested to the PAs and the respective departmental heads, however there are many instances where they did not actually follow these processes. If there are similar lists in your respective areas, my department would be happy to work with you in dealing with these people.

It is an abuse of process for someone who has actually contested the elections to gain immediate entry into their previous positions. It does not warrant immediate recruitment to those positions. They must wait for that particular position to be advertised and apply again like any other person, to regain entry into the public service.

If there are instances where people have been reappointed to the positions they left, please furnish the list to my department so they can consult with our team to fix some of these mess.

There is a lot of abuse of power with regard to delegation of powers to provincial administrators; they are not doing what is right. My department stands ready to support the administrators and Members of Parliament who have actually seen these things happen.

We are happy to support you in ensuring that they comply with the necessary procedures.

Supplementary Question

Vacate Institutional Houses

Mr RICHARD MASERE – Thank you, Mr Deputy Speaker. My supplementary question is in relation to public servants who resigned and contested the elections last year.

Today there are those ex-public servants in the country that continue to inhabit the State and government houses.

(1) Does the public service have any exit programme for those who resign to contest the elections?

(2) Does that process also means that they have to exit out of the government houses? The issue we now have in the country is, many of our public servants are still living in settlements and in villages when they could easily move into these homes and occupy them. We have found are that those who resigned and contested the elections are still occupying government or State houses. If the Minister wants names, I am happy to give names of those in my district.

The Minster should have plans or exit programmes in place so that when people resign to contest elections, they exit, not only the department or the government offices but also the homes they are occupying.

Mr ELIAS KAPAVORE – Thank you, Mr Deputy Speaker, thank you again to Member for Ijivitari.

If you decide to resign and contest the election, you must also calculate the risks involved. When you resign, you must know that you are putting your family and everybody else in a situation where the future is unknown. So in this case, you need to leave the accommodation, move out and do other things. You cannot continue residing in an institutional house when you expecting to come back be given another position.

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For public servants who resigned but are still residing in government houses, it is a serious case. We have to work together with those who are aware of such cases. We will also work with the Minister for Housing to deal with some of these data and see how we can deal with this situation. Thank you, Mr Deputy Speaker.

MATTER OF PUBLIC IMPORTANCE

Mr KERENGA KUA (Sinasina- Yongamuggl) – Mr Speaker, I would like to seek your indulgence to invoke *Standing Order 97*, to raise a matter of privilege that has risen on this Floor of Parliament

Leave granted

Mr Speaker, yesterday was a sad day on the Floor of this Parliament. Debates on the Floor of Parliament have to be conducted with respect and a high level of decorum towards each other on the Floor.

However, the standard declined very badly yesterday and may I advise the Members of Parliament that this issue according to the *Standing Order* is not a matter to be debated, so if they can hold their tongue, I will make my point.

Mr Deputy Speaker, the point is, the onslaught was led by the Prime Minister himself. The Prime Minister, habitually, when trying to respond to questions, prefaces it by insulting, humiliating and degrading the people who are asking questions on behalf of the people of Papua New Guinea and the electorates they represent. And that is not supposed to be the case.

If a question is asked, answer the question, but do not dwell on personal matters and conduct personal attacks. That standard reached the new bottom yesterday, when in response to the question from the Member for Madang, Honourable Bryan Kramer, the Prime Minister is quoted to be saying this in today's *Post-Courier* and the same statement would be recorded in the *Hansard*. He referred to Honourable Kramer as, and I quote, '*a very special kind of moron*.'

(Members interjecting)

MR KERENGA KUA – Mr Deputy Speaker, I do not know the definition of moron, although I am learned in the English language.

Mr Deputy, Speaker, he did not say 'moran', he said 'moron'. These are two different words with different spellings and meanings and to me, it means a mentally affected person. The Prime Minister continues and I quote, '*if the Member for Madang can keep his big mouth shut*...' That is the second point, where the Prime Minister is referring to the duly elected and legally elected Member of this Parliament, as a big mouth, '*then I can answer, you are just a*

loud mouth, Mr Speaker,' and I don't think he meant that towards the Speaker, but Mr Kramer. Then Prime Minister then added, '*in fact, a moron of the first degree*,' aggravating the insult that he has already made to the Honourable Brian Kramer. For me, this is unparliamentary language and this is not a first time. He has a label for everyone on this side of the Floor.

(*Laughter-in-the-Chamber*)

MR KERENGA KUA – And he even has a label for those on the Government side too, for those who ask questions but he does not say it, I am sure he thinks it every time you stand up.

(Laughter-in-the-Chamber)

MR KERENGA KUA – Because it is habitual. He thinks it but doesn't say it because you are over there with him. That is habitual so we have to stop that.

We have to reset the standards and decorum expected on the Floor of this Parliament.

According to the Standing *Order* 78, Mr Deputy Speaker, you alone have the power to make a determination whether any word used on the Floor of Parliament is offensive in nature. If somebody is labelled a psycho, then you have the power to make a determination whether it's offensive in accordance with the meaning and intent of this *Standing Order* which is supposed to set the standard for conduct on the Floor of this Parliament.

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If you do reach a conclusion that this is offensive, Mr Deputy Speaker, when you do make a statement - and this is a key point so I want your complete attention. If you do make a determination that these words are unparliamentary in words and in conduct then you have the power to refer it to the Parliamentary Privileges Committee. That determination must be made on the next sitting day when the Parliament adjourns and sits again.

My point is, Mr Speaker, I am referring this matter to you, to make that determination and that referral because to me, it is very offensive.

Thank you, Mr Speaker.

Mr DEPUTY SPEAKER – Mr Prime Minister and Honourable Member for Ialibu-Pangia, can you make a statement and withdraw that word. **Mr PETER O'NEILL** (Ialibu-Pangia-Prime Minister) – Thank you, Mr Deputy Speaker. I thank the intervention by the Member for Sinasina -Yonggamugl and Shadow Attorney General who is well articulated and has a very good understanding of the English language that is way better than anyone of us.

