

FIRST DAY

Tuesday 22 February 2022

Subject:

Page No:

LEADERSHIP TRIBUNAL – DECISION – MEMBER FOR TELEFOMIN OPEN ELCTORATE (Hon. SOLAM MIRISIM, MP) – STATEMENT BY THE DEPUTY SPEAKER	2
CERTIFICATION OF ACTS – STATEMENT BY THE DEPUTY SPEAKER	3
QUESTIONS	3
Rex Wanizing Death Investigation Update	6
Documentation of Road Classification in PNG	7
Works Department Leasing Road Equipment	7
Supplementary Question	9
Sumgilbar Road Funding	9
PHA Regulations Status Update	10
Covid Funding Audit Update	10
Jomard Passage	10
Supplementary Question	14
Funding for Common Roll	14
Review PNG Power – IPP Agreement	15
AUDITOR GENERAL OF PAPUA NEW GFINIA – REPORT OF THE AUDITOR GENERAL – PART VI, 2020 – MOTION TO TAKE NOTE OF THE PAPER.....	18
PUBLIC SERVICES COMMISSION – ANNUAL REPORT OF THE PUBLIC SERVICES COMMISSION, 2020 – MOTION TO TAKE NOTE OF THE PAPER	18
SUPREME COURT OF JUSTICE AND NATIONAL COURT OF JUSTICE – ANNUAL REPORT OF THE JUDGES, 2020	19
ADJOURNMENT	19

FIRST DAY

Tuesday 22 February 2022

The Parliament met at 2 p.m. as per the terms of the Resolution of 20 January 2022.

The Deputy Speaker (**Koni Iguan**) took the Chair

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 2:30 p.m., and invited the Member for South Bougainville and Minister for Information and Communication Technology, **Honourable Timothy Masiu** to say Prayers:

Gutpela God long Heven, mipela kam long yu bihain long dispela taim long dispela dei. Mipela sanap long ai bilong yu papa. Mipela no stretpela man. Mipela kam, sin em i pulap long laip bilong mipela, miepla askim yu long fogivim mipela na rausim dispela sin long mipela so that mipela ken kam long yu olsem bikpela righteous God. Mipela tok tenkyu long marimari na bel isi bilong yu na mipela tok tenkyu long givim mipela dispela laip long mipela inap mipela bung wantaim long dispela honorable House. Mipela prea na putim ol people bilong mipela long han bilong yu long wanwan electorate, long wanwan province long hia, long wanwan districts. Papa mipela tok tenkyu long yu blesim mipela wantem dispela naispela kantri, great nation. Papa em prea bilong mipela long helpim mipela long sevim gut ol pipol bilong mipela wantem gutpela tingting na save bilong yu. Tenkyu long dispela bung bilong mipela. Mipela prea na commitim Prime Minister bilong mipela long han bilong yu, Deputy Prime Minister, olgeta ministers, members of Parliament, Opposition Leader, Deputy Opposition Leader, wantaim Speaker na Deputy Speaker na olgeta wok man meri bilong dispela Parliament bilong mipela. Tenkyu, tenkyu long olgeta gutpela bilong yu, yu gutpela God tumas, tenkyu long blessing na tenkyu long olgeta samting bai yu mekim long mipela long taim mipela toktok long ol issue bilong kantri bilong mipela long dispela Parliament sidaun bilong mipela tudei, mipela askim dispela prayer long nem bilong Jisas. Amen.

LEADERSHIP TRIBUNAL – DECISION –
MEMBER FOR TELEFOMIN OPEN ELCTORATE (HON. SOLAM MIRISIM, MP)
– STATEMENT BY THE DEPUTY SPEAKER

Mr DEPUTY SPEAKER – Honourable Members, I present the decision and subsequent orders in the matter of a reference by the Leadership Tribunal pursuant to *Section 27(2)* of the *Organic Law on Duties and Responsibilities of Leadership* in the matter of Honourable Solan Mirisim, member for Telefomin Open Electorate and Member of the West Sepik Provincial Assembly.

