

SEVENTH DAY

Thursday 15 June 2023

DRAFT HANSARD

Subject:

Page No:

ACKNOWLEDGEMENT OF VISITORS – STATEMENT BY THE ACTING SPEAKER	1
QUESTION TIME ETTIQUETTE – STATEMENT BY THE ACTING SPEAKER	2
QUESTIONS.....	2
Status of Ramu 2 Hydro Power Project	2
Status of the Kimbe Provincial Hospital	6
K5 Million for Curfew Operations-WNB.....	6
Give Back Land to Woodlark Islanders	7
Basamuk Refinery Spillage and Enviromental Pollution	7
Disposal of Japan's Nuclear Waste	8
Appoint PNG Ports CEO and Board	11
Australian Funding for Wharves and Jetties Update	11
Pro-Bono Lawyers For Student Protestors.....	13
Issue Certificate of Inexpediency – Oil Palm Bill.....	15
ANSWER TO PREVIOUS QUESTION.....	18
Jomard Passage	18
TREATY DOCUMENT – VISA EXCEMPTION FOR HOLDERS OF DIPLOMATIC AND SERVICE PASSPORTS BETWEEN THE INDEPENDENT STATE OF PAPUA NEW GUINEA AND THE REPUBLIC OF INDONESIA – PAPER AND STATEMENT – PAPER NOTED	21
MOTION BY LEAVE.....	23
TREATY DOCUMENT – MOTION TO WAIVE SECTION 117 (3) OF THE CONSTITUTION –.....	23
TREATY DOCUMENT – VISA EXEMPTION FOR HOLDERS OF DIPLOMATIC AND REPUBLIC AFFAIRS PASSPORTS BETWEEN THE PEOPLES REPUBLIC OF CHINA AND THE INDEPENDENT STATE OF PAPUA NEW GUINEA – PAPER AND STATEMENT – PAPER NOTED	24
MOTION BY LEAVE.....	26
TREATY DOCUMENT – MOTION TO WAIVE SECTION 117(3) OF THE CONSTITUTION.....	27

TREATY DOCUMENT – SUBMISSION ON THE RATIFICATION OF THE COMPREHENSIVE NUCLEAR TEST
BAN TREATY – PAPER AND STATEMENT – PAPER NOTED28

TREATY DOCUMENT – MOTION TO WAIVE SECTION 117(3) OF THE CONSTITUTION.....31

MINISTRY OF TREASURY – 2022 FINAL BUDGET OUTCOME (FBO) – DELIVERING BUDGET REPAIR AND
HOUSEHOLD ASSISTANCE – MINISTERIAL STATEMENT –
MOTION TO TAKE NOTE OF PAPER31

SPECIAL ADJOURNMENT36

ADJOURNMENT37

PARLIAMENTARY DEBATES

CORRECTIONS TO DAILY HANSARD


The Draft Hansard is uncorrected. It is also privileged. Members have one week from the date of this issue of Draft Hansard in which to make corrections to their speeches. Until the expiration of this one week period, Draft Hansard must not be quoted as final and accurate report of the debates of the National Parliament.

Corrections maybe marked on a photocopy of the Daily Draft Hansard and lodged at the Office of the Principal Parliamentary Reporter, A1-23 (next to the Security Control Room).

Corrections should be authorized by Signature and contain the Name, Office and Telephone Number of the person transmitting/making corrections.

Amendments cannot be accepted over the phone.

Corrections should relate only to inaccuracies. New matters may not be introduced.



.....
KENNETH SEBEPMIN

Acting Principal Parliamentary Reporter

SEVENTH DAY

Thursday 15 June 2023

The Acting Deputy Speaker (**Mr Casmiro Aia**) took the Chair at 10 a.m.

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

Sitting Suspended.

The Acting Speaker (**Mr Koni Iguan**), again took the Chair at 10.45 a.m., and invited the Minister for Community Development, Youth and Religion and the Member for Huon Gulf, **Honourable Jason Peter** to say prayers.

‘Our mighty and gracious eternal Father, we thank you for giving us the breath of life today as we gather to discuss the issue of this nation.

Lord, here we are with all our failures, we ask for your forgiveness as we proceed through today. There are things that we are going to discuss and we need your guidance, your wisdom from above to help us to go through today in this hour of our discussion.

