

SECOND DAY

Wednesday 23 March 2022

DRAFT HANSARD

Subject:

Page No:

DEATHS OF FORMER MEMBERS – Mr BEN ALLAN MICAH AND Mr GERARD BEONA MOTAWIYA – STATEMENT BY THE SPEAKER	2
ACKNOWLEDGEMENT OF VISITORS – WARD MEMBERS OF SUMKAR DISTRICT – STATEMENT BY THE SPEAKER	3
QUESTIONS	
Rising Cost of Goods and Services	3
Supplementary Questions	
Crude Oil Price	6
Supplementary Question.....	7
Surge in Fertiliser Prices	7
EU Rural intervention Program update	10
National Elections - Covid-19 Prevention Measures	12
NPC Delaying Procurement of Medical Supplies	12
Illegal transfer of Land Titles	14
Motukea Wharf Deal	15
STRATA TITLE (MANAGEMENT) BILL 2022	16
STRATA TITLE BILL 2022	19
LAND REGISTRATION (AMENDMENT) BILL 2022	21
BUILDING (AMENDMENT) BILL 2022.....	26
LAND (AMENDMENT) BILL 2022	27
PHYSICAL PLANNING (AMENDMENT) BILL 2022.....	28
SURVEY (AMENDMENT) BILL 2021	31
SURVEY CO-ORDINATION (AMENDMENT) BILL 2022.....	33

VALUATION (AMENDMENT)BILL 2020	34
MOTION BY LEAVE.....	37
SUSPENSION OF STANDING ORDERS – REARRANGEMENT OF BUSINESS	38
INCOME TAX (AMENDMENT) BILL 2022	38
PAPUA NEW GUINEA SPORTS FOUDATION (AMENDMENT) BILL 2022.....	50
ADJOURNMENT.....	52

SECOND DAY

Wednesday 23 March 2022

The Speaker (**Mr Job Pomat**) took the Chair at 10 a.m.

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

Sitting suspended.

The Speaker again took the Chair at 10.50 a.m. and invited the Member for Samarai-Murua and Minister for Tourism, Arts and Culture, **Honourable Isi Henry Leonard**, to say Prayers:

‘(inaudible) our thoughts, hearts, minds from all the troubles that surround us. And this morning we come before you seeking your divine grace, mercy and help us in our inequities. We seek for your forgiveness and cleanse us from all our wickedness so that this morning we are worthy to call upon you so that you can face us this morning with your power, might and glory to hear our prayers. Mighty God bless us, bless the Speaker, bless the Prime Minister, bless the Opposition Leader and bless all the leaders who are present here this morning. Grant us your peace as we go through the business of this House, mighty God may your will be done. And Lord as we all unite may you help us, Amen’.

DEATHS OF FORMER MEMBERS –

Mr BEN ALLAN MICAH AND Mr GERARD BEONA MOTAWIYA –

STATEMENT BY THE SPEAKER

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

(a) Mr Ben Allan Micah, on 16 March 2022, a former Member for Kavieng Open Electorate in the 5th National Parliament from 1992 to 1997, and was re-elected to the same seat in the 9th National Parliament from 2012 to 2017.

During these terms as Member of Parliament he served as the member of the Appointments Committee, Standing Orders Committee, Chairman of the Public Works

Committee, Minister for Public Enterprise and State. He also served as the Chairman of the Constitutional Commission.

(b) Mr Gerard Beona Motawiya, on 6 March 2022, a former Member for the Kiriwina-Goodenough Open Electorate in the 3rd National Parliament from 1982 to 1987, 4th National Parliament from 1987 to 1992 and 5th National Parliament from 1992 to 1997.

During those terms as Member of Parliament, he served as member of the National Parliament Committee, Assistant Speaker of the National Parliament, member of the Constitutional Laws and Acts Committee, Appointments Committee, Minister for Culture and Tourism, Minister for Health and Minister for Culture and Tourism again in October 1991.

As a mark of respect to the memory of the late honourable gentlemen, I invite all honourable Members to rise in their places.

(All Honourable Members stood in silence as a mark of respect to the memory of the late gentlemen.)

02/02

**ACKNOWLEDGEMENT OF VISITORS –
WARD MEMBERS OF SUMKAR DISTRICT –
STATEMENT BY THE SPEAKER**

Mr DEPUTY SPEAKER –Honourable Members, I wish to acknowledge the presence in the Public Gallery today, of Ward Members from the Sumkar District in Madang.

On behalf of the Parliament, I extend the visitors a warm welcome.

QUESTIONS

Rising Cost of Goods and Services

Mr GARRY JUFFA – Mr Deputy Speaker, my question is directed to the Prime Minister. and is in relation to the current conflict in Ukraine and Russia - Russia being a major energy producing nation in the world, this situation has affected the world's global economy as well as Papua New Guinea.

People have gone on social media complaining of the rise in prices of common household goods and basic services too.

My question is;

What steps will the Government take to mitigate or curb the rising cost of common goods and basic services due to the conflict between Russia and Ukraine?

Thank you.

Mr JAMES MARAPE – Thank you, Mr Deputy Speaker. I would like to acknowledge the Governor of Northern Province for the question. This question is very important as it concerns our nation.

Surely, the Government as responsible as we are is very much cognizant to the prevalent environment that we are living in, especially inflation that will be caused by the increase in the oil and gas prices. Be aware, the government is not doing the best we can.

The Treasurer is continuing to make sure our country's economy is steered right during these tough times. That is the reason why most of us now are getting paid on time, DSIP and PSIP programs, government programs are rolling out because the Treasurer is working faithfully in his office. The Treasurer team have come up with relevant measures that have been approved in the cabinet for us to bring to Parliament very soon, most likely in the last Parliament sitting of this year in April for us to make some adjustments to our budget to ensure what the Treasurer is doing has the support of law and the Parliament.

03/02

There's a combination of measures that Treasurer brought into Cabinet and has approved, and he will be releasing a statement in due course, once the paper has been cleared off from my desk.

But in simpler terms, the Treasurer has made a proposal to cut down GST, he has suggested a drop at 2 per cent in GST on a flatline or a targeted 0 per cent GST on specific common household items, including fuel and things like rice, flour, tinned fish and cooking oil. The treasurer has brought a combination of measures to the Cabinet and has been approved.

Therefore, we will see whether the flatline reduction of 2 per cent and bringing GST to 8 per cent or we will take a targeted approach, where we will target sectors that have been a burden to our people. And we would like our ordinary people, especially the people who line up in our retail shops and fuel service stations to pay less than the prices that have been brought on by the conflict between Ukraine and Russia.

Again, for clarity, the Treasurer has brought the submission to Cabinet for either 2 per cent reduction in GST or a targeted reduction in completely 0 per cent in GST on common

goods in our country and this in my view would be the first time any Treasurer or any Government for that matter has made an attempt to look at GST.

We are getting a little bit of technical queries from IRC, they're saying that to adjust a reduction in GST may not be feasible ASAP. It may take time to adjust and implementation may come two or three months down the line. That is something the Treasurer and his team are working on with IRC. But in the meantime, the Treasury staff are working with ICCC to ensure that there is no extra increase in price on common goods. And the Treasurer is also looking at levy reduction in most of our common goods, especially fuel at the fuel stations.

These combinations have been looked at by the Treasurer, slashing of GST, whether flatline slash or a targeted slash as well as looking at levy deductions. This announcement should be made very soon when the process is complete, especially when Treasury is trying to model.

If there is a reduction in GST, what is that cost of the drop in GST on our economy in our 2022 Budget. From our modelling, if 2 per cent of GST is reduced from every day consumers and our economy, our budget will be affected by six to seven hundred million kina. Now, you may ask where will we fill in the gaps, the increase in revenue from good oil and gold prices is the area we will look into to fill in the gap.

Last year when we came to this Parliament for Budget approval, our oil price was placed at \$60 a barrel. Today oil price is at \$100 a barrel. We are modelling on an average of \$80 a barrel and that little margin increase, we will supplement or fill in the gaps at which Treasurer has removed 2 per cent of GST from our consumers in our country.

This may be the first time any Treasurer or Government has attended to alleviate the burden directly with our people instead of assisting service providers or assisting companies who are serving our economy. We want to make sure that by government policy, the consumers are being assisted in as far as putting a little bit of kina more in their pockets when they have reduced GST or reduced levy on the consumables that is every day needed in our country.

Mr Speaker, let me summarize by saying this is a good question. Treasurer has not been sleeping, he has been at work. Cabinet has already approved his combination of measures, that should give a little bit of help to consumers in our country to peg against the inflation that is caused by the rise in oil price or associated with the war in Ukraine.

Thank you, Mr Speaker

Supplementary Questions

Crude Oil Price

Mr POWES PARKOP – Thank you, Mr Speaker. My supplementary questions to the Prime Minister are on the Napanapa Oil Refinery. The Prime Minister as well as everybody knows that one of the factors contributing to inflation or cost of everything going up is the high fuel price as a result of the ongoing conflict between Ukraine and Russia.

And in this respect, from my understanding, Napanapa Oil Refinery has the capacity to supply fuel we need in PNG and the Pacific. But there is a problem in accessing crude oil. The crude oil they access, half of it or three-quarters, comes from a market in Singapore. And to get that crude oil, they need access to Forex. So, from my understanding, Napanapa Oil Refinery have problems accessing Forex in order to purchase crude oil from Singapore.

(1) Is the Government working with the Napanapa Oil Refinery to get more crude oil from Kutubu to supplement if there is a need or shortfall?

(2) Are there strategies that we can come up with to get the crude oil internally or otherwise get cheaper crude oil in the international market such as from Venezuela, for example?

We need a strategy to fix the boosting inflation of oil price.

Thank you, Mr Speaker.

Mr JAMES MARAPE – Thank you, Mr Speaker. I note the importance of the Governor's questions.

As I mentioned earlier in respect to fuel supplies in the country, we are looking at removing excise or levy on those fuels so that it does not affect the consumers or customers.

