

FIRST DAY

Tuesday 28 August 2018

DRAFT HANSARD

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FIRST DAY

Tuesday 28 August 2018

The Parliament met at 2.20 p.m., according to the Terms of Resolution of 27 July 2018.

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

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

Sitting suspended.

The Acting Speaker again took the Chair at 2.40 p.m., and invited the Member for Menyamya, **Honourable Thomas Pelika**, to say Prayers:

‘God of Abraham, Isaac na Jacob, tenkyu long creatim Papua New Guinea na mipela tu, mipela tok sori long wanem kain pasin mipela save mekim long laip bilong mipela, long tingting na toktok, pasin mipela mekim, mipela tok sori. Thankyou Lord for creating us for a purpose on this earth. Mipela sanap long tok bilong yu long Jeremai 29:11, tok yu gat plan long laip bilong mipela, tenkyu long yu gat plan long kamapim mipela olsem lida bilong dispel kantri, tenkyu Lord, mipela askim yu long tude bai yuk am stap wantaim mipela, givim mipela wisdom, knowledge long dispela 10th Parliament mi askim tu long sampela law bilong kantri i stap long Parliament olsem minning laws mas sesis so pipel of PNG ken benefit long resources bilong yumi. Dispela mi wokim sotpela prayer long nem bilong Jisas Krai i stap long Heaven wantaim ol angel olgeta taim praisim papa bilong yu na askim long bai yu helpim mipela, Amen’

BROADCASTING OF PARLIAMENTARY PROCEEDINGS – STATEMENT BY THE ACTING SPEAKER

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

(a) *National Broadcasting Corporation, NBC* Television and Radio will be allowed to telecast and broadcast live during Question Time.

(b) *EMTV* and *TV WAN* will also be allowed to telecast live Question Time for news purposes for the duration of the meeting.

**DEATH OF FORMER MEMBERS (Messers Michael Singan and Kappa Yarka) –
STATEMENT BY THE ACTING SPEAKER**

Mr ACTING SPEAKER – Honourable Members, I have to inform the Parliament of the following deaths of;

(a) Mr Michael Singan, on 2 December 2017. He was a former Member for New Ireland Provincial and was first elected to the Fourth National Parliament from 1987 to 1992. During his term as Member he served as Minister for Housing in 1989 and Minister for Environment and Conservation from 1991 to 1992.

(b) Mr Kappa Yarka, on August 2018. He was a former Member for Lagaip-Pogera Open electorate. He was first elected in the Seventh National Parliament from 2002 to 2007. During his term as Member he served as the Deputy Party Leader of the Peoples Action Party in the Highlands Region.

02/01

The Minister for Defence on 13th August 2002 and resigned as Minister on 18th May 2004. As a mark of respect to the memory of the late gentlemen, I invite all honourable Members of Parliament rise in their places.

All honourable Members stood in their places as a mark of respect to the memory of the late gentleman.

CERTIFICATION OF ACT

Mr ACTING SPEAKER – Honourable Members, I have to inform Parliament that the Speaker in accordance with *Section 110* of the *Constitution*, certified the *Tax Administration Act, 2017* that was made by the National Parliament.

ACKNOWLEDGEMENT OF ST JOSEPH INTERNATIONAL CATHOLIC COLLEGE – STATEMENT BY THE ACTING SPEAKER

Mr ACTING SPEAKER – Honourable Members, I have to inform Parliament that students from St Joseph International Catholic College are present at the Public Gallery this afternoon.

On behalf of the Parliament, I extend to the students a very warm welcome to the National Parliament.

QUESTIONS

Boram General Hospital Upgrade – East Sepik

Mr JOSPEH YOPIYOPI – I wish to direct my question to the Prime Minister.

Mr Prime Minister, the Boram General Hospital upgrade of K300 million is your personal initiative so can you tell the people of East Sepik what is happening right now. Recently the people of East Sepik have been saying that the project could not start because the Government does not have any money.

Mr Prime Minister, can you tell the people of East Sepik by:

- (1) Is the project still going to go ahead?
- (2) Has the Government released the K37 million required for the counterpart funding to enable this project to go ahead?
- (3) If this project is going to go ahead, when do you intend to visit Wewak to launch the history project for the people of East Sepik?

Mr PETER O'NEILL – The Boram General Hospital is well overdue for an upgrade and rebuilding. It has been talked about for many years not only by this Government but previous Government as well and nothing has been done about it. There has been piece-meal appropriation of government funding to that hospital and as a result, the services have declined over the years. The Government has taken a deliberate decision to rebuild the hospital like what is being done in many other parts of the country.

Mr Acting Speaker, we have secured a concessional funding from Czechoslovakia and its Government. We now have engaged a company called Vamed who is building a first class hospital in Goroko to go to Wewak and also build the Boram General Hospital.