The Tribunal on Thursday, 2 December 2021 ordered that:—

- (1) The Leader is fined K500.00; and
- (2) The fine is to be paid at the National Court Registry forthwith; and
- (3) A certified copy of the receipt for the payment of the fine must then be served immediately on the Public Prosecutor, Ombudsman Commission and the Speaker of the National Parliament; and
- (4) The Leader's current suspension from duties will be automatically lifted upon payment of the fine as ordered herein and upon service of the certified copies of the receipt for the payment of the fine on the Public Prosecutor, the Ombudsman Commission and the Speaker of the National Parliament; and
- (5) effect of Order 4 is that upon payment of the fine and immediately upon receipt of the payment of the fine on the Public Prosecutor, Ombudsman Commission and the Speaker of the National Parliament, the Leader is entitled to perform all his leadership duties and responsibilities, including duties as Member for Telefomin Open Electorate.

02/01

And having paid the fine, in compliance with Section 27(6) of the Organic Law on the Duties and Responsibilities of Leadership and in accordance with the decision of the Tribunal, his suspension was lifted and he resumed office as the Member for Telefomin Open.

**CERTIFICATION OF ACTS –
STATEMENT BY THE DEPUTY SPEAKER**

Mr DEPUTY SPEAKER – Honourable members, I have to inform the Parliament, that I have in accordance with *Section 110* of the *Constitution* certified the following *Acts* as having passed by the National Parliament.

1. Appropriation (General Public Service Expenditure 2022) Act 2021
2. Appropriation (Judiciary Services 2022) Act 2021
3. Appropriation (National Parliament 2022) Act 2021
4. Climate Change (Management) (Amendment) Act 2021
5. Controlled Substance Act 2021
6. Customs Tariff (2022 Budget) (Amendment) Act 2021
7. Departure Tax (2022 Budget) (Amendment) Act 2021
8. Excise Tariff (2022 Budget) (Amendment) Act 2021
9. Gaming Control (2022 Budget) (Amendment) Act 2021
10. Goods and Services Tax (2022 Budget) (Amendment) Act 2021
11. Income Tax (2022 Budget) (Amendment) Act 2021
12. Oil and Gas (P'nyang LNG Project) (Amendment) Act 2021
13. Public Solicitor Act 2021
14. Salaries and Remuneration Commission (Amendment) Act 2022
15. Stamp Duties (2022 Budget) (Amendment) Act 2021

QUESTIONS

Mr PETER ISOAIMO – My question is directed to the Minister for Justice and Attorney-General

It is in relation to the contradicting statement of last week by the Chief Electoral Commissioner last week in the media, and the Minister himself today; as well as other law enforcing agencies, with regards to the election laws governing early campaigning.

As we understand, traditions of democracy have been that, though there are grey areas within the electoral laws, Electoral Commission is the boss who decides when writs for the General Elections, be it national, provincial or local-level government elections and

campaign starts upon the issue of writs. In this case it will be on the 28 April at 4.06 p.m in the afternoon.

The law as it is, does not stop any one of us sitting members of Parliament from delivering services to our people, until the 28 April 2022 at 4.06 p.m when we effectively cease all official engagements and operations to face our people again to get their mandate.

Such contradicting statements, both in media by the office concerned for election matters and the Minister's own statement today contradicts and confuses all Papua New Guinean citizens.

Can we have some clarity as to the Government's legal position on campaigning and or early campaigning by sitting members as well as the candidates.

Mr WILLIAM DUMA – Point of Order. Thank you, Mr Speaker I just want to put out as members do not cease as occupying members. They remain members until return of the Writs. Thank you, Mr Speaker.

Mr PETER ISOAIMO – Mr Speaker that is correct. What I'm making reference to is that by law, Ombudsman and everybody else comes in to freeze our accounts and implementation process is carried on by the civil public servants.

But this is confusing currently, so I'm asking the appropriate Minister for some clarity on that. Thank you, Mr Deputy Speaker.

03/01

Mr BRIAN KRAMER – Thank you, Deputy Speaker and I thank the Member for Kairuku-Hiri for his question.