But on the issue of Kutubu crude, Kutubu crude has contracts to it. It's being exported at the moment. This is something we are looking at going forward into the future. That is why this Government has always been aggressive in the domestic market obligation side of gas for our country so that we move into the phase of downstream.

And, downstream processing in our country, is something that we have overlooked for many years. Now we are pushing forward to get more for our gas and oil to ensure that we have a downstream processing in our country and into the future so we are not depending too much, especially essential items like fuel, we are not depending so much on the external forces of market where we experience price rise in our domestic economy.

So, going forward, this is something that we looking at to be consistent with our downstream processing focus and our increase push to secure more gas. We are securing more gas from P'nyang for downstream phase that is consistent with that drive. But immediate production in Kutubu is something we are looking at to ensure that if there are any excess, Puma could pick up from Kutubu and process in country.

We are trying to merge and remove excise as well levy to ensure that price of fuel is not sky-rocketing but stabilizing, if not come back to where it was before the Ukraine crisis.

Mr Speaker, on the Forex access, at this point in time, Bank of PNG has more foreign reserves in our bank that it has ever had in the last ten years, so to speak. Today we got K10 billion plus or equivalent to 3 billion US dollars sitting in our foreign reserves. The important and big consumers or customers like Puma and those who need Forex, in my view, should have easy or better access to US dollar for their purchase also than it was before.

I will get to look at it to see if Puma is struggling and I will get the Treasurer and his team to assist them so that in this tough time we don't have shortage of fuels in this country.

Thank you, Mr Speaker.

05/02

Supplementary Question Surge in Fertiliser Prices

Mr ALLAN BIRD – Thank you, Mr Speaker. My question is again related to the prices of goods as a result of the Russia-Ukraine War.

This is particularly in relation to the large-scale agriculture sector in our country. Russia and Ukraine are both major producers of fertilisers. As a result of the war the prices of fertilisers has increased from about K2,500 a tonne to K6,000 a tonne.

Whilst we are looking at relief for our ordinary citizens on the streets, I wonder if there could be some consideration given to the Agriculture Sector, particularly palm oil and of course our fledgling rice industry, they both depend heavily on imported fertilisers. And this tripling of prices is going to affect them.

I understand that we've introduced a raft of levies and duties on the agriculture sector this year. Perhaps, the Treasurer and the Prime Minister could take note if the Cabinet can consider to give some relief to the large-scale agriculture sector as a result of the increases of prices in fertilisers?

Thank you, Mr Speaker.

Mr JAMES MARAPE – Thank you, Mr Speaker. I thank the Governor of East Sepik for asking his question.

These recommendations can be looked at and be considered, especially in this time when we are trying to ensure our country's productions are maintained and the cost of doing business is stabilised or minimised. Those considerations are worth it and the Treasurer will certainly take them on board.

Thank you, very much.

Mr CHRIS NANGOI – Thank you, Mr Speaker, for recognising the good people of Sumkar. My question is directed to the Minister for Finance.

Before I ask my question, I would like to take the queue also to extend our condolences on behalf of my people and family to the Kwila of Pangu Party, the people of Goilala and the family of the late Minister, Honourable William Samb.

Mr Speaker, on behalf of the people of Sumkar, I would like to congratulate the seven districts that were split yesterday. I congratulate those districts because they will now have additional funds to help the people in terms of service delivery.

Mr Speaker, some of the districts are also in that same category. But to bring it to the attention of the Prime Minister and the Electoral Boundaries Commission, on behalf of my people from Sumkar, it is important that we update the census.

And if we are basing our boundary splits depending on population, I will assure this Parliament that Karkar Island alone has a population around 100,000 or even 100,010. If I sum up the population from Karkar Island, Bagbag Island and Sumglbar, Sumkar Island alone will reach around 150,000.

If we are splitting boundaries in terms of population, I believe that Sumkar is in that category as well. This is to bring it to the attention of the Prime Minister and the Electoral Boundaries Commission as well.

As we are approaching the coming general elections, some of the budgets given to the districts and provinces were very late, but I thank the Prime Minister and his government for the announcement he made this morning in regard to the DSIP which we will be receiving by this Parliament.

As we will be sitting for those meetings, the meeting resolutions will be very late. The writs will be opened four weeks-time from that Parliament session.

06/02

In order for the bank to process the meeting resolutions, they need the form 11 and members of Parliament are required to sign on it, before those monies are paid.

Can the Minister for Finance confirm if the Department of Finance can still process funds without form 11, especially if IFM system delays payment during the election period?

Thank you, Mr Speaker.

Sir JOHN PUNDARI – Thank you, Mr Speaker. I want to thank the good Member for Sumkar for that important question.

Let me answer the question this way, when the writs are issued, the Ombudsman Commission will step in to freeze our accounts but this is not so much in any way to stop the progress of any ongoing contractual programs and projects in our districts or provinces for that matter.

The representatives of the Ombudsman Commission have visited the Finance Department a couple of months ago and they advised that contractual projects and programs will continue. But the progressive payments will be made available to the Ombudsman Commission and can be done online. So, through their clearance the payments can be made.

This is to protect members against any allegations or issues in terms of us having access to public money during election and also in ensuring that we are protected from the unnecessary election petitions.

In so far as form 11 is concerned, that is indeed a challenging question. I think we will all be in the elections at that time. Form 11 is an administrative arrangement just to ensure that, there is accountability and transparency so that districts raise cheques are in accordance with the resolutions of the DDAs.

So, I will have to seek some advice from my department as to the importance and significance of the form 11, especially after writs are issued and we enter into elections.

Thank you, Mr Speaker.

Mr RICHARD MARU – Thank you, Mr Speaker. I rise this morning to ask a question to the Minister for National Planning. I will speak in Pidgin so that the people of East and West Sepik can hear it.

Mr Speaker, over two and half years ago, when I was the Minister for National Planning, I signed the financing agreement to bring on board the European Union K350 million rural intervention program to include the livelihoods of the people of East and West Sepik.

Under that program which is the biggest undertaking by European Union in the history of the region, they were to implement programs in five sectors; micro-finance, fisheries, cocoa, vanilla and of course, improve rural roads.

07/02

It is exactly two and a half years after signing of the agreement, the European Union engaged the Food and Agricultural organization of United Nations to implement the program, however since then, no road has been built in the two Sepik provinces. Less than 200,000 seedlings of cocoa were distributed and there was training on cocoa farming and fisheries, but up till now, it has been an absolute failure.

It is important that I bring this to the attention of the Parliament because it is a grant funded program for the country.

Mr SPEAKER -Honourable Member, are you going to ask a question or are you making a statement?

EU Rural intervention Program update

Mr RICHARD MARU – I want to direct my question to the Minister for National Planning. The Minister for National Planning is the national authorizing officer;

(1) What are the targets set by you and your department between FAO to be achieved by the end of the five-year program when the K350 million is used?

(2) Do you know the target cocoa seedlings to be distributed to the farmers?

(3) Do you know which roads where to be built during the five years?

(4) What are you going to do to rescue this program?

(5) Can you call all those involved and we have a discussion to assess what needs to be done?

Mr RAINBO PAITA – Thank you Mr Speaker. I thank the former Minister for National Planning and the Member for Yangoru/Saussia for his questions. As stated in his question; when the government came into office and under his leadership as Minister, he signed off on the program which is now called the STREIT Program-Support to Rural Entrepreneurship Investment Program.

And as he mentioned in his questions; the program was a European grant funding which was particularly to carry out agricultural programs in the two Sepik provinces. Since the

program started, there was an inception phase which was supposed to be 12 months. And since the program took off as he rightly stated we are now into the second year of the program.

Due to few issues raised by members from the two provinces my department was tasked to look into a quick appraisal on the program itself and how it would be implemented. I think the agency leading the program was FAO and there are couple of issues that were explored when the appraisal was done last year. And I would like to bring these issues to his attention.

When we signed the program and it is yet to be implemented. My department checked on why the implementation was slow and found out that one of the reasons was the Covid-19 lockdown. When the pandemic hit our shores, we had certain lockdowns that the government imposed on flights coming in and going out. At the same time UN as well as other agencies were under lockdown. You can understand that the movement of people were restricted causing delay for this program.

Mr Speaker, in addition a baseline survey was supposed needed to be done when that program was signed off but to date that this did not happen. So, these have been some of the major impediments that delayed the implementation of that program.

08/02

Mr Speaker, the other issue is, when our officers went to find out about the delay, in the districts like Nuku, Ambunti-Drekirkir, Maprik and Yangoru-Saussia complaints that there were hardly any officers present on the ground. Thus, we needed more collaboration between the funding agency and the sub-national levels from the provincial governments to the district governments. This therefore, was an impediment as to the fast-tracking of the baseline studies that was to be conducted that year.

Mr Speaker, at the same time, in those districts headquarters, those agencies that were carrying out the programs like FAO in agriculture and the UNDP which was involved in financial training and the energy sector, stated that there was no presence of officers on the ground. They needed a more tangible partnership to work together. The National Planning and Monitoring Department tried to liaise with the United Nations and the province.

I had a short conversation with the Governor of East Sepik and I hope to meet with the Governor of West Sepik to see how we can address those issues that are causing delay in the implementation of this program.

Mr Speaker, the targets that we have are the targets set out for the program. As to the delay of the baseline survey, it has not been completed and I hope that we can complete it quickly to give us the baseline target.

In relation to the second question on the cause of action, last year in November, we commissioned a quick appraisal and officers were sent to investigate those two provinces where the programs were running. The report has come back to us in the department and we hope that in the coming months, we can engage with those districts including the provincial governments and our development partners. Some of these issues have been outside of what the government can control, like Covid-19. We can control getting the provincial governments and districts together to address issues after the appraisal work has been done.

I appreciate the questions and I hope to meet with him and the leaders from East and West Sepik to carry out this massive program that the European Union want to assist us in. Thank you, Mr Speaker.

National Elections - Covid-19 Prevention Measures

Mr ELIAS KAPAVORE – I wish to direct my question to the Minister for Health but before I do that, I on behalf of my people of Pomio I wish to express our sincere condolences to the family, relatives, the people of Goilala and the Central province on the passing of their leader and Member of Parliament, late William Samb. We thank the Lord for his life and his service to our people.