03/01

We have already released K37 million to the Austrian Government and the Austrian Bank so Mr Acting Speaker, I can assure the people of the two Sepik Provinces that we will build them a first class hospital and I am looking forward to visiting it.

I am told by the developers that the project will be launched in early September, well before the Independence week. I will be visiting East Sepik on that occasion to launch this particular hospital.

Misleading MYEFO Report

Mr IAN LING-STUCKEY – Thank you, Mr Acting Speaker.

My questions are directed to the Treasurer on the false and misleading reporting of the 2018 Mid-Year Economic and Fiscal Outlook Report, commonly referred to as MYEFO Report he released at the start of this month.

My first set of questions in this parliamentary meeting will focus on his reporting of health expenditure.

Mr Acting Speaker, the National Government claims that everything is rosy and that revenue coming in is as expected. But, and this is a big but, if revenue is coming in so well, the Opposition, the Alternative Government and the people of Papua New Guinea are led to wondering why so many things are being left unfunded.

The 2018 Budget was built on fake revenue forecasts which then led to promises of increased health expenditure while we knew that the 2018 Health Budget still meant that funding per person in PNG has been massively cut from K217 per person in 2015 down to a promised K167 per person in 2018. The Treasurer was not being honest that some of the earlier health funding cuts would be restored.

So, my questions are:

(1) Mr Treasurer, why is it that the MYEFO Report shows that there has been no expenditure on or even warrants released for your so-called Free Health Policy. We know that this is a fake policy, and indeed the World Bank had recently made clear that it is not even a new policy as free primary health care had been an official policy since Independence 42 years ago. But the problem is that we are not getting money out into the rural health centres. So Treasurer, why is it that the K20 million set aside for Free Health Care has not actually been released or spent?

(2) Mr Treasurer, in a very similar fashion, why is it that of the K50 million set aside in the 2018 Budget for districts and rural hospitals, nothing and not a single kina has been spent?

(3) Why is it that of the K30 million set aside in the 2018 Budget for the ANGAU Lae Cancer Unit, nothing, not a single kina has been spent?

(4) Why is it that of the K15 million set aside in the 2018 Budget for the Wewak School of Nursing, not a single kina has been spent?

(5) Why is it that of the K10 million set aside in the 2018 Budget for the PNG Church Partnership Program, which is already massively underfunded given its important health and education role, not a single kina has been spent?

(6) And finally, Treasurer, when will you admit to the people of PNG that the fake revenue in the 2018 Budget means that you made too many promises but you simply cannot keep such as all these broken promises in the health sector.

04/01

(7) Mr Treasurer, if the revenues were actually flowing in as you claimed in your MYEFO Report, and keep publishing in the newspapers, why aren't such trumpeted health activities being funded?

Mr CHARLES ABEL – Thank you, Mr Acting Speaker. I thank the Member for Kavieng for his questions in relation to MYEFO and his continued vigilance from that side of the Floor in relation to these sort of questions and his continued assertion that the budget is a fake one, which I continually refute.

In relation to the MYEFO, Mr Deputy Speaker, on Thursday this week, I will present the 2019 Budget strategy paper and the MYEFO Report to comply with the *Fiscal Responsibility Act*. We have also gone ahead on time making sure that the report is published.

I want to emphasise once again, the Government's effort in making sure that we comply with all the requirements of the law in putting out the Final Budget Outcome Report on the 2019 Budget, MYEFO and the budget strategy paper going forward. We are making a big effort and I hope that is acknowledged because information collection and reporting has been an issue in the past throughout Government and it is a challenge, yet our Government is stepping up and taking that on.

In relation to your comment and I quote' "*Government is saying that everything is rosy*", I don't know who made that statement. It certainly never emanated from my mouth. I have been continually articulating the challenges that our country is facing with situations like the recent earthquake, the drought, and the usual challenges of a developing nation. I never said that everything is rosy. We presented the positive things that our Government is doing despite these circumstances. These are the good things we are trying to do. We have all the usual development challenges out there that we faced since Independence. Every village we visit in this country still face these challenges, but the point is, things are starting to happen out there. The interventions of our program like bringing money down to the provincial, district and village level is bringing change.

On the health situation, Mr Deputy Speaker, it is being acknowledged in international institutions that nine per cent of our Budget is spent on the health sector, ranking us very highly for a developing country in the world. Papua New Guinea is rated very highly in that regard. We have allocated the funding; we are following the 10-year Health Development Plan. And, of course, we continue to struggle with the execution of some of those funding, but these are the challenges. From a budgetary perspective, we are allocating the resources.

Recently, in the Supplementary Budget, we cut DSIP and PSIP funding to make sure almost K200 million extra money was put into medicine and that's the focus we bring. We have sacrificed the district programs from K10 million to K2 million, so that we could make sure priorities like the Health Department were funded. Those are the signals we are sending. This is not to say that there are no challenges, there are issues with procurement, staffing, and infrastructure. We are trying to address all these issues through this significant proportion of our Budget. It is a priority that our Government has had from the beginning, from funding health development right down to making sure that the financial guidelines, the DSIP and

PSIP have included and 20 per cent is spent on health. We are trying to bring that focus. We have a very comprehensive Health plan and we are trying to stick that particular imperative.