Lord, a lot of times we discuss on our own thoughts but today we ask for your wisdom and help us in this hour as we go through. Forgive all our failures and give us the strength to stand and work for this country and for the people of this nation. Amen’

ACKNOWLEDGEMENT OF VISITORS – STATEMENT BY THE ACTING SPEAKER

Mr ACTING SPEAKER – Honourable members, I wish to inform the Parliament that students and staff of Allan De Boismenu High School in Kairuku District Central Province are present in the Public Gallery.

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

QUESTION TIME ETTIQUETTE – STATEMENT BY THE ACTING SPEAKER

Mr ACTING SPEAKER – Honourable members, it's our question time, and before I go on to ask for question time honourable members, we have only 45 minutes for question time so when you stand to make your questions and if you want to give a background on your question, shorten your background and get straight to your question. And for the ministers responsible, if there are more details for you to respond to, do it when presenting your statement. Just get to the point that you can reply and we can at least give much time to other members to ask questions.

QUESTIONS

Status of Ramu 2 Hydro Power Project

Mr WILLIAM HAGAHUNO – Thank you, Mr Acting Speaker, for recognizing the people of Kainantu. My question is directed to our Honourable Prime Minister and if the Minister for Treasury could take note of the question.

Mr Acting Speaker, the Cabinet made a decision and directed the Treasurer to issue a State Guarantee for the Ramu Hydro Power Project in the middle of last year. Since then nothing has been mentioned and we do not know what the status of the matter is.

Mr Acting Speaker, the Ramu 2 Hydro Power Project is an important project that is being anticipated by the people of Obura-Wonenara, Kainantu and Markham electorates of the two provinces of Morobe and Eastern Highlands. This project proposes to bring benefits to the people of the three electorates, and is the only project that this Government is pursuing in the Eastern Highlands Province.

02/07

That is the only project of any significance. Once that project commences, it is anticipated that there will be a lot of benefits that will flow to these two provinces and the people of those electorates including –

Mr Rainbo Paita – Point of Order! Mr Acting Speaker, I apologise for interrupting the questions raised by the Member for Kainantu. For the purposes of questions, when the relevant ministers are not present, I think it is relevant for the Prime Minister to take questions. But if

for specific questions relating to departments of which the ministers are present, I think we should raise the questions to the respective ministers.

The power has already been given to the ministers by the Prime Minister, to answer questions regarding their respective departments. Thank you.

Mr ACTING SPEAKER – Honourable Minister, your Point of Order is out of order. The honourable members have the prerogative to ask questions, even if the minister is in the House and they wish to directly ask the questions to the Prime Minister, they can do that because he is the Chief Minister. He can either answer the questions or refer the questions to the relevant ministers at his own time.

So, I will allow the Member to continue with his questions.

Mr WILLIAM HAGAHUNO – Thank you, Mr Acting Speaker, and you are correct. It's a calculated decision to ask the Prime Minister because of the lead up questions I am going to ask, which must be answered by the Prime Minister.

So, the two provinces and their electorates have been waiting for some time and are eager to know what is transpiring in this project. My questions are;

(1) When will the State Guarantee be signed to pave way for further progress of this project?

As I understand, the progress of the project had been pending and is on hold because of the fact that the State Guarantee has not been signed.

(2) Can the Prime Minister inform the people of the three electorates of the two provinces, and this House, whether the Government supports this project and will see the project to fruition?

Because all of us, the elected members of Eastern Highlands Province in this House, support this project, because that is the only on-going project in our province.

(3) If the Government is not supporting this project, we want to know why?

I am asking these questions because Kainantu and Obura-Wonenara have been hosting

—

Mr ACTING SPEAKER – Honourable Member, if you have a question to ask, you ask now. I will not allow you to make more statement after your questions.

Mr WILLIAM HAGAHUMO – Thank you, Mr Acting Speaker. I just want to finish off by saying that our people have been good custodians of the Ramu-Hydro Power Project 1, which has helped and assisted in the development of this nation.

Our people have been good bystanders and on-lookers for a very long time. This project proposes to provide benefits of 20 per cent equity directly to our people in Morobe and Eastern Highlands. This is the first time that the landowners and provincial governments will participate as equal shareholders in the project.