Firstly, as the Minister for State Enterprise and Member for Hagen Open has confirmed, we are still Members of Parliament from the day of issue of writs until the day of the return of writs which is a five-year term. When you get declared at a counting centre, you are merely a member-elect so our term is for full five years. There's no actual law that prohibits us from continuing our functions as members even after the issue of writs. There's no law but there have been cases where certain members of the past have used their position to use district funds on the eve of the elections to present certain goods and services that were never planned and in those cases, the court found that a static, an inducement or bribery with disadvantages to other candidates. But, if these were projects that were planned prior to the

issue of writs and were in the pipeline to be delivered during that period, then it doesn't raise the same issue.

On the issue of early campaigning, thank you, because this is an issue which I am also troubled by because I have noticed that not only with the previous Electoral Commissioner but even the current Electoral Commissioner on this issue. There is no provision in the law and the Commissioner has issued a statement on that. There's also no provision in the law even for parties announcing candidates and it is illegal. Whatever is found to be illegal must be defined in law and not in someone's opinion and occupying a position doesn't give you the power to create a law based on how you see it.

So, *Section 182* of the *Constitution* is the only provision that comes close to prohibition in relation to campaigns. But, it is specific to, and the headlines of the provision say, 'display of certain electoral posters prohibited. It states, subject to this *Section*, a person who draws or depicts electoral matters directly on a roadway, footpath, building, vehicle, vessel, hoarding place, public or private, whether on land, water or air, is guilty of an offence'. So, in all these areas, especially public places, there is a fine of only K500 or no more than that. And then the provision goes on to state that 'exception to this provision is where posting or exhibiting or writing, depicting of a sign of an office of a committee room, a candidate, or political party, indicate only that the office room of the office of the committee room of the candidate of the party'. It also states that what is also exempted, are you projecting onto a wall in a public cinema an electoral matter. So it doesn't exempt going around the projector and projecting electoral matters.

So clearly, the law was not intended to say all early awareness or campaigning is illegal. It's a contentious issue because in some cases some people are genuinely doing awareness and that's how it should be. That's democracy. So, going and informing the public of what their intentions to contest, where it becomes an issue of contentious is when they provide inducements and the law is clear in terms of what they call the treaty. You cannot convene a program of awareness and start feeding everybody or giving them gifts in order to convince them to vote for you, it is illegal under the law. That is not early campaigning but bribery to lure votes. Also, intending candidates making public awareness that are defined as undue influence and that is provided under *Section 102* of the Criminal Code where you publicly go and make a false statement that you know to be false or someone makes it with your knowledge and authority or you issue a threat before, during or after the election is a criminal offence and you can still be charged. It is an offence in law. So in the context of

illegal campaigning, in those circumstances, by law it provides that it is illegal and also not only just unlawful but actually a criminal offence.

Rex Wanzing Death Investigation Update

Mr ALLAN BIRD – Thank you, Mr Deputy Speaker. My question is directed to the Health Minister and this is in relation to the unfortunate death of a young child at the Port Moresby General Hospital, almost one and a half years ago. I understand that the parents have been asking for answers and we've raised this on the Floor of Parliament previously but I think, perhaps on behalf of not just the parents but many others who may have issues or may have suffered after undergoing treatment at our public hospitals.

My first question is very specific in the case of the death of young Rex Wanzing.

04/01

(1) Is the Minister able to speak to the parents on this Floor of Parliament because there was an investigation conducted? I would like to know a finding has been made and if so, has that been made available to the family, if not why not.

(2) There are others who are actually suffers sometimes from treatment at the public hospitals and it's not just the case of young Rex Wangin. But for the others what opportunities for the recourse or compensation are available either through the public health or other systems and if so, could the minister make that known to our people.

Thank you, Mr Deputy Speaker.

Mr JELTA WONG – Thank you, Mr Deputy Speaker, and I thank the good Governor of East Sepik for his questions.

The report is finally finished it has been back to my office. And we just going through our legal process and administer the process to ensure that everything is in place before we talk to the parents. I have spoken to the parents and set a date for next week to sit down with Secretary and lawyer so that we can work through this process.

The compensation claims and all these are normal government process which we all follow and the Attorney General will be with us in that meeting and he will let us know what the punishment and the compensation amounts are.

With that thank you.

Dr ALLAN MARAT – Thank you, Mr Deputy Speaker, my very simple question is directed to Minister for Works.