(Laughter-in-the-Chamber)

Mr Kerenga Kua – We improve it.

Mr PETER O'NEILL – I grew up in the village so English is not my first language. It is my language Viru. So, my understanding of the word maybe different from the understanding of the word that the former Attorney General and the Shadow Attorney General refers to. Maybe I wanted to call him 'moran' but I said 'moron' instead.

(Laughter-in-the-Chamber)

Mr PETER O'NEILL – Let me complete my statement –

Mr Kerenga Kua – Point of Order! This must take precedence, Mr Deputy Speaker. I am making a Point of Order.

Mr DEPUTY SPEAKER – The Honourable Member for Sinasina–Yonggamugl, the Prime Minister is responding to the statement that you made.

Mr Prime Minister, go ahead.

Mr PETER O'NEILL – If the Member finds it offensive, I will withdraw and word. My apology for hurting the feelings of individual members.

Mr Speaker, we are all mandated and elected leaders. Whether we are tall or short, ugly or handsome, we are still mandated leaders. Therefore, we must bestow respect, but again it depends on each one of us. Sometimes we should allow the orator to finish before directing questions and causing frequent interjections to confuse the orator. That is not right. That is not our way of life. Some speeches may be good and some may not be, regardless of that, it is the leader's speech. We must have respect for our leaders and allow them to speak and conclude their speeches accordingly.

Mr Deputy Speaker, secondly, referring to the Member for Madang, and I would give respect to him but in his texts on *Facebook* and social media sites; he does not behave like a leader. He calls everyone a liar and dumb. That is not how a leader should behave. It is rascal's behaviour. This is typical of someone who was not raised in the village, nor did he receive the proper customary advice on how to bestow respect for their leaders.

If you are a leader, debate like a leader on policy. If you have an education then show it to us. He does not talk about these things such as Health.

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His thoughts can be likened to a 'moran' that twists like a snake.

Mr Deputy Speaker, we must speak directly instead of making interjections.

I have been in this Parliament long enough to know who I should respect and who deserves my respect. I have also been on that side of the House for four years and I gave the Grand Chief Sir Michael the respect he deserved although he was not sensible at times, I never interjected, or disrespected him or questioned him.

We have to respect others, especially those who were here before us such as Paias Wingti and Sir Julius Chan. These are the great leaders of this country. It goes both ways.

To conclude, I want to apologise for what I said and if it may have offended and irritated another person, I withdraw those words.

ACKNOWLEDGEMENT OF STUDENTS (KOIARI PARK ADVENTIST SCHOOL) – STATEMENT BY THE SPEAKER

Mr DEPUTY SPEAKER –Honourable Member, I have to inform the Parliament that grade six students from Koiari Park Adventist School are present in the Public Gallery this morning. On behalf of the Parliament, I extend to the visitors a very warm welcome to the National Parliament.

GRIEVANCE DEBATE

Question proposed -

That the grievances be noted.

Mr Sam Basil –Point of Order! Why do the Opposition Members walk straight out after Question Time when Grievance Debate is about to start?

We are paid to be here, so sit down and listen.

APEC to Help Tourism and Investment in PNG

Mr POWES PARKOP (National Capital District) – Mr Deputy Speaker, I do not have much to contribute. My grievance is just adding onto a point raised by the Member for Moresby North-West, in regards to the merits and benefits of APEC and whether we can have the whole meeting in November cancelled.

As the hosting city, I wish to contribute to that effect. Whether we are MPs or outsiders, we must come to terms with APEC. The fact is this, we are already half way towards hosting the APEC event. A lot of workshops and conferences have been held already. As we speak, some of these events are about to be held. The Leaders' Summit in November will be the final event. We can't keep talking about cancelling APEC and questioning whether we will benefit or not. We must come to terms with it and help the Government and our people to embrace this initiative. It is a once in a life time opportunity.

It is not every day that leaders like Vladimir Putin or President Donald Trump travel to Papua New Guinea. This is the first time in the history of our country. It might not happen again in our lifetime. This is our chance to host this important event which I see as beneficial to our country. And that is to promote our country and give it a positive image.

Mr Deputy Speaker, this is a challenge that we all have to face, be it in Port Moresby or across the length and breadth of this country. We have a problem with our country's image. We have a problem with the impression of our country in the world.

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It's also very difficult for tourists to come to Papua New Guinea. Tourists actually avoid our country, instead they go to Australia, Vanuatu and Fiji. It is a great industry with great potential. Papua New Guinea should be a haven for all the tourists. We have a variety of culture to show. We have a thousand tribes, 800 languages, high mountains, big gorges, wet lands, rivers and

atolls, but we cannot harness this potential because we have a bad image. This is an opportunity that is given to us. When we talk about the benefits it does not come all at once. The Government is not suggesting that it will happen overnight; we have to invest in order to harness the benefits into the future. So promoting our image, promoting Papua New Guinea as a destiny for investment and tourism should be among our number one priority.

Mr Deputy Speaker, honourable Members look at our economy, we have been trying our best to engage our people in SME activities. When the Honourable Paias Wingti was Prime Minister, he had a scheme called 'Government Guarantee Scheme' to help our people venture into business. However, when our people received the money, they did not become successful in their business activities. The Government was burdened with even more debts to repay. We also had the 'Stret Pasin Stoa' scheme. How many of them are in operation today? The past and present Governments have parked numerous funds with the Rural Development Bank and the National Development Bank. There were millions and millions of funds parked there. Our people borrowed those funds without repaying it, thinking it was free government handout. There is nothing much to show for it. The fact of the matter is, the economy of our country is still reliant on foreign investment and extractive industries. It is also reliant on the small sector. It is time for our people to become serious in business, develop business acumen and manage their business well.

It is in the interest of our country to promote the image of our country and to promote it as a place of interest for investors and tourists.