It is very important for this project that is why I am raising this question. Thank you, Mr Acting Speaker.

Mr JAMES MARAPE – Thank you, Mr Acting Speaker. I am happy to respond to the questions of the Member for Kainantu. Before I do, I would like to acknowledge our students who are sitting in the Public Gallery, looking very nice in their blue school uniforms.

Welcome to your House and we appreciate your presence. We hope that into the future, some of you will come back as members of Parliament and hopefully one of you might become the prime minister, especially to the girls.

To answer the questions, let me say from the outset that this project is supported by this Government and is undisputed. It is a priority project for us as it will unbundle clean and hopefully cheaper power into the most populous grid system in our country.

03/07

I want to again, appreciate the people of Kainantu and the Yonki area who have hosted the Ramu or the first hydro for so long. This is an extension and its undisputed. We need power. That part of the country that's accessing the Ramu grid or the Highlands Highway grid will have close to over four to five million Papua New Guineans within the reach of this power grid.

Mr Acting Speaker, undisputedly we need the power and we are in support of the Ramu 2 Project. However, I do apologise for what may seem like a long delay from the Treasury's perspective, but Treasury has an important role to ensure the agreement that is signed is not burdensome on the economy, the country and more importantly on PNG Power.

I want to at this time ask Treasury, KCH, PNG Power and the PNG proponents to meet as soon as possible and go through the project financials and the numbers involved. As far as the Government is concerned from the NEC perspective, we gave clearance for this project to go ahead.

Mr Acting Speaker, I just want to inform the Member, and I was waiting for him to say thank you to us for making the decision that passed on 20 per cent to both Eastern Highlands and Morobe Province respectively.

People must never take this sort of decisions for granted; this has never happened before. We made a Cabinet decision under this Government's life to pass on, consistent with the view that whether it's power, forestry, agriculture, fisheries, gold, gas, people living in the precinct of the harvest must have the ownership. That's is deep in the DNA of not just Marape but these body of leaders who are standing here. So, we passed that 40 per cent to the sub-national governments and the landowners to be split between Morobe and Eastern Highlands in the project area.

So, it's a no-brainer that we support this project, but the project economics and the numbers must add up. We don't want to have a structure or state guarantee that is burdensome on PNG Power and our National Government. So, I will ask these four key partners; Treasury, KCH, PNG Power and the project developers to sit together and look into this matter as soon as possible.

There was a conditional sovereign guarantee that was in the process of being released by Treasury. We have to be mindful of the fiscal space that we have. We have other needs as well including financing our budget every year going forward for the next five or six years, as we bring our economy back to a balanced budget.

Within those constraints, the Treasury is looking at the numbers to ensure the agreement that is structured doesn't dilute the fiscal space that is required of us to also have a handle over every other need that we have in our country.

But the project is important, it is a key focus for our country because it will unbundle new cheap, and more important for me, is green energy to the Highlands grid that will supply the Highlands, Morobe and Madang.

We will also be including East Sepik Province. We want to develop a grid from Watarais all the way to Madang, Bogia and into Wewak. So, it's an important project that will underpin that central part of our country with close to four to five million people in as far as supplying greater power is concerned.

Mr Acting Speaker, I hope these answers are sufficient to the Member and I look forward to reporting back to him and the people of Eastern Highlands, Morobe and our country on the progress of this project.

Mr SASINDRAN MUTHUVEL – Thank you, Mr Acting Speaker. My question goes to the Honourable Treasurer. I would like to ask two simple questions.

Status of the Kimbe Provincial Hospital

(1) Can the Treasurer advise this honourable House on the status of the Kimbe Provincial Hospital that was approved by NEC? We have witnessed the ground breaking ceremony so what is the progress of the hospital?

K5 Million for Curfew Operations-WNB

My second question is in relation to NEC approving a K5 million for curfew operations in West New Britain following a major law and order issue.

(2) So, what is the progress of this NEC commitment?

Because MS19, MS18 and MS3 too are in the province and we have incurred debts to be paid. So, these are my two questions. Thank you, Mr Acting Speaker.

04/07

Mr IAN LING-STUCKEY – Thank you, Mr Acting Speaker. I want to thank the Governor of West New Britain for his questions in relation to the Kimbe Hospital.