Mr Acting Speaker, in terms of the Free Health Care Policy, when I go the Alotau General Hospital which my people are accessing, the outpatient is free of charge and the inpatient is charging 50 per cent of the previous cost. In the past, we paid K2 and K10 depending on the time we turned up to access those out-patient services and also the full cost of the inpatient services. The policies are being executed from the provincial health authorities through to the health centres and community aid posts. Our people are accessing these services, unlike the past when they had to pay for these services.

05/01

The Free Health Policy in that sense and the subsidised secondary policy is in effect, but you have the budgetary funding issues that occur from time to time. We have K20 million in there and I just got a report from the departments of Finance and Treasury just updating me on some of those expenditures. I would like to respond to the specific questions that you asked but as I said in the MYEFO report, 40 per cent of the expenditure priorities in the 2018 Budget to midyear 30th of June have been met. And 44 per cent of the revenue has been collected. I have spoken about this before and I will table and go through some of those in detail. But as explained, it is in the second half of the year which the majority of our financing, tax and dividend collections will come to bear. And we will make up that balance of the 60 per cent of the outstanding on the expenditure side.

We are committed to these and they are not fake figures, these are figure that we are confident of achieving. And as I said, the elements of the taxation stream are above the Budget. I will provide those figures on Thursday on how mineral and petroleum taxes for example; where we only budgeted K89 million and we are tracking in K600 million so far, because oil prices are improving. So there are circumstances coming to bear and that we are going to make sure that these envelopes are fulfilled and we are able to turn around and fulfil those commitments.

It's not all rosy because our country is facing challenges but we are taking those challenges head on. And we are acknowledging the mistakes of the past. We got some resource projects coming up for example where we have learned from the LNG project. We have made sure that we have restructured these arrangements. So that our country gets a full and better benefits from this wonderful natural resources that God has blessed us with.

Mr Acting Speaker, the Member has asked me a specific question in relation to the Free Health Policy and the District Hospital Program; where K50 million was allocated through the Health Department. Half of that money has been transferred to the Health Department. The Health Department is working together with Department of Planning to deliver on the District Development Program. To say that no money has been given, is completely inaccurate.

In relation to the Wewak School of Nursing and Church Partnership Program, I will have to get the figures of the school of nursing, I do not have those figures right now. In terms of the Church Partnership Program, the Minister for Community Development is administering that. And I know that there has been expenditures recurring under that program, so to say no funding has gone into that is also inaccurate. These are development funding that are warranted from the Department of Planning.

Mr Ian Ling-Stuckey – Point Of Order! My questions are very clear and simple. I am referring to the Treasurer’s own report. In that report it states very clearly that no warrant or no funds have been released. He signed off on that report and now he is saying that he has released it. We just want an honest answer.

Mr CHARLES ABEL – Mr Acting Speaker, I will look at those line items that he is talking about, but as I am saying I do not believe in those accuracies. We will cross reference those and I will respond in my speech on Thursday with the Outlook Report, also for the 2019 Budget. All in all, we are progressing with the execution of the Budget and to say that it is a fake budget is completely inaccurate and is an attempt to justify your words and make some grandeur statement. In fact, we are confident that this Budget is going to be delivered and so far, apart from some delays that I have explained, we will get there and deliver this Budget.

Misappropriations – Vudal University

Dr ALLAN MARAT – My questions are directed to the Minister for Higher Education, Research Science & Technology.

The questions are concerning the University of Vudal, which is also referred to as the Papua New Guinea University of Natural Resources and Environment. I will use the name the University of Vudal in my series of questions. This university is situated in the East New

Britain Province in which the electorate of Rabaul is located. And it is for this reason that I care so much for this university that I want to see that it continues to enjoy institutional autonomy and academic freedom.

06/01

Mr Acting Speaker, the *University of Vudal Act of 1997* gave authority to the University of Vudal Council. It provides that the Council be the authority responsible for the affairs of the University of Vudal.

Mr Acting Speaker, here are my series of short questions to the Minister for Higher Education, Research and Technology:

(1) Can you inform this Parliament whether you agree that the University of Vudal Council is responsible and reports directly to you?

(2) If you agree, did you request the Vice Chancellor and the Council members of the University of Vudal to provide you the facts and background information which you needed before you decided to revoke their appointments or tenure on 27 September, 2017?

(3) In your letter on 27 September, 2017, did you tell the Council members the facts and reasons which led you to revoke their appointments on that Council?

(4) Did you require Council members to provide answers or responses to defend their standings before you decided to revoke their appointments?

(5) How many days or weeks did you require them to provide their responses to you?