My question is in regard to Covid-19 in the country. To date the total cases of Covid-19 stands around 41 000 positive cases with 639 death cases. This is according to the latest data.

(1) Can the Minister state on the Floor whether Covid-19 is still a threat to the country or not?

(2) What is the Government's position or plan during the National General Elections?

(3) What is the Government's position with regard to the Covid-19 centre? Will the Government continue to keep the centre running? There seems to be a need to disband the Covid-19 centre and allow the Police Commissioner to concentrate on the elections.

NPC Delaying Procurement of Medical Supplies

During a recent joint committee on the Public Accounts Committee and the Public Sector Reform Committee, there is a delay in procurement of medical supplies by NPC for the last eight months?

(4) Is the Minister aware of this delay by NPC? If you are aware then what is the department doing about it?

09/02

Is the delay caused by NPC prohibiting the contract from going through and what is the department doing about this? Because we see that there's a need for medical supplies to be transported to many of our health facilities.

Thank you, Mr Speaker.

Mr JELTA WONG – Thank you, Mr Speaker and I thank the good Member for Pomio for his series of questions.

Firstly, Covid-19 is still in our country. The government has put policies in place to ensure that we carry on with life. So the 'new normal' is now going to be our new way of living. That is, to live with the knowledge that Covid-19 is within our country. The isolation centres will still be open. We have different variants and mitigations that continues to reach some of the places in the world so we have to be careful to ensure that it does not come into our country.

The National Covid Centre (NCC) will be transitioning into our Public Health Safety Authority from what it is now and the controller's position will go back to a public health and safety position.

Secondly, regarding the NPC, I don't control it, but my Secretary has been in contact with the NPC to ensure that the procurement process is followed. I can't speak on behalf of NPC but I've been told that the NPC has gone through a legal program to ensure that the procurement process is followed and has come up with an answer.

Thank you.

Mr NAKIKUS KONGA – Thank you, Mr Speaker for recognising the people of East New Britain.

Mr Speaker, my question is directed to the good Minister for Lands. Mr Speaker, as you are aware, we don't have any natural resources and my province depend on agriculture. When you talk about agriculture, you are talking about the land.

Yesterday, we heard a lot of important questions and issues regarding climate change, forestry, and etcetera from the Governor of Northern Province.

In my province, there is an illegal timber logging operation taking place and the Minister is aware of it. I believe you have met with the Catholic Church Bishop and the administration on four occasions, and there is a big problem regarding Putput Plantation. At the moment, there is a legal operation taking place by a company known as Pacific Regional Development

Limited. The land that they are working on was acquired illegally by the developer through a land group company. The owner of that particular land has died last year and the current operation of the Logging company on Putput Plantation is illegal.

Mr Speaker, the Putput Plantation consists of about 19, 000 hectares of land. It's a big portion of land. My province needs this land; our population is growing very fast especially in the Gazzelle Peninsular. Today, we are having a problem with climate change and it poses a challenge for us so the provincial government is looking for land to resettle the people of Duke of York, Raluana LLG and Watom Island. We are looking at this portion of land that consists of five portions in Putput.

Some years back, the church was trying to give the land to the provincial government of East New Britain for resettlement but the government at that time did not implement it.

10/02

But three years ago, they have illegally transferred the title to their land group.

Mr SPEAKER – Honourable Governor, do you want to ask questions or make statements?

Illegal transfer of Land Titles

Mr NAKIKUS KONGA – Yes, it's a very important question for my people and the land title was illegally transferred to the clan.

The court has made a decision for the title to be transferred back because it was done illegally.

(1) When exactly will you transfer the title back to the Catholic Church of Rabaul because the department has been delaying it for a long time now?

Mr JOHN ROSSO – Mr Speaker, I thank the Governor of East New Britain for his question. Yes, I am aware of the situation on Putput and the Governor is right in it. I have personally taken charge of this situation. We have discussed with the Bishop, the relevant church agencies and the representatives from the Catholic Church in Kokopo regarding the title of the land in Putput.

It's a major issue because there was a fraudulent activity involved in it before my time when the people received ILGs from the free hold land title owned by the Catholic Church. They then claimed to be the original land owners and received the title again. The free hold land cannot be transferred without the owners and that land was held in perpetuity by the

Catholic Church. I am aware that the Catholic Church wants to transfer portions of that land to the Provincial Government to resettle the people who are in overcrowded areas in East New Britain.

Mr Speaker, we are working on this issue to rectify it. It is a similar situation in Kerevat where people have tried to get ILG from the land owned by Vudal, Kerevat Prison and other State institutions in Kerevat.

Unfortunately, we cancelled their request to get titles. But regarding the first issue, we are working on it. And this officers in my Department handling the ILGs issues have been terminated by my secretary for practicing such illegal activities by issuing duplication of titles. These issues should be rectified before I leave office and that I can assure the Governor. The representatives of the Catholic Church are in touch with me on a weekly basis.

Motukea Wharf Deal

Mr WILLIAM POWI – Mr Speaker, I want to direct my questions to the Minister for State Enterprises but unfortunately, he is not present so I want the Prime Minister to answer.

Before I ask my questions, I want to convey my sincere condolences on behalf of the people of Southern Highlands to the people of Goilala, the Pangu Party and immediate relatives of late Honourable William Samb, Minister for Transport and Infrastructure. He was a great leader for Goilala.

In my view, in the short time that I have known him, he has raised the status Goilala in terms of leadership.

11/02

Mr Deputy Speaker, my questions one relation to a newspaper report on the purchase of Motukea wharf in NCD. The report stated that the valuer general was forced to increase the valuation of that particular port from K400 million to K700, million.

- (1) Can the Prime Minister confirm whether this report is genuine?
 - (2) what has happened to the K300 million?
 - (3) Can the Government find out which companies were operating the Motukea wharf facilities?
 - (4) how they were awarded these titles and did they benefit from this fund?
- I believe the people of Papua New Guinea should know this through this parliament.

Mr Deputy Speaker, although we are going for elections but in the interest of public policy and for the good of this nation, we all know that K700 million is a lot of money so we need to table a report on this.

Mr JAMES MARAPE – Thank you, Mr Deputy Speaker. I would like to thank the Governor of Southern Highlands for his questions.

This transaction happened in the last parliament, and those of us in cabinet at the time knew what happened. However, the matter is now I feel that we need to review this transaction of the Motukea Port along with UBS for that matter.

Mr Deputy Speaker, I would like the Governor to respect the process of the inquiry. This is over a billion-kina transaction that took place. Some of us felt at that time that, the value was not at K700 million, and for the valuer general to come out at that time and say that he was forced, are all part of the process of the inquiry that is taking place. So, I would like us to allow the process to complete its course.

Once the process is complete, we will table the report on the Floor of Parliament and for appropriate actions to take effect. Whilst speaking on the inquiry, I think the UBS report is coming to a close very soon before this parliament rises. The Parliament will have a benefit of the report for us to see fully what other transactions took place in UBS. We initiated to the USB inquiry that is almost over now. The part inquiry is still going on for us to establish the real course of what happened, whether it was a value for money transaction and all other details on what took place. At that point in time I will be in a better position to answer but this point in time because we have sanctioned the inquiry, I cannot preempt what is taking place. the witness to the enquiry has given his findings, I think that was the basis of the report that has come out so let us allow the process to be complete and we can announce the findings at an appropriate time.

Thank you.

Mr DEPUTY SPEAKER – Honourable Members, question time has lapsed.

12/02

STRATA TITLE (MANAGEMENT) BILL 2022

First Reading

Bill presented by **Mr John Rosso** and read a first time

Second Reading

Leave granted to move the Second Reading forthwith

Mr JOHN ROSSO (Lae – Minister for Lands and Physical Planning) – I move –

That the Bill be now read a second time

Mr Speaker, it is my intention first to inform the Parliament about the Strata Title Bills and then introduce the three Strata Title Bills and the Bills for the six accompanying consequential amendment to be passed by Parliament into law for the benefit of our country.

The Department of Lands & Physical Planning has progressed on the policy, administrative process, and the legislation for these sets of bills over the last three years.

Mr Speaker, the composition of the Strata Title Legislation constitutes three sets of laws:

1. Strata Title Act 2022- creates the individual and common property titles,
2. Land Registration (Amendment) Act 2022 - provides for the registration of the individual and common property titles, and
3. Strata Title (Management) Act 2022- provides for the management of the Strata Titled property through an Owner's Corporation (Body Corp).

Consequential amendments were done to the following six (6) existing laws:

1. Land Act 1996;
2. Physical Planning Act 1989;
3. Survey Act 1969;
4. Survey Coordination Act 1969;
5. Valuation Act 1967; and
6. Building Act 1971;

Mr Speaker, the STL will provide for the administration of units, apartments, and townhouses in Papua New Guinea. Papua New Guinea, since independence, has never had STL. However, despite the absence of STL, the country has witnessed in urban centres like Port Moresby, Lae, Mt Hagen, Goroka, Madang and so forth rapid growth in high-density housing development constituting townhouses, units and apartments.

The STL is intended to fill this void and facilitate the orderly development of townhouses, apartments and units in PNG. Strata titling will allow the registering of individual

titles on subdivided units and flats of high-rise multi-story apartment buildings and townhouses.

At present, transactions on units, apartments and townhouses are being facilitated through company structures, thus sometimes government misses out on revenues. Unfortunately, this restricts dealings on individual units/apartments/townhouses without considering the overall company. The STL will address this issue so that transactions can be undertaken on individual units/apartments/townhouses.

13/02

Furthermore, provision has been made to allow for the development of gated communities within an appropriately structured strata scheme and body corp.

Mr Deputy Speaker, before I table the Bills to the National Parliament for enactment into law, I want to state that the, STL Bills and the Bills for the accompanying consequential amendments currently presented to this Honourable House, are important for nation-building and addressing issues such as housing affordability, employment creation, and generating investment options.