Documentation of Road Classification in PNG

(1) Is there in existence a publication of book showing how the roads in each province are laid out and their classification as either national a provincial or district roads? Because it seems that what was once a national road has now become provincial roads and a provincial road are now becoming district roads. And some of us districts are struggling to fix our roads at the moment.

Works Department Leasing Road Equipment

I learnt recently in relation to East New Britain Provincial Works that certain equipment donated by JICA lent out although they were donated free and the National Works Department is leasing these equipment.

(2) Can the Minister for Works clarify this because it seems unfair.

Thank you, Mr Deputy Speaker.

Mr MICHEAL NALI – Thank you, Deputy Speaker, and I thank the Deputy Opposition Leader and Member for Rabaul for asking these questions. The question is in relation to the clarity or written documents to identify the roads.

Mr Deputy Speaker, in the past all the roads come under the responsibility of National Department of Works. Even today the responsibility of setting road standard is with Department of Works but unfortunately, we have distributed all these responsibilities.

The district roads go back to the district with funding allocated. We have not received any funding from district roads but definitely there is funding.

05/01

But in the last one to two years, funds have been allocated, a minimum of K5 million and maximum of K7 to K8 million. So, a district road is identified in this manner whereby if one road is connected with another road it is considered as a district road.

As for provincial roads when one road is connected to another district it is considered as a provincial road. Within provincial roads, there are some very important economical roads as well.

But right now, the Department of Works is responsible for the highways only, especially the regional highways. All the regional highways come under the 'Connect PNG Program. The Member's question is very important, very soon we will realise that most of the districts and provincial roads will encounter major maintenance problems because it's the responsibilities of each district to maintain their roads from time to time, but as long as Government allocates funds to each district and provinces.

The responsibility has been transferred back to each district and province and it requires funds to carry out the maintenance work. So, we must consider that in our appropriation in the National Budget.

So, I urge all the leaders to take responsibility and not to rely on the Department of Works to do it. Don't have this mentality that the Department has large sums of money to carry out all these road works. Whatever limited are funds allocated must be used wisely; therefore, I ask you all to learn to use these funds properly in maintaining all the roads in your districts and provinces.

In relation to the second question on equipment, Mr Speaker, all the equipment donated by JICA on behalf of the Government and people of Japan were allocated straight to provinces that faced natural disasters.

For instances, West New Britain, East New Britain, East Sepik, West Sepik, Southern Highlands, Hela and parts of Gulf who also qualified because of emergencies and disasters they were faced with.

As for the question in relation to the Department of Works charging utilisation fees for this equipment; under the Department of Works, the PTB division normally charges fees basically to make sure that the equipment is maintained, and not charging extra fees to pay officers in each district as claimed. These funds are utilised in this manner; you give your money to PTB to maintain the roads and if you don't want them to maintain the roads, then you can pick up PTB equipment and you will be charged small fees as well just to make sure that this equipment is maintained. On many occasions, we realised that we don't receive full funding to maintain the equipment. So yes, I acknowledge that small fees are being charged for the utilisation of the PTB equipment.

Supplementary Question
SUMGILBAR Road Funding

Mr Chirs Nangoi – Thank you, Mr Deputy Speaker. We understand that the Department of Works Department has different category of roads such as the national, provincial and district roads. When it comes to district roads, the Minister has clearly identified that all district roads are roads that link with other LLG roads.

For my case, I know that all the roads in each district, come under the National Budget and the National Planning allocates funds to each district. But in Sumgilbar LLG roads case, it is considered as a ring road and it's not a provincial road, but the National Planning has allocated funds to the provincial government.

Can you clarify the process followed to allocate funding for this particular road?

In actual fact, the funds should have been allocated to the district and not the provincial government.

06/01

Mr Deputy Speaker, I thank the good Member for Sumkar for his question regarding maintenance and upkeep of the Manam ring road and under who's responsibility it falls.

Mr Deputy Speaker, I take this opportunity to advice and state here that the Karkar ring road comes under the responsibility of the Department of Works because it is known as a major national road because the Island is quite big.