(6) Do you accept the fact that the University of Vudal Council members are entitled under the *Papua New Guinea Constitution* to have been told about the reasons and be given sufficient time to defend themselves before you decided to sack them?

(7) Can you tell this House whether Fr Jun Czuba, Secretary of Department of Higher Education, Research, Science, and Technology has any direct authority over the University of Vudal and its Council?

(8) Are you aware that Fr Czuba is a very close friend of Dr Philip Siaguru, the former Vice-Chancellor who was sacked by the Council in 2015 for not complying with the Financial Management Supply and Tenders Procedures and other unacceptable practices?

(9) The University of Vudal academic staff and students should by now be enjoying the comfort of a new and modern library at the cost of K16 million. The construction company was paid an advance of K12 million by Dr Siaguru.

Do you know the current development of that library?

(10) Dr Siaguru did not have financial delegation approval from the Minister for Finance to pay in advance the K12 million to the construction company.

Can you tell this House what you are doing to recover this K12 million?

(11) Mr Minister, your Office has a detailed report compiled by the University of Vudal Council on the abuse of the Financial Management Supply and Tenders process by Dr Philip Siaguru.

(12) Can you inform this House whether you and Fr Czuba, are going to refer Dr Siaguru to the National Fraud Squad to conduct investigation into the tender process that he employed to award contract on the library and other projects, and to determine whether Dr Siaguru financially benefitted from those contracts?

Thank you, Mr Acting Speaker.

Mr PILA NININGI – Mr Acting Speaker and I thank the Honourable Member for Rabaul for the series of questions relating to the University of Vudal.

I will answer the last question first on the misuse of public funds.

I am sure if you go to the University, you will see an incomplete building there. You and I know that misuse of funds is the issue.

07/01

As far as I know, Dr Siaguru has been charged and so if any person is aware of the situation and has knowledge of others who are implicated then please do report them to the Police Fraud Squad. But in the meantime, we have taken action against Dr Siaguru.

The next question on recovery process is that we are waiting for the funds because it's been misused by the previous management. Therefore, we have taken actions by preventing them from further missuses and made changes at the management level. And some members of the university councils have rejected the call to stay on and we respect their decisions. Not everybody are practising illegal activities such as misuse of funds, no, only few of them are doing that and those who are not implicated have been asked to stay on but they have rejected the call so I respect their decision in letting them to go.

In the meantime, new appointments have been made to run the university and the other is the issue of vice chancellor resignation which I have submitted the reports to the Prime Minister on his resignation and the appointment of the new vice chancellor by the council.

The University Council has the authority of itself and I don't have the authority to control the affairs of the University Councils. And that applies to all other higher institutions as well, we must not intervene with their running of the institutions.

During the recent strike at the university, I went there personally and asked the students to resume classes which they followed. And I told them that the appointment of the university councils has got nothing to do with your studies and your responsibility is to attend class and learn and that's all. And the appointment of the university council has to be done by the Government of the day.

As for the university council members they have been given the opportunity before they were revoked but they didn't comply so I have simply taken action and I am comfortable with it. And the Secretary is not a council member so I have instructed him not to get involved with the members. Which he obeyed because investigation must not be influenced by outsiders. But meantime the police investigation team are currently working on it and people concerned will be charged accordingly.

08/01

Kimbe Water Supply

Mr SASINDRA MUTHUVEL – I wish to direct my questions to the Minister for State Enterprises. In the last four years, we have been without a regular supply of water. It comes in for 1 hour in the morning and 1 hour in the afternoon.

What will Kumul Holdings as the main agency responsible for this problem? Kimbe being the third busiest sea port in the country with international boats requesting water supply is real concern for us. Four out of seven bowels have already been closed due to the iron bacteria contamination and we urgently request some additional bowels to help with the problem. It has been an ongoing problem for the last four years without much success.

Mr Acting Speaker, in relation to the sewerage facilities in town, it was built more than 30 years ago. It is right opposite the Kimbe Hospital and the residential premises and that it causes a lot of pollution. We therefore urgently need to look at how we can relocate this facility to another suitable location.

Thirdly, the much anticipated Biala Water Supply which provincial government also funded for its feasibility in 2013 and finally tenders have been called for to work on that project. I was reliably informed that the contract was already awarded. Can the Minister clarify as to when construction will begin?

Mr WILLIAM DUMA – I thank the Governor for West New Britain for his questions.

I think the Governor is well aware of what is being done. There is a submission that is going to be presented to the Cabinet and then the nominated contractor will be engaged to carry out the overdue work. The Cabinet should be able to make a decision in the next two to three weeks subjected to what the Prime Minister says.

Mr Acting Speaker, it is a project of national importance and as such we have been working very hard to see it get off the ground as soon as we consult with the Cabinet.