Mr Deputy Speaker, we say that we are rich in resources, but do we have the knowhow? Do we have the money? Do we have the technology? This is the dialogue and the exchange that we can have with the foreign investors. What a time? What an opportunity that has been presented to us. As the Prime Minister said yesterday, all the 21 member-countries had their turn in hosting APEC; we have been a Member for 21 years and we are yet to host this event. It is an embarrassment.

Mr Deputy Speaker, sometimes the representatives jokingly ask if we are ever going to host the APEC. This raises concerns about your purpose of being part of the APEC Group. Why are we trying to gain strength and benefits from our association with APEC and yet are reluctant to contribute to it. This is our chance to contribute to APEC. It is an academic forum. It is the time for us to make that connection and tap into the potential that is in the Pacific. The biggest economy in the world is in the Pacific. The big economies like China and the USA, maybe Russia and Indonesia will participate so this the potential we have and yet we are squabbling it.

NCD Infrastructure Upgrade for APEC

For NCDC, we are not spending much in terms of finance. The Chinese Government is helping us upgrade the road along the freeway. It was funded with K70 million. We are resealing this freeway road built under Sir Julius Chan's leadership as Prime Minister. Many parts of the freeway is worn out and we are just upgrading it with the generosity of the Chinese Government, costing nothing to NCDC or National Government.

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For the Independence Boulevard, the six lane road from Waigani, costs K40 million and is actually a free gift from the Chinese Government.

Apart from that some of the roads constructed the city with the support from the National Government in preparation for the APEC has actually cost NCDC about K21 million. These are already budgeted items and it won't go beyond that, so we are not spending above the budget allocation.

For instances, some of the projects that we are funding with the assistance from the National Government; the Ela Beach front redevelopment which cost K77 million and it was budgeted for in the last two years. This major project was not intended for APEC but it actually complementing APEC and likewise to the maintenance and extension of the Freeway road.

During the APEC meeting, when all the leaders from other countries arrive at the airport, we can't have them traveling on a cramped up road with two lanes only, the roads has to be extended to cater for four lanes so that those leaders can travel freely without much traffic jam.

This extension of the freeway is not only to benefit APEC it will also bring much benefits to the Central business districts and for every one of us because it's our nation's capital. This road starting from Independence Drive to National Court, National Parliament and National Museum and is being used by many people for many purposes; we members drive use this road to go to the National Court House for hearings. So far we have spent K17 million on the extension of this section of the road. These are budgeted items and its complements the efforts of the National Government.

Mr Deputy Speaker, we are carry out our duties and you can see the end result all around the city. We have engaged youths to be involved in maintaining peace and cleanliness in the city. If you drive around the city, you will see youths cleaning the road sides every day, cleaning the graffiti on buildings and it also helps reduces the crime and violence rates as well. With the positive attitude and mentality of improving our city; we will see big improvement in all sectors of life. We must all do positive things for the good of our country. Don't come here and criticise, but, if you do, criticise objectively.

The time for cancellation is over because we are already in the mid-year, so lets corporate and work together with the Government to promote our country. We must take advantage of this opportunity by showing how unique and diverse we are, with a thousand tribes and 860 languages. We have so many cultures and traditions to show the world. We can show the world that it's possible to live together in diversity because the world is a diverse place.

Parliamentary Etiquettes

Mr WILLIAM SAMB (Goilala-Assisting the Prime Minister) – Thank you, Mr Deputy Speaker, I want to support and carry on from the statement by the Member for Sinasina-Yonggamugl regarding the level of performances in the Chamber.

Firstly, irrespective of who we are, our people voted us to represent them in this House and in other offices as well.

I always finish work at 5 p.m., when Parliament adjourns or rises. I have worked in my office since last term still do so.

I find it hard to understand that when the Parliaments rises and the media with their cameras leave, all the ministers and even opposition members leave as well.

But, when Parliament resumes and camera is turned on, we say whatever we want to say in this Parliament. We are not here to please the camera but debate and address issues affecting our districts, provinces and country.

The other issue is maybe due to my height, I'm short so when I stand you all don't see me.

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(Laughter-in-the-Chamber)

Mr WILLAM SAMB) – My point here is, all of us have something to say in Parliament, yet it is the same old people always speaking. There are continuous interjections and point of orders raised for just one question from one speaker. This consumes the limited time of 45 minutes. What is the Speaker doing about this? Can you come up with a plan where all Members of Parliament can be given equal opportunity to contribute their share in the debate? We need to control the time spent on raising point of orders and the interjections, so we can have enough time for other Members of Parliament to debate.

Mr Speaker, after lunch breaks, there are usually no Members of Parliament here on the Floor. We need to revise the *Standing Orders* so that there is some form of discipline here.

Yesterday, we heard a statement by the Speaker banning the chewing of betel nut and smoking of cigarettes within the Parliament precincts, I think that is a very good discipline for some of us.

Mr Speaker, you must do something about our attendance in Parliament during the Parliament meetings. We are paid to be here, so we must be responsible enough to be present. Many a times, after the Question Time, most of us disappear.

Mr Speaker, my other point is, in every Parliament meeting, if the Prime Minister is not present then the Deputy Prime Minister must be present. If the Leader of Opposition is not here then the Deputy Opposition Leader must be here, so that there is control on both sides of the House. Thank you.

Allocate Funding for Rural Roads

Mr LINO TOM (Wabag) – Mr Deputy Speaker, thank you for this opportunity to express few of my points.

Firstly, one of the guiding principles laid down in our *Constitution* by our forefathers was equal distribution of resources. I concur with the Governor of NCD for all the developments taking place in the city, which is good. However, we should also realise that our individual provinces are contributing to all the money that is being spent here in this capital city of ours. This is our capital city and we must make it exceptional so that those who come from overseas will be pleased with Papua New Guinea as this is our first impression.

At the same time, we must realise that since independence, there are a lot of people in this country who are blocked-off due to access issues. We spend millions of kina here, while I struggle to build one road from Wabag to Maramui using only my DSIP funds. I am committing less than a million kina to do that and I realised that it would be best to utilise the PTB.