Kimbe Hospital together with four other level 5 hospitals are priority projects for our government.

The Kimbe Hospital will cost approximately K300 million. It's a huge project as you can appreciate Mr Acting Speaker, so that requires a lot of assessment.

The Department of Treasury is now finalizing an NEC submission for Cabinet deliberation to endorse this particular project. It has been delayed because we have to ensure that all of these large projects; the current one plus three others and that's four times K300 million, so a total of K1.2 billion.

So, we have to ensure that the funding that takes place falls within our financing plan for this year and our five-year framework as well. It's not quite straight forward but we are getting there and hopefully I should have some good news to report back to the Governor in the near future.

On his K5 million request by NEC, let me follow up on that and I will inform him directly. Thank you.

Give Back Land to Woodlark Islanders

Mr GORDON WESLEY – Mr Acting Speaker, I want to direct my questions to the Minister for Lands, unfortunately he is not here so I will direct my questions to the Prime Minister.

My question is in relation to the portions 138, 139 and 140 on Woodlark Island. Mr Acting Speaker, in 2016, a Gazette Notice was made to return the land to the indigenous people of Woodlark Island. But due to the incompetency of his officers, the said portions were challenged in court and awarded to Carter Holdings.

The minister at that time, on numerous occasions verbally indicated to return the land.

(1) When will that process be done or legally transferred to my people of Woodlark Islanders?

(2) What are you going to do to resolve this issue confronting my people of Woodlark?

Mr JAMES MARAPE – Thank you, Mr Acting Speaker. I appreciate the questions from the Governor of Milne Bay whilst I will attend to this one, I also suggest that he put his questions in writing to us with all the necessary details. I will get the Department of Lands and the Lands Ministry to look into this and respond to the Governor. Thank you.

05/07

Basamuk Refinery Spillage and Enviromental Pollution

Ms KESSY SAWANG – Thank you, Mr Acting Speaker. My question is directed to the Minister for Mining and I would like the Minister for Environment and Conservation and the Prime Minister to take note.

Mr Acting Speaker, the background story to my question is as follows, at midnight on 11 May 2023, there was an accident at the Basamuk Refinery with the autoclave, the pipes that carried the slurry. That has caused widespread slurry acidic material to be disposed into the environment and into the sea. So, my questions are;

(1) Is the Minister for Mining aware of this and what has his department done about this issue?

On June 8, there was a family of 11 who caught fish in the sea in the bay and after eating the fish, the mother and 11-year-old girl had bleeding from the mouth and the nose and died instantly while nine others have been admitted at the Modillion General Hospital.

(2) Can the Government to conduct an investigation into why that has happened?

We suspect it is from the acidic slurry that has been leaked into the environment

Thank you, Mr Acting Speaker for recognizing the people of Rai Coast once again.

Sir ANO PALA – Thank you, Mr Acting Speaker. This is a very serious and important question. One part is in relation to mining and the other is related to the environment, so I would like to request the honourable Member to place this important question on notice so that we can attend to it with a proper reply. I will also be requesting CEPA to chip in and together we can give you a full answer because this is a serious matter and I do not have the details on the matter you are referring to.

Thank you.

Disposal of Japan's Nuclear Waste

Mr BELDEN NAMAHA – Thank you, Mr Acting Speaker, I also rise to ask a series of questions to the Prime Minister and I want the ministers for Environment and Conservation, Fisheries and Defence to take note.

Mr Acting Speaker, yesterday I debated in favour and in support of the Defence Cooperation Agreement with the United States of America in the national interest of our country.

Today Mr Acting Speaker, I would like to ask these series of questions in regards to dumping of the nuclear waste in the Pacific Ocean, in our national interest and the greater interest of the Pacific.

Mr Acting Speaker, on Tuesday, 13 of June 2023, I read a media statement released and announced by the Prime Minister, that he has supported the Japanese Government's intention to dump 1.3 million tons of nuclear waste water in the Pacific Ocean as part of their decommissioning process of the Fukushima Nuclear Plant that was recently destroyed by the earth quake.

Mr Acting Speaker, the Prime Minister also stated that he had held discussions with the former and the current Prime Minister of Japan on this issue and was assured by the two leaders that the nuclear waste water has been scientifically confirmed to have no harmful effects on humans and the environment, particularly in the Pacific Ocean.