In relation to the sewerage problem, Water PNG has already engaged engineers to carry out a thorough review of the existing system. We hope to fund that from our sources of the merger of Eda Ranu and Water PNG has been finalised than we should be able to have enough money to fund that project.

I can assure the Governor that West New Britain is in our site and it is an important economic province and Kumul Consolidated Holdings through its companies is doing something for utilities in that area.

I can also inform that Governor that PNG Power is also reviewing the existing system there. We are also talking the New Britain Palm Oil with the view to ask them to come on board. Hopefully in the next 12 to 16 months the Governor should all those essential services provided to his province.

Supplementary Question

Water Supply in Kundiawa

Mr KERENGA KUA – The Kundiawa Town has been without a water supply for the last 15 years so can the good Minister tell the Parliament what his plans are in restoring water supply there and other parts of the country?

09/01

Mr WILLAM DUMA – I thank the Member for Sinasina-Yonggamugl for his questions. The Member is aware that this Government did not let the people of Kundiawa Town down. In fact, funding of K5 million was allocated for that project but unfortunately the moneys were misused by people. It went to the wrong hands and my good Member is aware of that.

But, having said that, Mr Acting Speaker, a month ago, I authorised Eda Ranu to actually go and help Water PNG and conduct a thorough review of the existing system and that report is ready. Once it is presented to the merged entity, funding will be made available. We are a responsible government and we will help our people despite what has happened in the past. We will carry out what is required for our people of Kundiawa.

Remove District Treasury Officers

Mr THOMAS PELIKA – Thank you, Mr Acting Speaker. My question is directed to the Finance Minister.

The Government said to roll out finance programs. When I was Member I built a Finance office, Finance officers' houses and a Treasury office. I have been out for 15 years and I came back.

My questions concern the staff of the Treasury office. Our problem is that people living in the rural areas have an affinity to go to towns. And when they go to town, they want to sleep in hotels and hires cars. Money is sent to the district to develop the districts, and it is not to spend on hotels.

Some of these staff who have done wrong are transferred to other areas of responsibility because of the fact that they are trained staff and will be difficult to replace. This practice must change. The white people have come and gone, we need to change.

These are public servants, but members come and go. When you send money down to the districts make sure you follow up on it and make sure that the money is spent on the purpose it is intended for. A small clerk or an administrator must not indulge on his whims. Leaders end up being blamed for it.

Will the Minister remove certain Treasury staff in Menyamya or not? If not, I will chop off their fingers. It is true because the practice of putting one claim here and another on the other side must stop. Do not put claims through the side door or the window, follow the system and let public servants move.

This country is suffering because those insignificant public servants are saying that the Member is here so we can do anything we want. And if you hear anything from my district about us belting up the staff then you know what happened, it is because of their practices.

Mr JAMES MARAPE – Mr Acting Speaker, I want to thank the Member for Menyamya for asking this very good question. He has raised an issue of our Treasury staff engaged in raising claims, some of which do not have any legitimacy in the way they raised them so I take note of those questions.

Let me take this time to sound a warning or message right across to all provincial and district Treasury staff taking cue from the questions from the Member for Menyamya. There must not be instances of over claim and this is not the first instance of an issue of that nature being raised to me.

10/01

I received many complaints from Members on matters relating to how the district treasuries and provincial treasuries are functioning. Many issues have been raised in regards to public servants in key positions in provinces raising unnecessary claims and submitting claims when cheques are being raised for those district or provincial programs.

Firstly, no Public Servant should claim over and above what is legally allowed for claiming. In the instance of the use of DSIP and PSIP, I think there is a 10 per cent component for the administration aspect of it. Out of that 10 per cent, 30 per cent of that is to support our public servants on the ground to ensure that they do the right thing, whether it is their allowances or overtimes. They should claim in every district and province concerning DSIP and PSIP. Additional claim for administrative use of the DSIP should be sourced from the 30 per cent component. So nothing comes beyond, it falls in that envelope.

On the principal issue of whether they must be submitting claims, for the start, they are public servants, they must not be engaged in businesses. They are there to facilitate expeditiously the funds that are remitted into district treasury and provincial treasury that is meant for development.

Mr Acting Speaker, let me sound this warning out that no district treasury staff or provincial treasury staff or those involved in the supervision and distribution of the PSIP, DSIP and other program funds that go through districts or sub-national government level to be used to pay for contracts or services that are claimed by public servants illegally. Even if it is a legal scheme, where contracts are engaged, it is improper in my view that public servants that are already paid by state engage in business and submit for claims through excess of Government funds. Public servants, whether you are in the district treasury or provincial treasury, or the public service proper, if you want to engage in business, resign from public

service, get out there and work as an entrepreneur. It is not fitting to be engaged in the Public Service, presiding over the disbursement of funds and then submitting a claim for those funds that are meant for the administrative purposes.

May this be a warning in light of that and I will instruct my department to get me a financial instruction that is congruent to my statement today and to make that a case in point in law concerning this.