My concern here is, there is no equitable distribution of resources. The same people who have been benefiting are still benefiting, while many are still missing out. If we think it is hard or expensive to build roads for people in the remote areas, then we should put money into the PTB to build roads for them. The people of Maramui, Menyamya, Telefomin and many more keep missing out on this basic services.

I know that many Parliamentarians own construction companies, which they inject money into for small road constructions. But, I think we should start distributing our resources fairly and equally. We talk about big events like APEC and the Pacific Games, but we should be very considerate about the small people in our remote areas.

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My point is, the government must allocated between K2 million to K3 million for outback places like Maramuni, Menyamya, Wantoat .Using private contractors is costly, so we can engage PTB. These people are Papua New Guineans and they deserve to have these services, just as much as we enjoy all the glamorous projects in the National Capital District. Money from these provinces come here so that we can enjoy all these infrastructure. We should start putting back money into these isolated places because there is no equality now. I believe the *Constitution* speaks strongly about distributing our resources equally amongst all our population.

So if it is too difficult, this is one suggestion I am making, please let us allocate a little sum of money. I am not asking for vast sums of money, just a meagre amount so that the PTB can buy fuel and build roads to those places. These people need access. Places like Maramuni has no access or services provided over the last 40 years. They have to walk three days to reach the nearest health centre to receive services. That's why our basic health indicators are very poor; our literacy coverage is also poor because we are not giving them access.

I know that K40 million is spent on the roads here, but, if we can just cut K2 million each from these projects and inject it into the rural areas through PTB, I think these people will have access and we will help a lot of people. Maramuni has a population of 30 000 people, they will now have access to basic government services like education and health.

So I think it is about time. We have been talking about the big picture, blinded by our inflated egos and we are forgetting the small people back in the villages and isolated areas. I think we should start representing them more on this Floor of Parliament. It's about time we shift our focus to these rural people because that's where more than 80 per cent of the population is.

So, my grievance is, I am of the view that we should start focusing on these areas like Maramuni. I am not engaging my supporters, although I have a lot of them. The little resources I receive is inadequate. So I engaged PTB and I am seeing progress. We have covered eight kilometres already.

Mr Powes Parkop – Point of Order! With respect to the Member for Wabag, I just want to put it in perspective that according to my calculations the K500 million for the roads

in NCD are borrowed. May be later, yes, we will all pay it back together, but we got loans for these roads, I just want to put that in perspective.

Dr LINO TOM – Thank you, Governor! I am not saying that you are wrong. We all enjoy the services here in the city and we should. This is like our face, but I am just putting in perspective that we should start spreading resources to the rural area. They are the same group of people created by God just like us. We are enjoying all the services here and these places that I have mentioned, if there is money toward the end of this year, you should start allocating money.

Park these funds in PTB for the rural areas. If you are scared of Members benefiting from these resources, give it to PTB and let it connect these places. Lest we forget, these are our people and they are suffering.

As a medical officer, when we do medical patrols, it takes us one week to walk to these places. It is a very difficult terrain. They come to seek basic services, not all these luxuries. I am talking about health and education services and it takes those weeks to reach it.

We should shift our focus. I don't think there are many places that need access. The only few left are Maramuni, Menyamya, Goilala and others. It's about time we should put some money to build roads to these places. We are now 40 years old, heading towards 50 years and these people can't live like that forever. We have to be fair to them.

Thank you, Mr Deputy Speaker.

19/08

Stop Defaming Somare and ESP

Mr ALLAN BIRD (East Sepik) – Thank you, Mr Deputy Speaker. In this Grievance Debate, I have been here for over a year. I have heard many speakers acknowledging the work of Ministers in this Parliament. Many a times, they make comparisons to Sir Michael Somare and blame him for the lack of development and progress of this country. However, Sir Michael Somare is not here to defend himself.

Mr Speaker, I heard these comments yesterday. I have also heard many Ministers comment that the Sepik's have benefitted for a long time during Somare's reign. I want to inform this House that Somare may have been Prime Minister for 17 years, but in Somare's village there is not one single house being built with a galvanised iron roof. We still don't have a road built in Somare's village. So every time you mention his name, show some respect. His own people don't have the services. We don't have sealed roads. I challenged Somare in 2002

because my district was the least developed in this country. I was frustrated because of the lack of development in my area. Many people asked me to contest the Wosera-Gawi seat; they said I could have won. But I purposely challenged him because I was frustrated with him. Today, I have his seat.

We gave in a submission for PIP and it was rejected. I also struggled to gain support from donor agencies but these efforts were blocked-off by the Government.

Mr Speaker, I am ashamed. Somare made sacrifices for so many years, while the Sepiks suffered, but the people laugh when we talk about it. Come to East Sepik and show me a K200 million worth of project set up by the Government, whether it was the Somare Government or any other Government for that matter, only then can you accuse the Sepiks of benefitting during the reign of Somare. I speak on behalf of all the Sepiks, both the East and the West Sepik, including Bogia.

The people of Somare are in Bogia, he has traditional ties with them. Go to Bogia and see if they have benefitted, before you accuse us, before you call Somare's name one more time in here and degrade my people any further. We the East and West Sepik are insulted by your derogatory statements in here. You forget the sacrifices that we had to make in order for you to enjoy some of these luxuries that we are discussing today.

Somare once asked me, my son why do you despise me? And Ireplied, it is because you have left nothing here. And this was his response, my son, when we gained Independence, had I only thought of you and forgotten my people from the Highlands and Islands, what do you think would become of our country. And he wasn't referring to Sepiks.

This is my first anniversary in Parliament and I ask you all to stop insulting Sir Michael Somare. The power is now in your hands with all the monies you have, so build up this nation and stop insulting Sir Michael and his people. I feel ashamed of your remarks, therefore I will not put in a PIP submission for the next five years. I am from Sepik and it is in my culture to feel ashamed of such derogatory statements. I am not afraid of any of you.