Mr Deputy Speaker, when provincial governments do submissions to acquire funding from the National Planning and Monitoring Department under the PIP Government program it is also in a tussle with the districts who claim that those section of the road links two districts and so that PIP Funding should go to the district also.

Let me state here that whatever goes on in the Treasury Department and comes through to Finance and National Planning Department, I must say, I have no control over that.

My department carries out work when a particular warrant is released and it comes with a list that is funded within that warrant itself.

Mr Deputy Speaker, to answer the learned Member for Sumkar, I would advise that he should ask the Minister for National Planning because he would know why the money was sent to the province. I would not give him a satisfactory answer to his questions.

Mr GARRY JUFFA – Mr Deputy Speaker, I just have two brief questions and they are directed to the Minister for Health.

PHA Regulations Status Update

The PHA regulations are outstanding for 10 years now. The lack of these regulations is continuing to cause problems in PHAs.

(1) Can the Minister update this Parliament on where we are with this issue?

I believe all it requires is to be brought before NEC and processed there.

Covid Funding Audit Update

(2) Can the Minister advise this nation of the audit instigated by the Commissioner for Police Mr David Manning in regards to the K5 billion that was allocated for Covid-19 related purposes on what the status is?

Mr JELTA WONG – I thank the good Governor of Northern for his important questions.

Mr Deputy Speaker, in regards to the PHA regulation, we brought them into the CACC and it should be brought before NEC next week and we should table them in Parliament in the next meeting. That is the 12 regulations and the reforms we are doing with the PHA.

In regards to the second question on audits of the K5 billion Covid-19 response, we have a company that is engaged to carryout audits and some of our foreign partners are yet to come forward with their auditing requirements so its been a process. We have spoken to the heads of missions and the foreign partners involved to ensure that the audit requirements are brought forward and put together so we can table it in Parliament in the next session.

Mr STEVEN DAVIS – Mr Deputy Speaker, thank you for recognising the people of Esa'ala and my questions are directed to the Transport Minister.

It relates to the Jomard Passage and what the national agencies are now doing about it.

07/01

Jomard Passage

Mr Speaker the background is that the Jomard Passage has a history which involves the Provincial Government of Milne Bay securing the relevant recognition in the international maritime organization.

In the recent NEC decision, the Jomard Passage project has received attention and it was decided as I recall it, that a structure be established, that involves the Provincial Government in Milne Bay and relevant stakeholders.

And recently, we have seen an invitation for an expression of interest for priority services to commence. Now Mr, Speaker, the facts are that the Milne Bay Provincial Government has been given this documentation after the event. The provincial government's concern is that we have a national policy on oceans that guides or directs how the Government should deal with resources pertaining to the blue economy. We have a maritime zones act that also guides how our maritime resources should be dealt with. And how it should be dealt with is in consultation in accommodating the interest of our communities.

This is why the relevant NEC made sure that there must be some prerequisites including a business phase and preliminary assessment on the environmental issues and a plan that involves the community, the LLG and the province and that has not happened. So what we see is that, there's going to be a repeat of an early arrangement where everything, all the income, all the resources are extracted from the Jomard Passage but the arrangement never reached the province. Yet, when there was a case of an oil spillage, the National Government agencies didn't respond.

So my first question to the minister is;

(1) Why are we rushing the Jomard Passage pilotage to emphasis on just the business aspect alone and not involving and accommodating the local communities?

(2) Does the Minister appreciate that the Jomard Passage covers the entire province. It runs from Samarai Murua, through Esa 'ala district and into Kiriwina Good Enough?

(3) If we are talking about local communities, can the Minister assure us that communities affected by this passage and as a commercial activity will be consulted?

Because as member representing Esa'ala people we have not been consulted.

(4) Can the NEC decision be followed so that the lead agency in this case is not Department of Transport but DJAG to be responsible in ensuring that our oceans policy is given effect to?

Mr Deputy Speaker, when there is a resource that involves mines, petroleum or oil, everyone rushes up there, they go there and negotiate deals with the local communities and Government and it affects our budget. But when it has to do with maritime resources, they can just extract it like that, Waigani can do anything they want, that has to stop Minister. Thank you.