So, honourable Member for Menyamya, thank you for your questions. Sometimes we all have issues in our district and provincial Treasuries, and if you have an issue of complaint, ensure that it is not just a discussion or conversation in this manner but you must provide the hard evidences in the instances of abuse, and forward it to our office so we will try to follow up.

Mr Thomas Pelika – Point of Order! Thank you, Mr Acting Speaker, this is not a new issue. I used the DSIP funds to pay the travel fees for an officer from Finance to travel to my electorate. He assured me that he would deal with these officers, yet nothing has been done. I have done virtually nothing with the K3 million I received because those in the system know each other and they use up the money for their own gain. I want all these officers sacked from my district.

Mr Garry Juffa – Sack them all!

(Members interjecting)

Mr JAMES MARAPE – Thank you. Mr Acting Speaker, do I need to perform your role?

(Laughter-in-the-Chamber)

11/01

Mr ACTING SPEAKER – Order! Mr Minister, continue.

Mr JAMES MARAPE – Honourable Member for Menyamya, I have heard your call and I will get my department to attend to it. Respectfully the Member sitting next to you, the

Member for Ijivitari, had an issue with some district staff from his district treasury and he was equally frustrated, while I was issuing instructions but eventually when the correct assessment was done and the correct establishment of corrupt practices were confirmed. His two officers got sidelined so it takes time. We are dealing with people so we have to be fair and confirm whether they have done something wrong, is it hard-core or just misdemeanour, before taking the appropriate actions. Write to us and we will try to correct those situations at hand.

SUSPENSION OF STANDING ORDERS – EXTENDED TIME FOR QUESTIONS

Motion (by **Mr Lino Tom**) put –

That so much of the *Standing Orders* be suspended as would prevent time for Questions Without Notice this day being extended by 20 minutes.

Motion negatived.

Increase Pay – Medical School Lecturers

Mr LINO TOM – My questions are directed to the Prime Minister. I was hoping to ask these questions to the Minister for Health but since he is not present today, I ask the Prime Minister to answer the following questions.

Our medical school is rapidly losing its most senior academic staff because the remunerations package is quite low, it is even lower than the junior medical officers who are working at the hospital. We have a very dangerous situation when you have very junior staff taking up teaching positions. The surgical department has one academic staff looking after undergraduate and post graduate students, nursing students and other para-medical students. The work load becomes too much and the quality of professional output in terms of teaching and supervision is very low.

I am sad to say we are teaching a future generation of medical staff who are going to be less qualified putting the lives of our people at risk.

My questions are:

(1) When are we going to pay their NDA awards and make the salary reasonable to attract senior and more qualified personnel to teach the upcoming medical students?

(2) Can we not pay the doctors who are not doing clinical work like some senior administrators at the Health Department who are paying themselves clinical allowances and overtime allowances?

(3) Can we get these money and pay these academic staff who are teaching at the school and at the same time looking after our patients at the hospital?

As we speak, a lot of a lot of our senior doctors have actually left the teaching fraternity and have gone out to take up clinical positions because the pay is quite low. It is a very serious issue that needs to be looked into.

12/01

I think it is a very serious issue and needs to be looked at and I am pretty sure that the University has different pay structures to follow. But, this is an important issue that needs to be taken care of and we need to raise the remuneration package of our senior doctors who are actually teaching at the Medical School.

(4) Can the Prime Minister assure this House that there will be something worked out to actually raise the pay levels of the current academics at the School of Medicine and health Sciences?

Thank you, Mr Acting Speaker.

Mr PETER O'NEILL – Mr Acting Speaker, I thank the Member for Wabag for his questions.

I am not aware of the remuneration packages of our lecturers at the Medical School but I will get the Health Minister to look into the issues that the Member has raised. In fact, the Health Minister is attending the 70th anniversary celebrations for the Medical Research Institute on behalf of the Government which will take place tomorrow.

Mr Acting Speaker, institutions like Medical Faculty and the Medical Research Institute make huge contribution to our nation. The Medical Research Institute, as many of us don't know, have done research work that has produced two noble peace prize winners and they are well renowned.

So, Mr Acting Speaker, we need to protect these two institutions and I have made this announcement last year that the Medical Faculty will be a standalone university. We were

trying to do that this year but the University of Papua New Guinea administration and the Council have taken the Government to Court over that particular issue for the reasons that the good Governor has stated. We want that to be standalone because the skills level and professionals that we need to employ at the Medical Faculty is quite high and they need to be remunerated quite well and they do not have to be treated like all the other public servants that have been employed by other departments. This is not to say that they are not making positive contribution to our nation but their skill level we need to pay well.

I would like to assure the Member that I will get the Health Minister to attend to this as quickly as possible.