In fact, I want to break away from the rest of this country because of the continuous insults we have receive from the Members of this House. The people of East and West Sepik have told me to break away from this country because of your insults and insensibility of the sacrifices we made. The young generation of Sepiks are unhappy with your insults and mark my words, the more you continue blocking my attempts to seek donor funding to benefit my province, but I will continue to do it. If you don't want to support me, we built the Vanilla industry without help from anyone, and I am going to build the cocoa industry with help from none of you, so stop insulting my people. Stop it today!

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Yesterday, I sat there listening, then I walked out the door. You might wonder why I did that, it's because you don't want to listen to what I have to say. You have already made up your mind, so what is the point of me sitting here watching you pet each other for the job well done. You can do it because you are doing great without my help.

So, I want to inform you, don't think that we will come and beg because some of us have dignity and we will not come to your office if we are not welcomed in your office. My people are strong and if I tell them to wait, they will wait. We will not come and beg you for the resources that you want to keep for yourselves to support one or two ministers with special privileges. But do not boast that you gave it to the people of Sepik.

If you want to continue insulting, you have to be very careful because everyone is listening. There are many dissatisfied groups in this country and Sepiks are one of those groups.

There is a speaker installed in my office and I'm always there listening to all your speeches so I encourage you to think and speak.

I grew up eating grasshopper. My people survived on grasshopper when there was no of food. I did not eat stake like some of you. I grew up eating sago. My people know how to survive on sago when there is no food. Do not think that we need the luxuries that you have. Don't think that we will come begging or submit because we are afraid.

We speak politely and intelligently because of the education received, but it doesn't mean we are cowards and somehow afraid, we are not.

Mr Deputy Speaker, I iterate for the last time, I do not want to hear you insulting the people of Sepik or Somare. Think of the things that you are able to have because of the sacrifices that we had to bear. Thank you Mr Speaker.

Nali on Somare's Defamation

Mr MICHAEL NALI (Mendi – Minister for Works and Transport) – I also want to contribute.

Mr Deputy Speaker, my brother Governor of East Sepik is saying: "you all" but some of us respect our father, the Grand Chief Sir Michael Somare. We accord him the respect and even beyond. So, I feel down-hearted. I felt like I was one of those who criticised Somare. I have never criticised the Grand Chief Somare that is why I want to clear my name. I have a personal relationship with the father of the nation.

I entered the Parliament in 1992, having previously worked with Ok Tedi Mining and also as a unionist. In my young days, I had the no-care attitude and feared no-one. When I

contested the election and won, I entered this Parliament with fury, I did not know who I was angry at. Every word uttered was wrong. I had someone to blame and attack, but I later realised that it was wrong to do that. Who was I fighting?

21/08

Respect Other MPs

Mr Speaker, today, we took the Prime Minister to task to apologise. I want to ask my big brother who is a well-respected lawyer; the Member for Sinasina-Yonggomugl. I want to use an illustration to send my message across. As a highlander, he is aware that we use thongs made out of sticks to remove burnt sweet potato out from the fire. Sometimes we accidently hold the thong improperly and end up burning ourselves or most probably our hands. You are a good man, but someday, you may end up burning yourself. What I'm saying is, you all must respect me, I did not come here on my own accord. The same goes for all the Members, I must respect you all, whatever race, size or colour it doesn't matter. We are all mandated by our people. We must be mindful of how we speak about our colleagues here in Parliament, because whatever is said can never be unsaid.

It does not matter in what form or way you apologise because what is said, has been said. The place the like banks, and the Investment Promotion Authority where we register our companies, are no longer discrete place to store private information.

Defamation on Social Media

An innocent person's credibility can be tarnished on Social Media, especially using *Facebook*. We are credible people who were chosen by thousands of people to rightfully win our seats and be here. We built up these credentials over the years in order to gain the people's respect and trust to have us elected. You would never be here, If you are a-nobody. You have to be recognised or be known. The culture of our society is such that you will gain people's trust depending on how much you have done for your people. So those of us who are here, are not just any odd nobody. I am not worthy of you to carry my name around on social media, especially on *Facebook*. You may have pages created on social media to tarnish our reputation and good name, but be reminded that you can't continue to hiding behind that pseudonym. One day your real identity will be revealed and you will have your turn to bite the cherry.

I am not a young man, I am a father and I have children in school. What do you think the other children will say to my children in school? My children are being bullied in school. It is not affecting my family. This sort of behaviour is affects all of us.

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Just last week my daughter's schoolmate died after committing suicide; a pretty young Papuan girl suicided because of cyber-bullying on social media.

This practice of cyber-bullying on the Facebook and other means of social media is a major problem in the country today. This evil idea practised by some evil minded people can affect our children.

I hope I raised some very important issues concerning this country. It doesn't matter what you do, but if you are tarnishing people's image, know that you are sick in the head! You are should be locked up in Laloki because you are unfit to be roaming the streets of Port Moresby city.

When issues are raised about a person's improper behaviour, some people sit back, assess themselves and change. They listen to advice. But there are those who never listen and don't even feel embarrassed about what they do or say to other people. They don't assess themselves when judged by other people, instead they continue to tarnish reputations through their slanderous acts.

Mr Deputy Speaker, I am raising my voice because I am frustrated and I don't like people talking about me. If you have issues concerning me and what to talk about me, then say it plainly out in the public. If I had stolen some of your money, then refer me to relevant authorities such as police or Ombudsman Commission. Let the system handle these complaints rather than discussing about another person's life.

What wrong have I done to you? Did I married your mother? Or did I had an affair with your wife? Did I steal your pig, land or asset? That's the mother that normally cooks your kaukau.

Mr Deputy Speaker, I am raising my voice because I'm angry, I know many of you have this burden within you, as for me, I don't hold back when I am angry. I am making this statement to advise some of us.