Mr SAM BASIL – Thank you Deputy Speaker, I'd like to thank the Member for Esa'ala for a very important question, pertaining to the Jomard Passage and yes I can confirm that my Department has advertised about the Jomard Passage but I would also like to guarantee the Minister and the people of Milne Bay Province that none of this will eventuate or happen unless all the stakeholders are properly consulted. That was why I instructed the Transport Department to make a special visit to the call of the Milne Bay Governor. And I believe they have done it last week, I haven't received the report yet but they are still with the Governor.

08/01

The stakeholders as we all know, is the Milne Bay Provincial Government, the two districts and the local level government and of course the ward areas, and the relevant departments.

So, upon the advertisement, I received a letter from the Governor and immediately, dispatched the transport team to go to Milne Bay and have an audience with the Governor and relevant stakeholders whom we know are concerned.

So, your question is very valid and I can assure the people of Milne Bay and the Governor, including the two open members, the LLG's concerned and the wards that this won't eventuate unless and until all the stakeholders are consulted and are happy. Thank you.

Mr KOBBY BOMOREO – Thank you, Mr Deputy Speaker. My question is directed to the Prime Minister but he is not here today so I would like the Deputy Prime Minister to take note.

I have asked this question to the Caucus but I am mentioning it again so the public is also aware of it and that is in relation to the 2022 National General Elections.

Mr Deputy Speaker, my question to the Deputy Prime Minister is about the Common Roll update. The common roll update is currently taking place everywhere in Papua New Guinea. It involves election managers right down to the provincial members, the council managers and councillors, and the ward recorders, that is official and legal.

But in some parts of Papua New Guinea, there are parallel common roll updates taking place most likely funded by intending candidates. So, what guarantee will the Government

give to the Electoral Commission to provide confidentiality about the updates done legally from ward councillors to managers to electoral managers.

(1) What are some mechanisms put in place for it to be done legally and will be sent down to Port Moresby for official recording?

Secondly, we are still using the same polling places over and over from 20 years ago, just like in my district of Tewai – Siassi.

Population has increased since the last 20 years, if the census and common roll records are correct. Since there are more people to vote, they ended up voting until nightfall. But not everyone votes because there are lot of voters. Those who didn't vote have to move to the next village to vote because of limited time given.

(2) Is there any possibility where the Electoral Commission can make amendments and increase polling days in areas that have a high population?

In a ward council, there are more than two villages in them. So, increase the number of polling days. Can the government clarify this?

The third issue is about the one-day polling that was published in the papers a few days ago. The newspaper was clear enough. All the towns and cities like Port Moresby and Lae are to have one-day polling but there are some provinces that have people from different districts living in the city.

09/01

For example, in Lae city there are people from Nawaeb and Huon-Gulf who are living in Lae city. So, Mr Deputy Speaker, there will be confusion. For example, after casting a vote at Huon-Gulf Open, voters can walk and cast another vote for Lae Open and this is not right. Can the Electoral Commission fix this issue of voting by people who share electoral boundaries together?

This same thing might happen to my district. People voting in Lae open might then come and cast their votes in Tewai-Siassi again.

Thank you.

Mr DEPUTY SPEAKER – Thank you, Honourable Member. I will have the Deputy Prime Minister answer the question but I just want to inform Parliament that questions relating to the election are at the discretion of the Electoral Commission. I must inform the Parliament that in another Parliament session, I will rule out questions relating to

administrative matters for the Electoral Commission, but for now, I'll ask the Deputy Prime Minister to respond to the question.

Mr SAM BASIL – Thank you, Mr Deputy Speaker. I'd like to thank the Member of Tewai-Siassi for his important question. I think we all understand that the roles and functions of the Electoral Commission fall directly under the Prime Minister. I haven't been to the latest briefing but I will make sure of that this week. Your questions are very important in regards to the quality of the common roll updates. I think the Prime Minister has made it clear that we will use the current system within our local level government starting from the ward recorder to the LLG manager to make sure that we record a proper common roll update especially for those who have reached 18 years of age in the last five years. We want to make sure that it is a proper common roll that we are all supposed to use. We understand that there are talks about people popping up another parallel type of common role that we don't understand. I believe that is the concern and I know that the Electoral Commission and the Prime Minister are aware of it and I believe that he will make a statement to that effect during this session of Parliament.