I am in fact very surprised that the National Doctors Association Awards has not covered this particular professionals who are teaching our students at the Medical University. They should have been covered under the awards that they have received so that these professionals are remunerated, paid well and given the dues that they deserve. But, I will get the Minister to look into it and certainly my view is that they must increase their salaries immediately and in some cases back pay what has been overlooked.

Thank you, Mr Acting Speaker.

**DEPARTMENT OF JUSTICE AND ATTORNEY-GENERAL –
STATUS REPORT OF THE NATIONAL NARCOTICS
BUREAU – MINISTERIAL STATEMENT –
MOTION TO TAKE NOTE OF PAPER**

Mr DAVIS STEVEN (Esa'ala – Minister for Justice & Attorney-General) – Mr Acting Speaker, it is with great pleasure that I update this Honourable House on the Status of the National Narcotics Bureau established under *section 12 of the National Narcotics Control Board Act 1992* which is now under my ministerial portfolio.

Mr Speaker, drugs and substance abuse, particularly marijuana and homebrew consumption have contributed and continue to contribute to the devastating lives of our youths and contributed to the law and order issues of our country. I refer to youths mainly because they are regarded as the active part of our population between generally the ages of 17 years to 30 years old.

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Besides being in the age group most vulnerable to substance abuse, this group of citizens can be the most productive in contributing towards nation building. I am sure this statement can be supported by the honourable Minister for Community Development, Youth and Religion and this Honourable House.

The increasing rate of drugs and substance abuse to date can be realized in the various stages of the criminal justice administration processes, which include the Village Courts, the Police, the Public Solicitors Office, Juvenile Justice System, the District Courts and the National Courts. For example, the Juvenile Justice Services Annual Report 2014 reports that the majority of offences being committed by juveniles were drug related.

For the benefit of this Honourable House, juveniles are children between the ages of 10 to 18 who have come into conflict with the law. The Juvenile Justice Services under my ministerial portfolio deals with juvenile matters and a statement will also be presented before this Honourable House.

The use of drugs and its effects have also been reported to have increased significantly in the last five years according to the Health Department, Education Department and the Department of Community Development. Given globalization as well, our country and its citizens are faced with the risk of drug smuggling activities of various types that can entail related transnational criminal activities.

This affects Papua New Guinea's aspirations to attain its required Human Development Index (HDI) target which contributes significantly toward sustainable socio-economic development. Therefore, honourable members, if we are concerned about our future and the ability of our citizens to contribute meaningfully and use the many development opportunities being provided by our government, then we must not leave this concern to chance or irregular measures.

Besides having my department to improve the systems and processes to address this through the respective crime prevention initiatives, I have tasked my department to organize a National Law & Order Summit to be held in Lae on the 8 to 10 August 2018. This event shall have stakeholders from government, non-government organisations such as churches and civil society and development partners to discuss and develop activities that are aimed at addressing lawlessness. This shall include significantly drugs and substance abuse.

Mr Acting Speaker, I will be bringing a statement to Parliament on the outcome of the outcome of the sector dialogue during this meeting after the approval from the Ministerial Committee on the Law and Justice Sector and the NEC.

Mr Acting Speaker, the statutory organisation responsible for addressing these issues is the National Narcotics Bureau which is established under the *National Narcotics Control Board Act 1992*. However, the National Narcotics Bureau has not been functioning effectively since 2012 due to mismanagement and related issues. Also, the National Narcotics Control Board, being the supervisory body comprising of relevant government and non-government organizations has not been meeting and performing its mandated responsibilities under the Act.

Nonetheless, I am pleased to report to this Honourable House significant developments that have happened under my ministry and department since the government approved the *National Narcotics Control Board Act 1992*. As the House is aware, the Government, in its wisdom, pursuant to the *Alotau Accord II* in 2016 and a subsequent *NEC Decision NO: 15/2018*, approved to have the *National Narcotics Control Board Act 1992* to become a portfolio responsibility for the Minister for Justice

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The change of portfolio responsibility took effect on 12 May 2016 pursuant to *National Gazette No: G288/2016*. The significant improvements being progressed to date include the following:

(a) Since 2016, the Bureau has been deemed a branch of my department under the Justice Administration Division. This has enabled the Bureau to use existing resources from my department which include a small office space, computers and printers and logistical support. To do this in 2016 and 2017 was challenging for my department in that the Bureau's budget was not available. However, I am pleased that my department managed very well regardless. The Bureau prepared a Work Plan for 2017, which was reviewed, endorsed and published as part of the department's Work Plan for that year. The Bureau has effectively been categorized as a Key Result Area (KRA) for my department in 2017;

(b) Under my department, the Bureau was also able to get recognition from development partners and donors which included the funding of some of its planned activities such as a stakeholder workshop in 2017 and awareness in schools in Central and

NCD early this year;

(c) There are currently 42 officers of the Bureau who are on government payroll.