I am raising this issue because so there can be clear understanding and directions for us. I urge all Members from the Opposition side, if one of your team member continues to practices this evil mentality then please, I expect all you members to talk to him and to stop him from this practice.

Member for Sinasina-Yongamugl, I have the biggest respect for you, but please don't support this bad practice from those people on that side. Thank you Mr Speaker, let me stop here before I start speaking my language.

Mr Kerenga Kua – Point of Order! This is the second time he has referred to me in that tone. I want to know whether this is a threat. If this is a threat then should he elucidate further so that I understand exactly where he is coming from and my people deserve to know. Are you threating me?

Mr MICHAEL NALI – The Member for Sinasina-Yonggamugl knows how much love I have for him, he knows it.

Mr Kerenga Kua – Then talk to me with love.

(*Laughter –in –the Chamber*)

Respect Our Founding Fathers

Mr LEKWA GURE (Rigo) – Thankyou, Deputy Speaker, for recognising the people of Rigo in giving me this opportunity to contribute to this Grievances Debate.

Firstly, I just want to make reference to the very passionate debate that was given by the good Governor for East Sepik, especially in relation to the father of this nation, Grand Chief Sir Michael Somare. As the good Minister for Works said, I also have the greatest respect for Sir Michael, in fact I still have a photograph of Sir Michael and myself in the days of the airbus on our way to Singapore .A journalist took a portrait of him and me. The photograph stands in a place of prominence on my book shelf at my home.

I also have the greatest respect for our prime ministers, the Governor for Western Highlands, Honourable Paias Wingti. He still calls me captain because on one of his travels, I flew him to Indonesia on a very important State mission

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I also have the greatest respect for Sir Julius Chan, on many occasions I also flew him on various missions' right throughout our Asia-Pacific area. The last time I was with him was on one of my last flights before I took early retirement and this is when he was promoting his book titled 'Playing the game'. I have a copy of that book personally signed by Sir Julius Chan. So, in reference to what the good Governor for East Sepik said, I have the greatest respect for our great political leaders of our country.

Government Policies and Funding

This brings me to the great statement presented by our current Prime Minister Honourable Peter O'Neill in response to the speech that was made by his Excellency the Governor General of PNG at the beginning of the Tenth Parliament.

The statement was comprehensively presented by our current Prime Minister, giving direction on which way this country is going. His statements covered many fronts from the source of funds to the economic fronts.

We have great leaders who have been here much longer than some of us, like Sir Puka Temu, who has great corporate knowledge of what has transpired in a political arena. He was the architect of Vision 2050: the Alotau Accord I that was implemented in the last term of Parliament and Alotau Accord II. These plans give us direction, especially the new Members of the Tenth Parliament. For some of us, we needed direction for the formulation of our five year development plan.

We have senior ministers likes Honourable Richard Maru, the Minister for National Planning and Monitoring, giving the direction. From the planning summit and the regional planning summit, we discussed issues that will form the Medium Term Development Plan three. This coincides with the current term of Parliament from 2018 to 2022. From this we were given the direction to formulate our five year development plans and on how we were going to integrate important issues such as sustainable development goals and other important elements in our plans.

The MTDP3 is encouraging us to grow our economy in the areas where we are naturally steady such as agriculture, fisheries and tourism; we have the resources and the potential in those areas to grow our economy.

It also encourages us to reduce imports because PNG is known imports a lot of things for our sustenance, the main one being rice. Through these areas, we reduce our imports and increase our exports by striking a better balance with our trading partners. Reducing the imports and increasing the exports will create wealth for our people at the districts and provincial levels and also improve quality of service delivery.

My opinion is, for better service delivery, we need to increase the capacity at the district and provincial levels. We can make important decisions at the national or district levels through the DDAs, but implementation suffers greatly because we just don't have the technical capacity at the provincial and district level to deliver the services.

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How are we going to deliver the services to our people at the district level? This is why the current Government's service improvement program comes in very handy for all individual Members through the DSIP and PSIP.

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It is a great initiative including the Outcome Based Education, the TFF Policy and the primary health care.

Many of us complain about the level of DSIP we received under the current economic and financial conditions; however, the DSIP and PSIP are very much dependent on the cash flow itself. If the cash flow is good, we will receive the full quota, but we all know that the country is going through difficult times at the moment, so we need to be more patient. It is not a constitutional requirement to get those moneys, rather it is dependent on the cash flow situation that the country is in at the moment.

Mr Deputy Speaker, being a new Member of Parliament, some sectors of the community have told me that this is not a good time to be in politics because of the lack of money to deliver the services. But, I tell you, this is a great time to be in politics because we are big and ugly enough to roll with the punches. The current conditions have taught us to be disciplined and more importantly to prioritise. We must prioritise the limited resources we have in areas that markets us the most. It is a great political education for our time, especially those of us who are new.

Mr Deputy Speaker, finally let me finish by saying, these things happen in cycles. I come from an airline background and airlines go through cycles too. You have the throbs and peaks, it's the same with the economy. We are now going through the throbs, but sooner or later it is going to improve. Let be patient and wait for 2019, 2020, 2021 and 2022. Our country has great potential, I think it is important to bear that in mind. Thank you.

Police Impersonators

Mr PETER ISOAIMO (Kairuku-Hiri) – I rise to say a few things on the use of Police uniforms. Upon returning from Singapore yesterday, I was called up by my Governor to accompany him to Inabui Village. We went there to solve an issue faced by the Mekeo Buai Growers Association.

Mr Deputy Speaker, the night before, three 10 seater Land cruisers went there with people dressed in police uniforms. They forced the people to remove the road blocks, so they could bring betel nuts into the city. This kind of behaviour must stop. Let us learn to live within the *Constitution* and the frame work of the law. It has come to a stage where we must introduce the *Vagrancy Act*. We will have to amend the *Constitution* to stop the free movement of people to and fro.