It also addresses some of the things like revenue raising for our country, which currently we do not have tactics. We use sub-leases on a lot of these very important things. And also, puts us on a standing and on a part with other modern countries equivalent to New Zealand, Australia and a few other places. These strata titling system is also has been in place with Fiji and Vanuatu, some of our smaller neighbors.

With these brief remarks, I commend the STL Bills and the Bills for the consequential amendments to the National Parliament.

Motion – That the question be now put – agreed to.

Motion – That the Bill be now read a second time – agreed to.

Bill read a second time.

Third Reading

Leave granted to move the Third Reading forthwith.

Motion by (**Mr John Rosso**) proposed –

That the Bill be now read a third time.

Motion – That the question be now put – agreed to.

Motion – That the Bill be now read a third time – agreed to.

The Bill requiring an absolute majority of 56 Members, Mr Speaker ordered that the Bells be rung.

The Parliament voted (the Speaker, **Mr Job Pomat**, in the Chair) –

14/02

(Voting in progress)

15/02

AYES – 83

NOES – 0

Bill passed with the concurrence of an absolute majority as required by the *Constitution*.

Bill read a third time.

STRATA TITLE BILL 2022

First Reading

Bill presented by **Mr John Rosso** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith.

Mr JOHN ROSSO (Lae – Minister for Lands and Physical Planning) – Mr Speaker, it is my intention to inform Parliament about the *Strata Title Act 2022*. The *Strata Title Act 2022* is the principal legislation for the Strata Title Laws. The *Strata Title Act 2022* creates the individual and common property titles and provides the core structure for a Strata Scheme.

The *Strata Title Act 2022* is organized into seven (7) Parts:

Part I – Preliminary providing for constitutional compliance.

Part II – Key concepts provides for the definitions of the key concepts for the Strata Title Act 2022.

Part III – Provides for the Strata Title application process. It has five (5) divisions and 32 sections and provides the foundational structure for developing a Strata Title Scheme by providing for the preparation of the application, creation and registration of Strata survey plan, strata title asset registration, development of the strata plan, and the endorsement or approval of Strata title plan.

Part IV – Registration of Strata Plan covers the Strata plan registration process. It has two divisions covering subdivision unit leases and common property leases and easements.

Part V – Provides for the amendment of Strata Plans. It provides for the amendment of the schedule of unit entitlements, minor boundary changes, and building drawing schemes.

Part VI – Provides for the cancellation of Strata plans. It has three divisions and provides for the authority for cancellation, the cancellation order, and the effect of the cancellation.

Part V – Provides for the grant of further leases and expiring and termination of unit leases. It has two divisions and provides for the grant of further leases, expiring and forfeiture of unit leases which can be dealt with individual.

Mr Speaker, I commend the Strata Title Bill 2022 to the House to be passed into law.

Motion – That the question be now put – agreed to.

16/02

Motion – That the Bill be now read a second time – agreed to

Bill read a second time.

Third Reading

Leave granted to move the third reading forthwith

Motion (by **Mr John Rosso**) proposed –

That the Bill be now read a second time.

Motion – That the question be now put – agreed to.

Motion – That the Bill be now read a third time – put.

The Bill requiring an absolute majority of 56 Members, Mr Speaker ordered that the Bells be rung.

17/02

(Voting in progress)

AYES – 86

NOES – 0

Bill passed with an absolute majority as required by the Constitution.

Bill read a third time.

18/02

LAND REGISTRATION (AMENDMENT) BILL 2022

First Reading

Bill presented by **Mr John Rosso** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith.

Mr JOHN ROSSO (Lae – Minister for Lands and Physical Planning) –

I move –

That the Bill be now read a second time.

Mr Speaker, it is my intention to inform Parliament about the Strata Title Registration Amendment Bill 2022. The Strata Title Registration Amendment Bill 2022 introduces a new part, Part 4(a) – Strata Plans – to the *Land Registration Amendment Act 1982*, which provides for the registration of the individual and common property titles.

The Strata Title Registration Amendment Bill 2022 – Part 4(a) Strata Plans - is organized into seven (7) divisions:

- 41(a) and (b) provides for definitions and applications, respectively,
- Division 1, provides for the registration of Strata Plans,
- Division 2, provides for the registration of interests declared by owner's corporations on easements and the extinguishments of easements,
- Division 3, provides owner's corporation charges,
- Division 4, provides for cancellation and amendment of strata plans,
- Division 5, provides for reissue of strata plans,
- Division 6, provides for forfeiture and expiry of leases, and
- Division 7 is miscellaneous, providing for changes of address for services, amendment to rules, appointment of an administrator (registration), withdrawal of strata plan, trusts, and delivery to registrar of titles certificates of title.

Mr Speaker, I commend the Strata Title Registration (Amendment) Bill 2022 to the house to be passed into law.

Mr GARRY JUFFA (Northern) – Thank you, Mr Deputy Speaker. Firstly, I want to congratulate the Minister for Lands and Physical Planning for being an outstanding Minister as he works hard in this very important Ministry.

Papua New Guinea is very fortunate in that; we Papua New Guineans are possibly the only people in the world or one of the very few groups of people in the world that own our land. We are very fortunate also in this regard because the land provides security and comfort to know that despite the difficulties and challenges the world may face, we are fortunate enough to go home to build a house, plant our gardens, take care of ourselves and our families. Land

is a very vital resource and therefore every effort needs to be undertaken to protect this resource.

In addition to what the Minister is doing, I want to make some comments or suggestions to improve this effort because we keep hearing about land grabbing taking place where significant portions of land owned by the State as well as traditional land owners are been stolen by various characters, organisations and individuals. Often times, we are blaming foreigners for doing this, but I can tell you that most of the theft is probably been undertaken by Papua New Guineans ourselves.

Minister, your department would need to become a very robotic organisation where the people that work in the organisation must be of the highest calibre and to get that type of robustness in place, you need to ensure that you conduct a restructure for this purpose to ensure that you have the capacity to be able to pay and take care of the welfare of the officers of that organisation in such a way that they are absolutely loyal to that organisation and the country.

19/02

For instance, your organisation doesn't have an investigation and prosecution capacity. It cannot investigate allegations of impropriety that are brought to that office for the theft of land or misuse of land by any organisation or individual.

That capacity needs to be developed; you must have the ability to investigate and prosecute allegations like this. You also need capacity to have standards and internal investigations within the organisations so that you can also investigate allegations of impropriety against your own officers.

Many of these actions such as theft of land is undertaken by corrupt officers within that organisation. There are many good ones but few that are corrupt are moving around this country selling land as if there is no tomorrow. There are already number of organisations that are now putting together land that they have acquired unlawfully through fraudulent means. It occurred because you have such officers in your organisation and much is known about this but nothing is done about it because you don't have the capacity.

Mr Minister, in line with all the good work and reforms that you have taken in your ministry, I would suggest that you carry out a restructure of that organization and develop that capacity. When you carry out the restructure of that organization you must also ensure that the staff employed are of the highest caliber qualification and are remunerated well enough so that they are absolutely loyal to PNG, the department protect the land in our country.

We also need laws or policies to look at traditional land on how we manage and identify genuine landowners. Some have land user rights but are not genuine owners. How do we demarcate land so that we can use it for business and investment purposes or use it as security? All of these has to be put together in such a way that our people are not marginalised but are able to use the opportunities of development and benefits from the land that they have.

I want the Government to consider this department in terms of the funding and the capacity that it has to generate its own income. And how it should retain a portion of that income so that it can continue its operations effectively with the intention of protecting PNG's interest.

In support of what the Governor of East New Britain said regarding a number of State land defined as plantations under lease arrangements these were entered into in the 1970s and 60s. The arrangements have now lapsed. These portions of land are still considered as State land but are being stolen by unscrupulous criminal organisations claiming to be developers and investors.

There are genuine investors in this country who are complying with the laws and respect us, and are genuinely involved in the development of our nation. I am referring to those who operate illegally and don't pay taxes and breach our laws through bribery. They connect few public servants who organized and operate in our own sectors who are willing to sell this country out.

It's happening right through the country and not only in East New Britain as highlighted by the Governor. In my province, it's happening and I am sure other provinces as well.

The title of a plantation in my province was somehow obtained unlawfully from the church that owned that land found its way into the hands of unscrupulous criminals.

20/02

Minister, many times I have submitted reports to relevant agencies. In fact, yesterday we heard from the Minister for Environment where I submitted a report in relation to this type of situation.

The Minister issued a stop work notice and fined the company but beyond that nothing has happened. We can't just stop there, we must prosecute, we must take them to task, we must recognize that their presence in this country is not needed and we must find a way to evict them and remove them from this country. Why do we keep entertaining these kinds of people? Are we not a country? Don't we have a responsibility to protect our people? These types of people are operating throughout this country at will and whim. As if any of us here would go to

Malaysia, Singapore or China and do this. They won't let you. The moment they recognize that you are in the process of doing something like this, they will put you in jail straight away. They will not even give you a biscuit or a drink of water or even cane you up. They will quickly organize your deportation on the spot there and then ban you, and black list you, so that you never return to set foot on that land again.

But here, in this country, we embrace them we welcome them and we even knight them and then we do business with them. My Goodness! What kind of country are we?

We are supposed to be protecting our land, our people and our future opportunities but we are not doing that in many instances.

Yesterday, was a classic example of that, when a Minister fined these foreigners and yet, he states that it is the responsibility of the Forestry ministry to take it further from there. No, it is all our responsibilities. Please read your books that there are powers that the Minister has that will allow him to prosecute these organizations. This should be done by all ministries.

We should not be passing the buck here and there. We should take responsibility especially when it comes to land. No new land emerges accept tectonic plates move every thousands of years and a small volcano under a sea emerges and suddenly an island emerges, but that takes millions of years. Because right now the land we have is limited and precious.

If we identify those that are betraying our country and our people by insidiously moving around and connecting these types of criminals and trying to steal our land, we should prosecute them and lock them up. But for foreigners, we should cancel their visas, their work permits and deport them.

We must embrace genuine investors gladly, protect their business and help them grow but for others with other motives we should not entertain them.