Mr Acting Speaker, my department has managed to accommodate eight (8) of the key officers given limited office space. But has nonetheless involved the rest of the officers in a number of workshops and awareness programs. On that aspect, I have recently made a statement in the media to have all staff of the Bureau attend to work or be dealt with accordingly;

(d) My department managed to review the staff on strength of the bureau and the personnel matters in conjunction with the Department of Prime Minister & NEC and the Department of Personnel Management. This resulted in identifying clearly those staff members on payroll, submitting a budget proposal and receiving funding in 2018, monitoring the use of the budget, pursuing disciplinary matters, and commencing a retrenchment and redundancy exercise. A plan has been developed to address these issues which my Ministry shall report on its progress through the 2018 Annual Report of the Bureau;

(e) My Department has progressed also; a nationwide drug and substance abuse strategy which I shall launch in November; reinstated the proposed Controlled Substance Bill in the legislative process which I intend to bring to Parliament soon; reinstated and launched through the Constitutional & Law Reform Commission the Issues Paper on 'Review of Laws on Use and Abuse of Alcohol and Drugs'; and started implementing the Nationwide Drugs & Alcohol Awareness Program 2018 with a Memorandum of Understanding executed by relevant stakeholders for purposes of collecting primary data. These shall set the foundation for sustainable collaboration and implementation of drug and substance abuse laws and programs amongst stakeholders;

(f) Mr Acting Speaker, these Substance Abuse Education & Awareness Programs have been rolled out in NCD and Central Province with the Education Department and others that were assisted by my department's Crime Prevention and Restorative Justice Branch to identify targeted communities rife with substance abuse to bring about awareness;

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(g) Furthermore, the Bureau will also be conducting substance abuse training for Juvenile Rehabilitation Centre Service Providers in collaboration with the Juvenile

Justice Services. This is a result of funding being secured from development partners;

(h) The National Narcotics Control Board (the Board) was then reconvened and a meeting was held on 29 August 2016 by which Dr Lawrence Kalinoe as Secretary for Justice was appointed as Chairman. In that meeting, an acting appointment for the Director General for the Bureau was considered and recommended. This appointment was made in accordance with the Regulatory Statutory Authorities (Appointment to Certain Offices) Act 2004 in conjunction with the Department of Personnel Management. The Minister for Public Service, as the delegate of the NEC, then advised the Governor-General to make the appointment. I am pleased to advise that the recommended candidate, Mr Nichodemus Mosoro (Deputy Secretary) Department of Justice & Attorney-General was appointed to act as the Director-General. This appointment was made on 29th June 2018 and published in the National Gazette No. G435/2018.

With the appointment of the acting Director-General, I am confident that the administrative and operational matters being progressed and that which are outstanding will be attended to. I have therefore instructed the acting Director-General to identify office space and make sure those officers on payroll come to work and be subjected to the public service processes.

Mr Acting Speaker, the Bureau is established under *Section 12* of the *National Narcotics Control Board Act 1992* (the *Act*). It is a regulatory statutory authority therefore the appointment of the Director General is subject to the *Act* and the *Regulatory Statutory Authorities (Appointment to Certain Offices) Act*. In implementing its functions, the Bureau is subject to the supervision of the Board.

According to *Section 4* of the *Act*, the National Narcotics Control Board shall consist of eleven members from various agencies that will meet to discuss issues pertaining to the administration and operations of the Bureau. It is required by law that the quorum for every meeting is six. The current Chairman of the Board is Acting Secretary Dr Lawrence Kalinoe who was voted unanimously by the ex-officio board members in 2016. So far the Board has conducted two meetings. The Board plays an important role not only in supervising the Bureau but also in regulating the sale and distribution of any substance that can be considered unlawful or possess or cause harmful effects as a narcotic or drug.

Given that the Board has now convened and that an Acting Director General has been appointed, I am inclined to pursue also any international requirements imposed upon or is available to Papua New Guinea that concerns narcotics. The main international arrangement

to which Papua New Guinea is yet to ratify is the United National Convention against Illicit Trafficking in Narcotics and Psychotropic Drugs 1988. The requirement to ratify this convention is to enact a Controlled Substance legislation, which a draft has already been done and will be progressed through the legislative process. If our country ratifies this convention, we are then able to get international recognition in terms of law enforcement cooperation and technical assistance.

Mr Acting Speaker, the NNB receives funding as a statutory organization. The NNB budget from 2014 to 2017 is about K 4 million. The budget for 2018 has now been reduced to about K2.5 million. Since the leadership and administration of the Bureau have now been reinstated, it is my ministry's request before this Honourable House that the Bureau be supported in terms of its budget and resourcing so that it addresses drugs and substance abuse in Papua New Guinea.

Thank you, Mr Acting Speaker and Members of this honourable House.

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

That the Parliament take note of the Paper and the debate be deferred to a later date.

Debate deferred.

ADJOURNMENT

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

That the Parliament do now adjourned.

The Parliament adjourned at 3.40 p.m..