Mr Deputy Speaker, we are an electorate on the periphery on the city of Port Moresby and we continuously face all the spill-over effects of the city. It is an everyday thing beginning with land grabbing and the list goes on. This does not happen to other provinces and districts in the country. We want respect from other citizens of this country. We have lived on our land for generations and we want respect.

The attitude displayed by those people last night clearly indicates that people are moving anywhere they want and even forcing their way through. They went there and forced people to give them betel nut. For Heaven's sake, you do not own the land and the betel nut tree there. The people fought back and broke the windscreens of the buses and 10 seaters land cruisers. They also confiscated some of police uniforms and they showed me and the Governor yesterday.

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So, Mr Police Minister, I want you to know, are we going to continue allowing this to happen? Civilians have used police uniforms are terrorising everybody just because they wanted to take the bete nut and sell in Port Moresby? Last Thursday, we attended another meeting where the people and the association members resolved to have a two-week ban in bringing in betel nut to Port Moresby.

I thank the Governor of NCD and the Member for Moresby Northeast for using some of the NCD Tax Payers' money to construct a new buai market in Eight Mile, which we inspected together with the Minister last week.Whilst we are trying to organise these things properly, we already have people intruding. People who have no respect for the privacy of the villagers and locals just because they want to have something.

The police are never around when trouble erupts in the villagers, they only come in after people are killed or dead. So, we have to seriously look at these issues now. Yes, we talk about unity and whatever gibberish, but the people don't seem to respect one another. The attitude of Papua New Guineans are not good. It would be the same, if I came to your village. I must come in humbleness and peace, accord you the respect and follow protocols in seeking out your chief and negotiating with him. And not come demanding that we harvest the betel nut. They said, "Harvest the betel nut! Here is the money." But, sometimes people are not ready to accept money.

Police Jurisdictions in other Provinces

So, Mr Police Minister, the other issue I want to raise is, does the NCD police or police from one province have the right to encroach on constituents of another province. From my understanding, if there is a special operation, yes, they may move in. But as we speak, I don't think NCD police has the right to cross over into Central Province and do as they please, unless the PPC of Central is duly informed and he authorises them to do so.

Yes, initially when the Governor banned the sale of betel nut in Port Moresby, I as a habitual chewer was affected. But thank God, three months ago the doctors stopped me from chewing betel nut. However, it is still the income earner of my people. At this point in time when funding is scarce, many of us have expanded into agriculture, but this is a tradition that our people have been engaged in for a very long time. It will also take time for our agriculture extension officers to convince my people to go into cocoa, coffee or coconut.

So as it is, we live on the roadside and the buai business is a total disturbances to everybody along the highway. At 2.00a.m to 3.00a.m., each morning, you'll see buses running up and down. Of course, we enjoy freedom in this country and we respect every citizen of Papua New Guinea, but some buyers show total disrespect for communities in my district. They have no respect for the rule of law. And if that is the case, my people have also resolved that they will also take the law into their own hands. This means people will be beaten and cars will be smashed and burnt because they are sick and tired of this attitude. It is not the Kairuku attitude, we don't live like this.

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All I am asking for is respect from every citizen of this nation. I am asking the Police Minister to shake up the Police Force. If the Police Officers are not competently working in Kairuku district, then it is about time we put in a budget to start shifting police personnel around the country.

Police officers who stay in one area for too long become accustomed to the community and in most cases start compromising and therefore can't arrest an offender. This has been a common problem in the country. When Police Officers and their families reside in one area for a long period of time, they are likely to intermarry into communities; this compromises their job causing difficulty in upholding the law when policing the community. We have to seriously look into these matters. After seeing what happened yesterday, it now confirms that there are Police impersonators. People wearing Police uniforms to harass ordinary citizens. If we are going to have more of these, then the society will break down. The intimidation by Police men or forcing people to do things against their will is wrong. Let us have some control measures in place.

We also have to put a stop to the on-going expansion of settlements in Port Moresby. This only puts more pressure on the Government and everybody else. For those who are already here, allocate the land, award the titles. Let's start identifying and registering people who should be rightfully here. Those who don't have proper homes and are squatting everywhere should be sent them back to their villages. Enough is enough, or very soon there will be tribal wars. This is what the people of Mekeo are thinking of doing. They are contemplating murder because their privacy is not respected. I must inform this House, so we the elected leaders can advise our people to obey the rules of this country.

Respect Founding Fathers

Mr PETER O'NEILL – Thank you, Mr Deputy Speaker and I thank you for giving me the opportunity to contribute to this Grievance Debate. It was not my intention to take up this privilege from other Members of Parliament; however, I think that it is only fair that I respond to the statements made by fellow Members on this Floor during this debate, especially the concerns raised by the Governor of East Sepik in terms of the respect that we give to the founding fathers of our nation.

Mr Deputy Speaker, in respect to the Grand Chief himself, many of us have a relationship with Sir Michael Somare. Those relations are sometimes personal, but also public relationships.

In my case, he came to witness my nomination in 2002, when I first contested for Parliament, so we have a long standing relationship. Along the way, we had our own differences about politics and issues in the country. As a result, I left the Government and joined the Opposition in 2004 and was the Leader of the Opposition from 2004 to 2007.

Mr Deputy Speaker, during those engagements, there was never any sign of disrespect. When I was the leader of Opposition, I don't recall asking the Prime Minister when he was sitting in this Chair a single question on any issue. However, as a responsible Opposition Leader, I take other Ministers to task on issues affecting the country. Yet, I never personalised issues and criticised the Chief by bringing down the level of politics.

For our young Members of Parliament, a good example of politics played at a senior level, is the relationship between Sir Julius, Sir Michael, Paias Wingti and Sir Rabbi; they have their differences, but they don't personalise issues.

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They still maintain a high level of respect for each other. We need to follow these examples that will guide us as leaders of this nation. Let debate issues of national interest, those that affect and benefit our respective electorates.