Hence my questions;

(1) Can the Prime Minister confirm if a formal diplomatic request for support has been sent by the Japanese Government to our Government on their intention to dump nuclear waste materials in the Pacific Ocean?

(2) Was this request considered and endorsed by our National Executive Council and if so, on what scientific basis did the NEC agreed to support this request?

(3) Is the Prime Minister aware that Papua New Guinea is a state-party to the Rarotonga Treaty on Nuclear non-proliferation in the South Pacific along with Australia, New Zealand, Cook Islands, Fiji, Nauru, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu?

(4) Is the Prime Minister aware that *Article 7* of the *Treaty of Rarotonga* obligates our country to keep the South Pacific Ocean free of environment pollution by radioactive wastes and by other radioactive matter?

(5) What is Papua New Guinea's official position on matters of nuclear non-proliferation and environmental protection relating to nuclear waste?

Mr Billy Joseph – Point of Order! With due respect to the Member for Vanimomo-Green, I understand that the Prime Minister will be making a statement on this, so can you wait until the statement is made.

06/07

Mr ACTING SPEAKER – Honourable Member, your Point of Order is out of order. I'll ask the Member to go ahead and finish his question and Prime Minister will reply. If he has a statement, then he can make a statement later.

Mr BELDEN NAMAHA – Thank you, Mr Acting Speaker. Papua New Guinea's official position on matters of nuclear non-proliferation and environmental protection relating to nuclear waste dumping in the South Pacific has been consistent with the *Treaty of Rarotonga* since 1986 when the treaty came into force.

The Prime Minister's announcement of his support for Japan's intention to dump 1.3 million tonnes of nuclear waste in the Pacific Ocean marks a very significant shift in our regional policy stance and alliance through the Pacific Island Forum.

(6) Can the Prime Minister confirm if Papua New Guinea's official position has changed?

(7) And if so, has this change been conveyed to the Pacific Islands Forum and member states to the treaty?

Thank you.

Mr JAMES MARAPE – Thank you, Mr Acting Speaker. I want to appreciate the Member for Vanimo-Green for asking a series of very important questions relating to a media release made from my office in respect to the perceived support for Japanese Government agencies to release what is labelled as waste from nuclear discharge plant site.

Mr Acting Speaker, my statement was misconceived or misplaced in a sense that there is no unilateral clearance for them to discharge any nuclear waste but it was stated that the test done; if it is proven and complies with the highest test ever that the discharge is clean and safe, then they can discharge into the water.

I think the point of discharge firstly starts at the water closest or in Japanese territory. I will get my office to have a full response on this matter.

I will be presenting a statement on Papua New Guinea's position. The sixth question that the Honourable Belden Namah and Member for Vanimo-Green asked was on PNG's position. I will present a paper today in respect to the Comprehensive Nuclear Test-Ban Treaty and will indicate PNG's position in the entire nuclear discharge or nuclear waste per se.

Our position has not changed. We subscribe to the entire *Rarotonga Treaty* and all its elements; discharge of untested and unsafe nuclear waste into our waters is not something that we want in PNG waters or in Pacific. I'd like to believe many leaders if not, all leaders globally would not want unsafe discharges into the water.

My statement doesn't qualify Japan to discharge unsafe water and untested water. They made a representation to my office and I've also had a one-on-one conversation with the prime ministers. They informed me that they are doing tests; the highest standard test ever available in Japan and benchmark globally, and it will be discharged into our waters only when it complies with the requirements of law and with international standards of discharge.

So, based on this, I said if the test and certification affirms that the discharge is safe and has no destructive elements of pollutant, then they can discharge but it doesn't give them the qualified right to go and discharge things that are unsafe.

Papua New Guinea's position is contained in the statement that I will be making today. It supports our *Rarotonga Treaty* and our current position that we do not support any discharge or any nuclear test in our waters or in our territory. It is very much consistent with what we have done thus far. On the peculiar issue relating to the Fukushima Nuclear waste discharge, the leaders of their country have spoken to me and assured me that the discharge to the waters is safe and tested at the highest standard.

07/07

If it is tested and proven, then there is no issue from PNG's perspective. So long as the test is certified and has complied with global standards and requirements. If you are cleared then you can do so, but Papua New Guinea's position remains that nuclear waste is not allowed in the waters of the Pacific.