For poling days and one-day polling, I am sure that those are very important issues too. Some of us share different views from what the Electoral Commission has posted on the paper and I believe that we can debate on it and talk about it when the Parliament session is on. I will raise that with the Prime Minister and I hope that he will make a respond to those questions during the Parliament meeting this week.

Thank you.

Supplementary Question

Funding for Common Roll

Mr PETER ISOAIMO – Just for clarity, this maybe administrative and ruled out, but we have a case here where ward recorders, LLG managers, and the presidents think that DDAs should be funding the allowances for such exercise. I believe the common roll update is a national function coordinated and that comes under the responsibility of the Electoral Commission.

So can we have some clarity before we spend people much-needed funds that are needed for very important projects.

Thank you.

Mr SAM BASIL – Thank you, Mr Deputy Speaker. This is also a very good question from the Member for Kairuku-Hiri. I think we should not allow DDAs to be involved as much as possible because the candidates will accuse us of many lies. Therefore, I believe that it is proper that we should allow Electoral Commission under its own funding to fund those exercises. But, as I've said before, I will raise those with the Prime Minister and he will make a statement during this session.

Thank you.

10/01

Review PNG Power – IPP Agreement.

Sir Puka Temu – Thank you, Mr Deputy Speaker. My question is directed to the minister for State Enterprises and Member for Hagen. He would be the only capable Minister to answer my questions. So, my question relates to two matters. In the National Newspaper on the 18 of January, the Chairman for the IPP, Mr David Burbidge raised the issue of IPP not receiving adequate payments on the timely manner from the PNG Power Limited.

And I think that it is a very serious issue, which the Minister and Government really needs to solve. The Minister needs to correct my understanding of the independent power providers agreement with PNG Power the rates are a bit worrying and therefore, that put enormous pressure on PNG Power and I understand the payments are made on a monthly basis.

I understand for one IPP, I think there is a figure of their quoting K14 million per month that they have to pay one independent power provider. There are four to five IPPs in the country at the moment.

And I am worried about this, because I think that put enormous strain on the PNG Power to both meet the requirements for the power purchase agreement with the independent power providers at that cost. The Minister will advise the country on the actual cost that was negotiated, myself and the Minister were part of the Government when we were looking at this one, so I am not pointing fingers at anybody.

If that is so, if the Minister agrees that the IPP agreement are to PNG Power, although there is legal contractor agreement, can I request that the Minister to use a provision of law? There is a law called "*Fairness of Transaction Act 1993*"; This act provides for example,

section 1B – re-opening and reviewing of any transactions, irrespective of fault, validity or enforceability.

I'm sure the good Minister for Justice can provide advice on that matter, because I think PNG Power Limited is struggling to meet the requirements under the IPPs. And therefore, there needs to be some review undertaken and we have an enabling law called the *Fairness of Transaction Law 1993*, which the Minister could invoke in order for us to relook at and properly renegotiate the deal. Because you and I know that PNG power is struggling, for example, it hasn't even moved the power supply from Kwikila to Abau for the last 47 years and other districts are also complaining at the same time.

But we have an agreement where PNG power is struggling financially and I think it's an area that could be reviewed. The overall IPP structure really has to be relooked at given this issue that was raised, as I said on the 18 of January.

Another question related to the power issues is the Kilakila Power Station. I think its about K40 million worth of is incomplete project, I think the contractors have not finished the jobs and the danger of that incomplete projects is that they did not install feeders. Feeders are very important because transfer power to the three sub-stations in the city, Kone, Waigani and Boroko.

11/01

We are in the face of a major catastrophe. Can the Minister assure the honourable House that this Kilakila Station be fixed and feeders are connected before it blows out on our face? At the moment the Port Moresby citizens are not enjoying PNG Power and you and I know so I cannot go any further than that.

Mr WILLIAM DUMA – Mr Deputy Speaker, I thank the Member for Abau, Sir Puka Temu for raising these two very important questions.