Let me encourage the Minister to restructure his department, align it so that there is a unit to investigate and prosecute these types of characters.

One of the reasons why our people are not rioting in this country is the mere fact that our people have land and with that they are able to take care of themselves. It is far better than any social securities in the world. Our people have this and we should be grateful and protect this.

Motion — That the question be now put — agreed to

Motion — That the Bill be now read a second time — agreed to.

Bill read a second time.

Third Reading

Bill, by leave, read a third time.

21/02

BUILDING (AMENDMENT) BILL 2022

First Reading

Bill presented by **Mr John Rosso** and read a first time

Second Reading

Leave granted to move the Second Reading forthwith

Mr JOHN ROSSO (Lae – Minister for Lands and Physical Planning) – I move –

That the Bill be now read a second time

Mr Speaker, it is my intention to inform Parliament about the consequential amendment to the Principal Act being, the *Building Act 1971*.

The following amendments are made;

- Section 1 is amended by inserting definitions that cater for the strata title development into different classes (A and B) and stage development allowing for the approval for development to be in stages, and

- Section 4 is amended to provide for all buildings in a strata development lease issued under the *Land Act 1996* are subject to the *Strata Title Act 2022* and where there is an inconsistency between this *Act* and the *Strata Title Act 2022*, the *Strata Title Act 2022* prevails.

Mr Speaker, I commend the consequential amendment to the *Building Act 1971* to the House to be passed into law.

Motion – That the question be now put – agreed to

Motion – That the Bill be now read a second time – agreed to

Bill read a second time

Third Reading

Bill by leave, read a third time

LAND (AMENDMENT) BILL 2022

First Reading

Bill presented by **Mr John Rosso** and read a first time

Second Reading

Leave granted to move the Second Reading forthwith

Mr JOHN ROSSO (Lae – Minister for Lands and Physical Planning) – I move –

That the Bill be now read a second time.

Mr Speaker, it is my intention to inform Parliament about the consequential amendment to the *Land Act 1996*.

The consequential amendment is being made to the Principal Act being the *Land Act 1996* by inserting a Division in Part X after Division 10. The new Division 11 provides for a new set of leases called the Strata Development Leases with the following key features;

- The Strata Development Lease is to be granted on land or building in physical planning areas suitable for sub division.
- A Strata Development Lease can only be granted if it meets the zoning requirements under the *Physical Planning Act 1989*

- The Strata Development Lease will go into dormancy upon the registration of a Strata Plant and the issuance of Unit Titles and Common Area Titles

- And all applications for Strata Development Lease must be accompanied by sketch plans of the structure and the proposed Strata Development

22/02

Mr Speaker, I commend the consequential amendment to the *Land Act 1996* to the House to be passed into law.

Motion – That the question be now put – agreed to.

Motion – That the Bill be now read a second time – agreed to.

Bill read a second time.

Third Reading

Bill, by leave, read a third time.

PHYSICAL PLANNING (AMENDMENT) BILL 2022

First Reading

Bill presented by **Mr John Rosso** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith.

Mr JOHN ROSSO (Lae – Minister for Lands and Physical Planning) – I move –

That the Bill be now read a second time.

Mr Deputy Speaker, it is my intention to inform Parliament about the consequential amendment to the principle Act being the *Physical Planning Act 1989*.

The following amendments are made to the principle Act;

- Section 3 of the principle Act is amended by repealing the definition of ‘subdivision’ and replacing it with the following definition, which provides for subdivision of an area of land or the vertical subdivision of buildings into two or more parts for purposes that includes; transfer, partition, sale, gift, lease, mortgage or any other purpose, and

- Part 7 of the principle Act is amended by inserting a new section after section 72 being 72(a) which provides for new definition of ‘density zone’ to provide for the development of strata title schemes.

Mr Deputy Speaker, I commend the consequential amendment to the *Land Act 1996* to the House to be passed into law.

Motion – That the question be now put – agreed to.

Motion – That the Bill be now read a second time – agreed to.

Bill read second time.

Third Reading

Leave granted to move the Third Reading forthwith.

Motion by (**Mr John Rosso**) proposed –

That the Bill be now read a third time.

Sir PUKA TEMU (Abau) – Just a few comments and firstly, I commend the Honourable Minister for Lands and Physical Planning for introducing this very important bill and also the consequential amendments.

As they say, Mr Deputy Speaker, the devil is in the detail. Whilst, the Minister was going through the routine, I had a chance to go through some of the details in the Bill, particularly the principle bill and, therefore, the consequential amendment that are being presented to the Honourable House, the Strata Management Bill.

I was wondering, Mr Deputy Speaker, about the administration of this particular bill. For example, in one section of the bill, which is section 18, on the sub-title 'reasonable rent in strata title application'

23/02

For example, in *section 18* of the *Bill*, under the subtitle 'reasonable rent in strata title application,' it reads: 'if the Department considers the rent proposed in the strata title application to be reserved for lease of one or more unit is not reasonable in the circumstances, the Departmental Head must determine what rent is reasonable for the relevant units or unit'. I am wondering is the Departmental Head given the power in terms of what rent rate should be paid to that unit?

Mr Speaker, this Bill is giving a lot of power to the Secretary for Lands and Physical Planning to make decisions which I believe is not in his authority. In this particular section, it states that the Departmental Head will determine what is the right rate that should apply as per the section; that it is not reasonable.

So, as I was saying, is this Bill giving powers to the Departmental Head or should there be a Lands Board like the Physical Planning Board? Who is going to administer and oversee? The Honourable Governor was talking about how we can better monitor the issues in the Lands Department that have been there for a long time. For example; inspections and ensuring that they comply with the laws.

The second point I wish to raise is in page 12 on the *Principal Bill*. It involves a lot of requirements; if you apply for a title in one of these unit and under this *Bill* in *section 23*, it requires a person to go and get an up-to-date plan from the Surveyor General.

I am just raising the issues but the point I am making is, Mr Speaker, a lot of awareness needs to be made on this very complex law as I read the details. It is quite complicated and therefore, the Department has to organise itself to properly educate and inform the country on how to administer this law. I have just pointed out one or two issues in the details.

Thank you, Mr Speaker.

Motion – That the question be put – agreed to.

Motion – That the Bill be now read a third time – agreed to.

Bill read a third time.

SURVEY (AMENDMENT) BILL 2021

First Reading

Bill presented by **Mr John Rosso** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith.

Mr JOHN ROSSO (Lae – Minister for Lands and Physical Planning) –

I move that the Bill be now read a second time.

Mr Speaker, it is my intention to inform Parliament about the consequential amendment to the *Principal Act* being the *Survey Coordination Act 1967*.

Then following amendments are made to;

- *Section 8* by inserting a new subsection after *subsection 7* as follows – *subsection 8, for the Surveyor General to create a registry within the Central Plan Office for the deposition of survey plans for land and buildings where strata development schemes are to be registered and kept.*

Mr Speaker, I commend the consequential amendment to the *Survey Coordination Act 1967* to the House to be passed into law.

24/02

Motion – That the question be now put – agreed to.

Motion – That the Bill be now read the second time – agreed to.

Bill read a second time.

Third Reading

Leave granted to move the third reading forthwith.

Motion (by **Mr John Rosso**) proposed –

That the Bill be now read a third time.

Mr POWES PARKOP (National Capital District) – Thank you, Mr Speaker. I just want to contribute to the debate which will not take too long.

Firstly, I want to commend the Minister for bringing this Strata Title Law to Parliament with all the consequential amendments. It's a bit long, but it's important that we all support the Minister in getting this Strata laws in place because it will help all of us especially in the urban areas like Port Moresby.

We are experiencing land shortage because Papua New Guineans are coming into the city with their own standalone house. So, this Strata Title enables our people to start thinking and getting used to living in apartment blocks.

We must start to come to terms with this reality that we cannot build standalone house while residing in towns or cities. Don't think that you are living in your village and having surplus of land mass because in Port Moresby we are facing land shortage.

So, in physical planning we are starting to approve tall buildings because the sky has no limits. We must encourage the developers and people owning the land in the city to start to invest or getting into joint venture to build a high-rise apartment. This is our fastest growing city.

Port Moresby will reach one million population growth maybe in five or ten years-time or will go up to two million if other city expands and grows? If other cities become major business hubs, commercial hubs, entertainment and recreational hubs then it can ease the pressure on some urban centers like Port Moresby.

Port Moresby is running out of land and it's timely for the Minister to bring this Strata Title and we all are supporting it. So, it's good, maybe there are some issues but we just accept it like Sir Puka Temu, has raised.

It's probably valid but, we allow this principle act to be passed so later we can make amendments because it's new and the Department of Lands may not have thought of all the scenarios that could happen. Of course, there will be problems so, later we can amend it but this is a law we have been waiting on for a long time.

All the developers are coming up with all sorts of ways to sell their apartment blocks; they sell it at fixed rates or lease agreement or they are also doing illegal practice and Lands Department is not charging them land rates because there is no law in existence.

Now that we are passing this law you can buy a flat, a unit and you don't have to buy an entire property, which is good.

25/02

I commend the Minister. Our goal in the city is to have a well-planned city and to be able to plan the settlement out well. It is a hard task and we need money to do all this. While it is also difficult to access funding to do this we are slowly trying and getting there to plan out settlements well.

This, I believe, is good for all the urban areas and we should just support it.

Motion - That the question be now put – agreed to.

Motion – That the Bill be now read a third time – agreed to.

Bill read a third time.

SURVEY CO-ORDINATION (AMENDMENT) BILL 2022

First Reading

Bill presented by **Mr John Rosso** and read a first time

Second Reading

Leave granted to move the Second Reading forthwith.

Mr JOHN ROSSO (Lae- Minister for Lands and Physical Planning) – I move-

That the Bill be now read a second time.

Mr Speaker, it is my intention to inform parliament about the consequential amendment to the principal act being the *Survey Coordination Act 1967*.

The following amendments are made to section 8 by inserting a new subsection after subsection (7) as follows - subsection 8 for the Surveyor General to create a registry within the Central Plan Office for the deposition of survey plans for land and buildings where strata development schemes are to be registered and kept.