Mr Deputy Speaker, many think that because we took over from Sir Michael's government there must be huge differences, certainly not? There were circumstances in 2011 that led to that particular action that we took on this Floor of Parliament. A transition had to take place at that time and the circumstances at that time were quite unique.

We went to the elections in 2012 and following that we formed the Government together. So, you can see the commitment, respect and the understanding that we have.

If we were going to play at the level of politics that seems to be trending today, we would have gone down to play a very dirty level of politics against leaders in this country using agencies of the government to pursue our political interests.

Unity and Equality

Those kind of actions are very dangerous for the country like ours. Ours country is diverse with many ethnicity, tribal groupings, and many different languages. The generation of leaders here today are the first among the new generation of leaders coming out from traditional way of life.

Maybe, the future leaders who come after us will be better thinking Papua New Guineans because our societies are integrating. I do not think it is necessary leaders to pursue this agenda of being against me or against others. The actions of our Government since coming into office after 2012 was fair. We gave a close to K50 million to each district, except for 2017. It did not matter which side of the House they were sitting on. The K50 million allocated to each district is a lot of money. We did not discriminate whether you were from the coastal, the highlands or some part of the country. We tried to spread the resource envelop to the levels of population that trend in with all our communities, particularly in the towns and the cities. I know there has been suggestions that 85 per cent of the population are living in the rural communities, but I do not think so.

Mr Deputy Speaker, look at the levels of migration in the cities. The Member for Kairuku-Hiri has rightfully raised issues about the settlement. Look at the populations in the cities like Port Moresby, Lae and Mt Hagen, the numbers are increasing every day because people are moving into those cities and towns every day. They come from rural community looking for better opportunities. We need to have a development agenda that caters for that kind of migration, so that we can build infrastructure that will meet the demands placed by these people on government services and the delivery of services.

Mr Deputy Speaker, I think it is fair to say, we need to work together as a country. We cannot be fragmented or split into small communities and regions. That is not going to help anybody. You just have to look across the Pacific to see, smaller countries struggling to survive. Their population is small and their economies are too small to ensure decent services reach them.

Some countries have a population of 14000. They are struggling to survive and we can learn from these examples. Fragmentation is not something that this Parliament should be encouraging. We should be encouraging unity in our country. Making sure that our communities live side by side.

We understand the challenges of settlement issues that the Member has spoken on. The Police need to step up. We are pumping resources into these agencies every year and is quite alarming. We cannot continue to thinking that money will fix every problem. It simply won't. It's just a mentality and the approach of the people that will fix issues that we have in the community.

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I think the Police Force needs to ensure there is a conducive environment where peace and harmony in the community continues to thrive. We have learnt to respect each other and the level of politics that we play has to be decent.

Let us talk about policy issues, about improving the education system in the country or what we can do to grow our economy. Let us talk about the health system, about building more infrastructure for our people. These are the issues that we should be focusing on.

I do not believe that I ever encouraged discrimination against any province or region during the reign of our government. In fact, you heard the NCD Governor talking, he said, when you are in a leadership role, it is hard for you to promote your own district or province.

For the last five years in Government there has been no PIP programmes for Southern Highlands or my electorate. We do not want people to accuse us of developing our own province and electorate. We are all mindful of such debates that take place in our society. It is even worse because we have been exporting oil from that province for over 20 years, but there is not one sealed road in parts of that province both in Hela and Southern Highlands.

We have also started supporting the growth of our economy through LNG, but never did I say, they will get priority treatment.

We are one country and we need to spread the resources across the country as much possible and in an evenly manner. It is never going to be even, so we have to get the priorities right together. We need to work with everybody that has a development agenda that will benefit our people and our country. For those programs that have been discussed and pushed by some of the Governors, we are willing to sit down and work together so we can encourage those programs to be developed.

In East Sepik province, we are committed to building a new airport and new terminal in Wewak. I think in September, we are going to launch the Boram Hospital, which has been talked about for 20 years. In fact, that should have been the first one, unfortunately there were some disagreements so we diverted the program to Goroka because if we didn't, we would have lost the money. So the next hospital that we are building will be in Boram. For Madang, we are going to tender for the new terminal and the upgrade of the airport so we are doing these things across the country. There is no such thing as prioritising one province over another. I think all our people are qual.

Last week through social media, it was mentioned that Government is trying to use DSIP as a political tool and that was in reference to our friend from Madang .I think all Members who were here, heard what I said. It is not about politics, the people of Madang are our people, and they will continue to get the DSIP. There has never been any discrimination and some of our friends go to social media and twist things to suite their agenda. These are things that will continue to divide us.

We must forget about these because we have another four years to work together. Let us work together. If you disagree with me, I will understand, but it must be a constructive one where we can improve on. There has never been a personal government in the last forty years.

We will make decisions that may not be correct, but that does not mean they are done intentionally. They are done with the desire to bring development, provide services and grow the economy of our country. That is my grievance and I want to thank all the Members for attending this session. And we look forward to seeing you in August.

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Motion – That the Grievance Debate be noted – agreed

MOTION BY LEAVE

Mr JAMES MARAPE (Tari-Pori – Minister for Finance) – I ask leave of the Parliament to move a motion without notice.

PERMANENT PARLIAMENTARY COMMITTEE ON CONSTITUTIONAL LAWS, ACTS AND SUBORDINATE LEGISLATIONS – DISCHARGE AND APPOINTMENT OF COMMITTEE CHAIRMAN

Motion (by Mr James Marape) agreed to -

That Mr Robert Atiyafa be discharged as Chairman for the Permanent Parliamentary Committee on Constitutional Laws Acts and subordinate legislations and that Mr Jimmy Ugoro be appointed Chairman of this Committee.

SPECIAL ADJOURNMENT

Motion (by Mr James Marape) agreed to -

That Parliament at its rising adjourn until Tuesday 28 August 2018 at 2 p.m..

ADJOURNMENT

Motion (by Mr James Marape) agreed to –

That the Parliament do now adjourn.

The Parliament adjourned at 1.13 p.m..