I will start with the second one which is in relation to the Kilakila Substation. I have been informed by the representative of the PNG Power Company that Kilakila Substation has completed the construction and I actually launched the construction of the Substation a number of years ago and I have been told that its ready to be opened and to be commissioned but in view of what the good Member is informing Parliament I will double check with the CEO of PNG Power and report to Parliament tomorrow. But from what I have been told it's been ready since last month for commissioning.

In relation to the first question, again very important question, PNG Power as of number of years decided to go down the path of engaging an independent power producer to help meet the growing demands of our cities and populations in many other urban centres. The main source of difficulties PNG Power has been having is in relation to a particular independent power producer based in Lae, that company was initially engaged to provide electricity on an emergency basis in the event the power system from the Ramu grid from Yonki and downwards failed.

Unfortunately, due to number of matters this company has been allowed to provide power at rates which are not normal in the industry worldwide. And during the time of our former Managing Director for PNG Power, Mr Flagon B Bekker, I directed him to conduct a town Haus meeting with that power producer in Lae and to notify that power producer including others in Port Moresby that the rates that they have been charging PNG Power were above the normal that can be found in South East Asia and Africa as well as in America. And of course, the independent power producer opposed that move and I was able to through the MD inform that we had a right to review those arrangements.

In the case of PNG Power, the power producer in Lae, some of us will remember that in the O'Neill Government there was a state of emergency that was declared and during the course of that state of emergency the independent power producer was allowed to come in to agree to produce power in Lae for abnormal rates and we have been trying our best to review to that and I can assure that Parliament that it has been an ongoing process and the current acting CEO of PNG Power is aware of what was happening during the time of his predecessors and I will again asked him to review that and to attend to this issue. I agreed with Sir Puka that under the fairness of transactions there is a provision which allows for parties to come to a particular agreement if it can be satisfied that the other party was in a position weakness. And so for us to invoke the provisions of that Act we must demonstrate that PNG Power was in a weak situation when this agreements were ended into and at that time PNG Power was in fact in a weak situation and so there is room for us to negotiate the satisfactory outcome but of course, as all of you can agree when we have people who claim to spend their resources and provide services under an agreement than they will of course won't agree but I agree that this time they will need to have a look at carefully for this Government and country as a whole.

I can assure the good Member, Sir Puka Temu that, I started and I hope to complete this process within our means to get those independent power producers although they are

important partners to agree with us that they have made money from the investments can provide and they are very lucky to be operating in this country.

So, we will deal with this matter as soon as possible, thank you Mr Deputy Speaker.

12/01

**AUDITOR GENERAL OF PAPUA NEW GUINEA – REPORT OF THE AUDITOR
GENERAL – PART VI, 2020 – MOTION TO TAKE NOTE OF THE PAPER**

Mr DEPUTY SPEAKER – Pursuant to Statute, I present the following Paper: This report covers audits of public bodies and their subsidiaries, Government-owned companies and National Government shareholdings in other companies

Constitution –

Report of the Auditor General – Part VI of 2020.

Motion (by **Mr Garry Juffa**) agreed to –

That the Parliament take note of the Paper and the Report be referred to the Permanent Parliamentary Committee on Public Accounts.

**PUBLIC SERVICES COMMISSION – ANNUAL REPORT OF THE PUBLIC
SERVICES COMMISSION, 2020 – MOTION TO TAKE NOTE OF THE PAPER**

Mr DEPUTY SPEAKER – I present the following Paper pursuant to Statute:

Annual Report of the Public Services Commission 2020.

Motion (by **Mr Rainbo Paita**) agreed to –

That the Parliament take note of the Paper and debate be adjourned to a Subsequent Sitting.

**SUPREME COURT OF JUSTICE AND NATIONAL COURT OF JUSTICE –
ANNUAL REPORT OF THE JUDGES, 2020**

Mr DEPUTY SPEAKER – Honourable Members, Pursuant to Statute; I present the following Paper:

Supreme Court of Justice and National Court of Justice – Annual Report of the Judges for the year 2020.

Motion (by **Mr Rainbo Paita**) agreed to –

That Parliament take note of the Paper and debate be made an order of the day for a subsequent Sitting

Debate adjourned.

ADJOURNMENT

Motion (by **Mr Rainbo Paita**) agreed to –

That Parliament do now adjourn.

The Parliament adjourned at 3.30 p.m.