Mr Speaker, I commend the consequential amendment to the *Survey Coordination Act 1967* to the House to be passed into law.

Motion – That the question be now put- agreed to

Motion – That the Bill be now read a second time - agreed to

Bill read a second time.

Third Reading

Bill by leave, read a third time

VALUATION (AMENDMENT)BILL 2020

First Reading

Bill presented by **Mr John Rosso** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith

Mr JOHN ROSSO (Lae-Minister for Lands and Physical Planning) – I move

That the Bill be now read a second time.

Mr Speaker, it is my intention to inform the Parliament about the consequential amendment to the principal Act being the *Valuation Act 1967*

The following amendments are made to section 1 of the Principal Act- The interpretation section by; repealing and inserting a broader definition of owner to include the registered proprietor of the unit or the owner's corporation in relation to strata title and by inserting a new subsection after the definition of the Valuer-General to include reference to buildings under the strata title scheme.

26/02

Mr Speaker, I commend the consequential amendment to the *Valuation Act 1967* to the Parliament to be passed into law.

Mr JAMES MARAPE (Tari-Pori – Prime Minister and Minister for Bougainville Affairs) – I rise to firstly appreciate the work of the Lands and Physical Planning Minister. This is a law that is being brought in to modernise the way we do things and transact insofar as land and housing in our country is concerned. This is a response to our country's need for housing.

Mr Speaker, the Minister has worked very hard to see to it that a lot has been brought before the Parliament to modernise the way we deal with housing and land in our country. We have only three per cent of our entire land. Of the 462,000 square kilometres of land in our country, under three per cent is state owned. Out of the three per cent, developers and lease holders will develop the land.

When you look at the ever-increasing demand for housing, we need to change. The Governor of NCD mentioned something about moving from a single house on a piece of land into apartments. This law will give solutions to the scarcity of state-land and the need for cheaper housing for our people.

Mr Speaker, the Minister has done well to bring this law before Parliament including the principle law and the consequential amendments. I want to thank the Members of Parliament especially in the Opposition for realising the value of this Bill. We also take note of some of the suggestions that have been offered on where we could improve on.

Mr Speaker, you will note that in the last two and half years where we brought in many good laws to Parliament that have been outstanding. This law was first talked about 20 years ago. It may seem as an ordinary act of Parliament being passed today but it is history in the making and it has a direct impact on the value of our economy.

If one person owns a piece of real estate in an urban area and decides to build a 20-floor house, then you would find 70 units for accommodation. Out of those units, one person can have a title, own it and call it home. You will not need to own a piece of land with the title and call it home. This is an effort to modernise housing in our country and the Minister has seen fit to bring it before the Parliament.

Mr Speaker, I want to appreciate both sides of the House for sitting in and passing good laws for our country. We are Members of Parliament and we are duty bound to enact good laws for our people. I appreciate you all on the both sides of the House for giving the necessary support to the Minister for Lands and Physical Planning in support of this Bill. Hopefully in the process, this will unlock the three per cent we call state-land. For those who may already have titles they can build apartments for and Papua New Guineans, with the four per cent interest loan from BSP, they can purchase and own units. I thank the Minister for bringing this Bill here. I also thank him for clearing up a 20-year-old outstanding issue for our people.

Mr Speaker, for your information, Fiji a much smaller country has already passed and is using strata titles. Vanuatu a much smaller economy with a small population has strata titles.

27/02

We have had no strata title for so long and we only have three per cent of state land. On this small per cent of state land, we have domestic investors and now going to buildings, multiple floor buildings or apartments that could be now given titles to the owners of these apartments.

I commend this last consequential amendment Bill to the House. I support the Minister and get this good Bill functional.

Thank you, Mr Speaker.

Motion – That the question be now put – agreed to.

Motion – That the Bill be now read a second time – agreed to.

Bill read a second time.

Third Reading

Leave granted to move the Third Reading forthwith.

Mr JOHN ROSSO (Lae – Minister for Lands and Physical Planning) – I move –

That the Bill be now read a third time.

Thank you, Mr Speaker. On behalf of the Lands Department, I'd like to thank both sides of the House for support on this very important Bill. I acknowledge the remarks made by Sir Puka Temu on some teething issues and just like everybody else, this is a work in progress that I will look at and amend when necessary to ensure that we have the best working platform possible.

I also take note of the Governor of Northern, Garry Juffa's comments, and yes, I am always the first person to admit that we have issues with land but in the last two years we have worked on numerous reforms to ensure that the problems are fixed and sorted out. We have a lot more to do and it takes a lot of patience to work in a highly technical department like lands and the issues within lands that we need to rectify. Subsequently, we will be bringing more amendments to ensure that the laws are for us our people. It is an outdated law where we've inherited and a lot of these issues and amendments to be brought to Parliament.

I'd like to also say thank you to my hardworking Secretary and the staff of the Lands Department for putting this together including our good National Adviser Dr Charles Yala who helped us in putting the technical details together. I commend them on that and I'd like to say thank you to the whole House.

Thank you.

Motion – That the question be now put – agreed to.

Motion – That the Bill be now read a third time – agreed to.

Bill read a third time.

28/02

MOTION BY LEAVE

Mr WALTER SCHNAUBELT (Namatanai – Minister for Civil Aviation) – I ask leave of Parliament to move a motion without notice.

Leave granted.

SUSPENSION OF STANDING ORDERS – REARRANGEMENT OF BUSINESS

Motion (by **Mr Walter Schnaubelt**) agreed to –

That so much of the *Standing Orders* be suspended as would prevent;

(a) The Minister for Treasury to present the Income Tax (Amendment) Bill 2022 and to be called on forthwith;

INCOME TAX (AMENDMENT) BILL 2022

First Reading

Bill presented by **Mr Ian Ling-Stuckey** and read a first time.

Second Reading

Mr IAN LING-STUCKEY (Kavieng – Minister for Treasury) – I move –

That the Bill be now read a second time.

Mr Speaker, I am pleased to present to Parliament, amendments to the *Income Tax Act 1959*. These amendments deal with proposed changes to the market concentration levy passed by this Parliament as a K285 million revenue raising measure in the 2022 Budget.

Mr Speaker, the role of Government is hard and difficult, when one inherits the worse economic legacy in our country history. A once in a century global pandemic made it all the more challenging. And now we have the worst war breaking out in Europe since World War II, which is driving prices up and goes down around the globe.

Tough time to be a government and tougher times to be a Treasurer but we are up to the challenges.

Mr Speaker, good government involves careful balances and judgement in these most difficult times, we need to cut the budget deficit. This involves growing the economy to generate revenue and raising revenue fairly and spending more wisely.

Mr Speaker, on the one hand, everyone agrees that we need to raise more revenue to help reduce our budget deficit.

29/02

On the other hand, no one wants to pay more taxes. The changes we are introducing today reflect that careful balance. We are looking at increasing taxes on those parts of the economy that are super profitable, in particular banking and telecommunication areas, and especially those firms that benefit most from this high level of profitability. At the same time, we have decided to cut taxes to reduce the temporary cost of living pressures from families, flowing from the tragic Ukraine-Russian war.

Mr Speaker, I am pleased that Cabinet has already agreed in principle to remove the 10 per cent GST on key selected basic items vital for most of our households, and I thank the Prime Minister for his announcement this morning.

The Marape-Basil government is on the forefront dealing with the increased cost of living pressures flowing from this Ukraine-Russian war - real action to reduce cost of living pressures.

The proposed reductions include removing GST on all fuel whether petrol, diesel, kerosene or zoom. Sanitary pads and tampons will have no GST, respecting the importance of women's hygiene products. There will be no GST on rice, biscuits, cooking oils, oil & palm, tin fish, noodles, flour, sugar, coffee and tea. Even caring for our babies, no GST on diapers. The GST moving to zero will save 10 per cent of the cost of all of these products. This is a significant saving for families. So, what used to cost K5.00 will cost K4.55 and what used to cost K20.00 will now cost K18.20. It is measured. It is targeted. It will help with the cost of living throughout our country.

We are a responsible government so we are making these changes in line with the expected temporary nature of the Ukraine-Russia war. This means the reduction in GST will also be temporary with a view of a maximum of six months. The reductions will be paid for in full by the increased revenues from Kumul Petroleum dividends, minerals and petroleum tax collections. This makes the cut entirely consistent with our 2022 Budget and work on our budget repair. We are going into consultation with businesses and partners to make sure that all of the implementation details are in place and are workable. We expect to introduce the GST legislative changes when Parliament reconvenes in April, next month.

Mr Speaker, we also know that many businesses in PNG have been doing it tough, especially with the global travel restrictions, higher freight costs and closed international borders. We are pleased that cuts in GST for all fuel products will help many businesses,

especially those in the transport sector. At the same time, we have decided on tax increases for those firms that have the greatest capacity to pay. This is about fairness. This is about budget repair. This is about the careful judgement of a sovereign government in these most extraordinary times of Covid-19 and the Ukraine-Russia war.

30/02

We had discussions with the three major companies lightly affected by the proposed new tax, BSP, Digicel and Telstra. Key ministers and regulators have also been consulted, as a result of these discussions, the amendments being moved today have the following implications.

Firstly, we are looking at removing an ongoing tax on the telecommunications sector on the assumption that the sale of Digicel Pacific to Telstra proceeds. Throughout our discussions with Telstra, they have agreed that we will raise more than the original levy of K95 million through additional taxes worth at least K41 million each year. As well as a major infrastructure investment program including an additional 115 towers throughout Papua New Guinea.

Secondly, we are imposing a fair tax in recognition of the high historical levels of overall profitability from Digicel Pacific after allowing for both recurrent and capital profits. The tax being imposed of K350 million kina is a judgement based upon multiple factors. It is less than half of the net present value of the ongoing levy that we initially proposed. It is less than any rate of capital gain tax, that we have under consideration in draft, of a revised *Income Tax Act*. It notes the technically legal franchise fees that have been paid and the wider international debate about such fees. It would keep the rate of return from the original investment high enough to encourage future foreign investments in our country.

Thirdly, we are deferring the payment of K190 million in tax on the banking sector to a single payment not due until 30 September this year. We want to make it clear though, that we consider that its fair for the banking sector to pay more and by far the biggest winner is BSP due to its high level of market concentration.

Fourthly, we are changing the name to indicate the focus, as an additional tax on a highly profitable company. They dominate the highly profitable banking and telecommunication sectors. It is being called the ‘additional company tax’. Indeed, indicating the view of super recurrent and capitals profits being earned in certain sectors.

Thank you to all of those that have contributed to the consultation process sincerely, we know that some would like the outcome, but this is a sovereign government acting in the interests of all people of Papua New Guinea, and this critical work of budget repair in these most extraordinary and difficult of times.

Mr Speaker, I commend the Bill to the Parliament.

Mr DAVIS STEVEN (Esa'ala) – Thank you, Mr Speaker, Esa'ala is often forgotten so I'm happy you are able to recognize Esa'ala.

But this is one such time in national interest, we need to give support to the Honourable Treasurer, especially in view of the pain and suffering that is out there amongst our people.

Mr Speaker the cost of living right now has become a crisis. It is indeed a crisis. And every effort must be made by leaders, especially this Parliament, to do what we can to alleviate, to help and at the same time as the honorable leader has indicated, managing the budget.

31/02

Mr Speaker, it is timely to note from this side of the House, with support to the consultation process that has occurred in respect to two important sectors of the economy; the telecommunications and the banking space. *The Hansard* will show, that during the debate in relation to the Budget, the main concern that was raised from this side, was the lack of consultation and the implication that imposing an unannounced surprise in tax like that would have on the broader economy, and especially, the sectors that are making profit.

In other words, it is in our national interest that we encourage the players or participants in our economy such as in the banking space to progress. And so, it is for that reason that I stand to support the effort made to consult and to adjust this aspect of the Budget.

It is encouraging to note that the reduction in GST is also being indicated. I would venture to say that more should be done, especially for rural communities where the suffering is increased by the fact that there is more cost involved in getting goods and services to those island communities or remote highland communities.

Perhaps, there could be a time, Mr Speaker, when an analysis can be done to assist the Treasurer in making such determination, so that more focused effort is made to identify such goods and services that I'm referring to.

Mr Speaker, I would also want to suggest that similar consultations be heard with the forestry, mining and petroleum sector so that we do not ignore the fact they may be making profits that are not being targeted by this newly introduced taxation policy called the 'super tax' or 'super-profit tax'.

Mr Speaker, for those reasons, I stand to support this effort and also to lend and offer the suggestions that I have made. Thank you.

Mr ALLAN BIRD (East Sepik) – Thank you, Mr Speaker. I would also like to commend the Treasurer and to point out, that there was significant discussion within government caucus on bringing in this relief to our people.

One of the things that I want to mention is that, it is really good to have a Prime Minister and a Treasurer that listens to the concerns of the leaders of this House. I wanted to make that point, because many times we see the concerns of our people and we try to bring it to those who are in positions that can make a difference. And many times, we end up bashing our heads against deaf ears and brick walls.

Whilst, these changes are going to help our people, we need to do more in terms of publicity in informing our people about the full implications of what could happen if the war between the Russians and the Ukrainians continues, Mr Speaker.

The price of flour and rice will continue to increase for a very simple reason.

32/02

These two crops grown around the world depend highly on fertilisers. And these two countries that are currently involved in the war are the two biggest producers of fertilisers. Even China buys fertilisers from them and all the Asian counties that produce rice. Australia also buys fertilisers from them for the production of wheat.

So, our people need to know that it is not going to get better, simply because we are given a 10 per cent relief on GST, Mr Speaker. Our people need to know this fact.

If 40 per cent of the worlds' fuel that Russia produces does not enter the world market, then obviously the price of fuel is going to continue to increase. That will then feed onto every other segment of society, Mr Speaker.

Because of the lack of understanding of the majority of our people, the first instance is to blame the Government and that is what we always do. And perhaps, the Government is responsible for a lot of things going wrong and not working well.

But beyond that, the full impact of Covid-19, whilst we are still trying to recover from it after two years of downturn in the global economy, is now actually compounded by the European war that is going on. Whilst we hope it will subside in the next six months, there is no indication that it will. We are actually guessing.

Mr Speaker, one of the things that we should do is to go back and look at our founding principles that came in 1973, particularly the eight-point plan. There are talks in there about communities being self-sustaining; about being self-reliant.

One of the things that East Sepik did, Mr Speaker, when we were first hit with Covid-19, our people were encouraged to grow more local food.

Mr Speaker, I am very pleased with my members of Parliament that we all agreed and built a lot of markets in East Sepik. We wanted to provide an avenue so once our sweet potatoes, yams, taro and everything else increase in production, the mothers would have a market place to sell it. And we did that; now we have markets all over Sepik. We are still encouraging our people to grow more local food and eat less rice and flour.

That is something that we need to do across the country. Whilst we are interested in rice and flour which is very useful in towns and cities, we really need to encourage our people to go back to the self-reliant lifestyle; pre-independence. We must do that.

Our people must eat more taro, more sweet potato and more cassava; these are nutrient-rich food and it is not like the nutrient deficient food that is grown using fertiliser which depend highly on fertilisers, Mr Speaker. This is why those costs are going to flow through our communities if we do not inform them.

It is important that the Health Department and Agriculture Department perhaps, start talking to our people to make sure that we fix our own internal supply chain, so that food from the Highlands for example, is more readily available in some of our towns and cities. In that way every single province will be looking at making local production available in the local market.

Mr Speaker, we are also seeing the effect of Covid-19 in shipping. The cost to move one single container has tripled in the last two years. So, these things are not going to stop and are not going to change tomorrow. We are still seeing a backlog of containers sitting in other countries that are not going back to China. And these costs are passed to our exporters and importers.

One of the reasons why our goods are not arriving on time is because of a lack of containers available world-wide.

So, Mr Speaker, these are all the issues that are affecting the cost of living today and we need to inform our people so that they better understand, why these things are happening. Whilst the removal of the 10 per cent GST will be a benefit, it is not going to be a huge benefit if the war between Russia and Ukraine continues for more than six months. The prices will continue to increase and that will take away this impact of the removal of GST. We must be aware of that.

Furthermore, when the super tax was brought in on the banks, I was one of those who was against it. But then I noticed something that I thought was quite peculiar.

33/02

In the last two years with the global pandemic the worldwide economy was depressed and if you look at the banks they declared profit in excess of a billion kina. How would they be able to do that while the economy was depressed? How are they able to declare super profit when everyone is thinking that the world economy is depressed? It comes back to what the Treasurer and the Prime Minister in their wisdom have done, which is go out and borrow soft loan in fact, interest-free loan to keep the economy travelling at the high level while using loans to inject into it. And that I think has a direct influence on the profits of the bank because they remain the biggest beneficiaries. So, this idea of balancing who should pay more I think we need to do more work on it.

Mr Speaker, the Treasurer and his team need to come out and communicate more effectively with our people because during economic crisis banks make profits and others don't. I think that's a key question that we need to see and our people need to see more than us as leaders because many times people with interest in those businesses will come out and try to make it look like the government is being unfair. Well, how is the government being unfair when we are trying to pass that benefit right down to those who are the most vulnerable people in our society.

Mr Speaker, wealthy Papua New Guineans will not eat a lot of flour and rice product. They will go to the market to buy vegetables, kaukau, taro, and healthy foods to eat. Because if we look at our markets our healthy vegetables are actually much more expensive than rice and flour. That's why those who are in the low-income bracket depend on rice and flour. Those who are rich or in the villages, will eat the healthy food, so this dilemma needs to be corrected through our tax processes.

We need to figure out a way that, if we have to we push our people away from imported food and they must eat more local food. I think we need the tax system to help us to achieve that outcome somehow but the whole of government needs to bear on this.

Mr Speaker, my fear is, if the war continues then, we are going to see an increase in prices. Increase in price on fertilizer, fuel and that will then pass on the price of food and all the other household items that ordinary Papua New Guineans needs.

So, Mr Speaker, with that I'd like to commend the Treasurer for listening to the conforms of the government caucus and for implementing what we hope will relieve the pressure of prices on our people. With that, I commend the Treasurer's bill to the House.

Thank you, Mr Speaker.

Sir PUKA TEMU (Abau) – Thank you, Mr Speaker, I thank the leadership of the Prime Minister and the Treasurer in bringing this very positive and progressive Amendment Bill and I stand to support it but just one or two areas that I wish to make comments on.

Firstly, I saw the absence of the Treasurer in condemning the actual war going on between Russia and Ukraine. There has to be a statement in this scenario that, we really have to condemn what's going on and it's a wrong timing in this 21st century to have a war anywhere in the world.

So, any leadership must be called upon to retract what's going on for humanity sake. That's the first point I wish to make, we must have no fear in this. We are a sovereign nation but leadership has to express in the clearest way.

I couldn't agree more with the Governor of East Sepik's position but I wish to look at it differently.

34/02

I would suggest not to remove GST on sugar because not so long ago the Governor of Gulf raised an issue while we were expressing condolences to one of our leaders who succumbed to diabetes. I strongly recommend in this debate to please support me in my suggestion not to remove the GST on sugar.

Sugar is a bad product in this country and, in fact, in Papua New Guinea we have what is known in the medical term as having very low tolerance to sugar so when we eat a lot of sweet sugary food we develop diabetes very quickly compared to other communities around the world. Many leaders have also developed diabetes and they are dying from it so, in this argument, I strongly recommend to this Parliament not to accept the recommendation to not impose GST on sugar.

Mr Speaker, I would strongly recommend that you would review looking at increasing prices on any sugar products in this country, particularly canned sugar products, all sugar beverages and sweets. This is due to the fact that our genetic disposition to diabetes is well recognized by the medical fraternity. And I have personally done studies in some of the communities where our sugar intolerance is worse in the world. Honourable Treasurer, if I can ask through my debate please reconsider and let the GST remain for sugar.

My second point that I wish to raise is that I believe the mobile network charges are too high. We buy a lot of units to use on our mobiles for communication and it is just too expensive.

We spend so much on credits for our mobile phones. Have we tried to work out how much we spend daily on mobile phone credits?

Why don't we look at that structure where I have noted in the recommendation for a company's additional tax and targeted at banking as well as on communication, but I will strongly suggest that we allow this benefit in terms of the lower prices for communication, particularly for millions of our people who are using mobile phones.

We should review that and I note that there will be number of towers yet to be built but the point here is that the cost of communication is too high and NICTA and Treasury have to discuss ways to further reduce the cost of communication in our country. The availability of communication has been proven by the World Bank that the more extended the communication is, it has direct positive impacts on the GDP of a country.

Mr Speaker, that is a world proven fact and so when we brought in Digicel, the then Treasurer, Honourable Patrick Pruaitch, did make a statement that there was evidence that the GDP was directly and positively improved.

My last point is that we actually have a Cabinet-approved contract signed by the Governor-General on a major rice producing program in Kairuku-Hiri. And the reason why some of us pushed for it was because we knew that rice will become a major nutritional food.

35/02

In some surveys, children in Papua New Guinea are malnourished in what is called growth stunting. It also affects the development of the brain. We know that food crops like banana and kaukau cannot last. They will rot quickly. Rice on the other hand is nutritious and will also last longer. It is something that is feeding the world.

Mr Speaker, we have the land to grow rice. I do recognise the many initiatives to grow rice at different levels but we must make a decision to become a major rice producing nation in the region. It should not only be for food security in our country but also to export it as a revenue generating commodity.

I strongly recommend that the Treasurer and the Prime Minister look at the K7 billion rice project that we approved in Kairuku district. This is an opportunity for us during this time to elevate our ability to address our nutritional issues in the country. We can become the food bowl in the Pacific region if we seriously develop it.

Mr GARRY JUFFA (Northern) – Thank you, Mr Speaker.

I would like to add support to the Treasurer on the bill that he has brought forward and the great efforts that he has undertaken since taking office. He is not someone who had been just talking. He is someone doing a lot for our country. He therefore must be commended for his work. He is found working very hard if you pop up in his office.

Mr Speaker, with regard to my debate, these efforts of reducing taxes must trickle down to the consumers. Often times we assume that businesses will do that. A few will but there will be others who will take advantage of situations. They are more concerned about the profit margins that they can make hence not transferring the benefits.

Mr Speaker, what benefits have we got in place to ensure that these benefits go to the consumers. Will the prices be actually reduced per unit of product sold? How is this going to be translated so that our people who are consumers will benefit? I would like the Treasurer to seriously consider this question.

Once upon a time, we used to have an organisation called the Consumer Affairs Council. This organisation apparently belonged to the people of Papua New Guinea like many other organisations that were created to serve the interests of Papua New Guineans. Unfortunately, many of those departments don't do that anymore. They have become mercenary organisations. They serve other interest rather than the interest of Papua New Guineans.

Mr Speaker, the Consumer Affairs Council that was located in Boroko had a very big sign which was very visible for everyone to see. Our people knew who to complain to when they were not happy with the services provided. Upon the complaints, the Consumer Affairs Council dispatched officers to hold shops or organisations accountable. On many occasions, they were fined for their lack of proper service. This was an organisation serving Papua New Guineans and the interest of our country.

Mr Speaker, where is this organisation today? It was dismantled and made into an organisation that served corporate interests. We pay for that organisation through our tax but it does not serve our country and our people.

36/02

It was dismantled and created into an organisation that serves corporate interest. We as taxpayers, pay for it, but it doesn't serve Papua New Guineans.

Now, does anyone know where this organisation is based? You don't. The ordinary consumers can't go and lodge their complaints at this organisation because they don't even know where they operate or what it does. It's basically serving corporate interests. This is very sad.

Mr Speaker, this has happened many times to a number of government departments and organisations, they were created to protect PNG's interest, but have been converted into machinery entities. We pay for them but they serve other masters, not us and Consumer Affairs Council is a classic example. They should be the organisation that would work to ensure that this great law that the Treasury has brought is implemented in such a way that the consumers benefit from it.

Another point I want to make is about the Internal Revenue Commission (IRC). IRC is one of the organisations that has been doing very well. Thanks to the leadership of the current Commissioner General. I might hurt some with my comments, but it is another organisation that is responsible for collecting revenue.

Customs is also doing very well. Again, due to the leadership of the current Commissioner of Customs. I want to thank the Prime Minister and his Cabinet for making a bold decision in appointing these two fine patriots to these organisations.

But, let's look at the IRC, it can do better. Once upon a time, we had a very assertive tax regime and within that organisation they used to be a division called the audits division. The audit division had such a capacity that it could travel around the country and carry out audits in real time and issue assessments to defaulting companies, bad taxpayers, bad corporate entities that were not behaving as they ought to, and collect taxes that were much needed by this country.

For some reason this organisation was dismantled in a very cleverly orchestrated structure that took place, that was influenced, perhaps outside interests and lobbyists. For whatever reasons, that capacity was diminished and we put in place a hefty tax regime so that tax payers, especially those big corporations could voluntarily turn up and pay their taxes. And one would force or check on them. Now, they enjoy that. They turn up and pay their taxes when they feel like and not when they supposed to. What do we do? We just sit back and passively accept them.

Treasurer, you need to speak to you Commissioner General and conduct a mini restructure and restore that capacity of the audit division back to where it used to be. Also, while you are doing this, you might want to make some changes so that the organisation could retain a percentage of its revenue collections to support its function continuously in protecting the interest of Papua New Guinea at all times. And while you are at it, you must develop an intelligent capacity within the IRC.

When I was working there, I tried my very best to do this but I received no help from the government. At that time, the Department of Personnel Management was not interested, but

you need to develop an intelligent capacity so that you can monitor the economic and financial landscape of this nation and identify the bad taxpayers to go after. There are many of them. What we are doing is, we are punishing the compliant taxpayers; the good guys. We go after them vigorously while the bad taxpayers get away with it. They don't pay taxes at all.

I can give you many examples in the forestry sector and in the fisheries sector and many other sectors as well. These characters hardly pay any tax at all. They constantly declare losses but they are developing buildings, building gated infrastructures, creating lots of supermarket businesses, and even building hotels that many of us go to drink coffee at all the time. But they are apparently making losses and don't pay taxes. We need to go after these guys.

There is also the issue of a lot of foreigners that are coming into our country. I would like the Minister for Labour to take note. The Minister for Border or Migration, whoever is now responsible for this particular area must take note. A lot of foreigners are coming into this country using wrong visas. They come in on business visas or tourist visas but are here to actually work and earn a living in this country without paying tax.

37/02

Some of them come here as major criminal organization representatives. They cleverly operate right under our noses and walk out with millions of kinas. They get away with it, no one is monitoring them and forcing them to pay taxes, it comes back to IRC.

Mr Speaker, just a few remarks on the presentation made by the Treasurer, we must make an effort to ensure that those benefits go to the consumers. We should really consider reducing taxes on fuel because it affects all prices. We are an energy producing nation; we produce oil and gas. Why aren't we enjoying the benefits of that. If we just reduce taxes on fuel and few products, we could be able to transfer those benefits to all consumers whether it's the companies or individuals. Thank you, very much.

Motion — That the question be now put — agreed to.

Motion — That the Bill be now read a second time — agreed to.

Bill read a second time.

Message from the Governor-General

A message from His Excellency, the Governor-General dated 23 March 2022 was announced, recommending the imposition of fees insofar as the Bill relates to and provides for such imposition.

Third Reading

Bill by leave, read a third time.

PAPUA NEW GUINEA SPORTS FOUNDATION (AMENDMENT) BILL 2022

First Reading

Bill presented by **Mr Wesley Raminai** and read a first time.

Second Reading

Leave granted to move the second reading forthwith.

38/02

Mr WESLEY RAMINAI (Kagua-Erave – Minister for Higher Education, Research Science and Technology and Sports) – I move –

That be Bill now read a second time.

Mr Speaker, the Marape-Basil Government has lived up to its promise since taking office in June 2019. This government has championed many reforms in all sectors of our country. The cross-cutting sector of Sports has benefited greatly through reforms resulting in the approval of the PNG Sports Policy 2020-2050 and I congratulate our Government for achieving what we have promised.

The reforms undertaken in the administrative sector resulting in the amendment to the *Public Services (Management)(Amendment) Act 2020* on the provisions relating to ‘Retirement Age for Public Servants’. The amendments to increased retirement age for Public Servants to

65 years in order to retain and attract high performing professionals and management in line with longer life expectancy and the growing demand of the public sector.

This has necessitated the need for consequential amendments to be made to the *PNG Sports Foundation Act 2005*. Necessary consultations have been completed resulting in concurrence of view to cause amendment.

Mr Speaker, the National Executive Council approved the amendment to the PNG Sports Foundation (Amendment) Bill 2022 and reads as follows;

1. A person who has attained the age of 65 years shall not be appointed or reappointed as Executive Director.

Mr Speaker, I am confident that this amendment will enable the government to retain and attract experienced professionals to manage our institutions and line agencies to achieve service delivery goals driven by the Marape - Basil Government. Therefore, on behalf of the Marape - Basil Government, I commend all Members of both sides of this House on the passing of the PNG Sports Foundation (Amendment) Bill 2022.

Motion – That the question be now put – agreed to

Motion – That the Bill be now read a second time – agreed to.

Bill read a second time.

Third Reading

Bill by leave read a third time.

Mr RAINBO PAITA (Finschhafen – Minister for National Planning and Monitoring) – Mr Speaker, I thank the Honourable Members of this House; the members of the Government and the Opposition, the Opposition Leader with his colleagues in joining the Government Business which it is very important to our country. It's a good feeling to see that we stand together in some of the issues that are very important to our country, so I thank the members on both this sides of the House.

ADJOURNMENT

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

That the Parliament do now adjourn.

Parliament adjourned at 2.05 p.m.