Thank you.

Appoint PNG Ports CEO and Board

Mr MUGUWA DILU – Thank you, Mr Acting Speaker, for recognizing the people of Kundiawa-Gembogl. My questions are directed to the Minister for State Enterprise.

We all know that state-owned enterprises in the country are the biggest drivers of our economic growth and development and therefore, we must have a competent board and the managing directors to manage them.

A case in point is the PNG Ports Authority. It was the highest performing SOE since 2012, declaring profits and paying dividends to the State. Since then, I'm assuming that their performance has fallen. Thus, there is no permanent managing director and board.

Therefore, my questions are;

(1) Can the Minister confirm to this House when the process of recruitment for a permanent board and a managing director will be completed?

Australian Funding for Wharves and Jetties Update

(2) What is the status of the Australian Infrastructure Development Financing Program for wharves and jetties development in this country? And is there a plan for that to coincide with the development of the SEZ's in the country?

Thank you.

Mr WILLIAM DUMA – Thank you, Mr Acting Speaker. I want to thank the Member for Kundiawa-Gembogl for asking these questions.

Mr Acting Speaker, for any organization, it is usually not a one-man show. In the case of PNG Ports, for a CEO to perform well, it depends entirely on a very effective working board of directors to support him, together with people who report to him directly from the management level. So, it is indeed not a one-man job.

The late CEO was in fact one of those shining lights and one of the few national employees who was able to deliver on the plant site that has been approved by his board together with directives from KCH as the major shareholder. Unfortunately, as we know, he

passed away and left a big vacuum in the management system which will be to be filled as soon as due process has been completed.

The problem we have had in all our SOEs is the lack of good, experienced and qualified nationals who are able to rise up to the challenge.

Mr Acting Speaker, in some cases, when a prospective CEO is interviewed, he passes that interview with flying colors with all the right answers and gives the impression to the interview panel that he has the ability to perform. But, once that person is appointed, he then gets stuck in the prevailing culture in some of the SOEs.

So, people who show promise eventually don't deliver. This is the dilemma in most of our SOEs. In the case of PNG Ports, we were lucky that the person who was selected after going through all the processes was able to deliver, supported by a good competent board.

Again, for all the SOEs including PNG Ports, there's a process that was introduced by the Marape Government when it assumed office in 2019 where every appointment starting from the chairman, board members and the CEOs have to go through a public thorough made process, which is initiated when an external recruitment consultant is engaged.

So, in the case of all our SOEs, we have made the decision to farm out all our recruitment process to external recruitment consultants. The positions are advertised in the media and those who apply are requested to submit their CVs through email and then attend interviews. And KCH, Cabinet and my ministry get the end result of a thorough process.

We are only given nominees who have gone through the process. So, the potential for political influence from the start is not there. That is the good thing that this Government introduced in 2019 and we are starting to see good results, and good results take time to happen.

Mr Acting Speaker, in the case of PNG Ports CEO, the recruitment consultant has already called for applicants.

08/07

It was published in the two daily newspapers as well as internationally. I have been informed that the recruitment consultants have already recommended people on the shortlist. That shortlist will then be taken to the Board of Ports PNG Corporation who will then send another shortlist to the Board of KCH, then finally it goes to the ministry and then to Cabinet.

So, we have a multi-layered process that leaves no room for political interference or any other sort of interference. I can assure the Member that for PNG Ports Corporation, we are nearly there and very soon an appointment will be announced.

In the case of the Board of PNG Ports Corporation, their terms came to an end and, again, in terms of the said procedure, public advertisements were made in the two daily newspapers, applications were called for and it will also go through the same process. So very soon we will have a full complement of the board led by a new chairman and of course a new CEO to lead this very profitable SOE.

In case of the Australian Infrastructure Finance Planning Program for the rehabilitation and rebuilding of all our ports right across the country, the loan agreement was signed last year and witnessed by our Prime Minister. Those ports which have been identified for rehabilitation and rebuilding have been given to the people who are running the program.

Mr Acting Speaker, we have made it a condition, that this process be supervised by the Australians themselves so that we leave no room for questions about the process and competence of contractors who will be engaged to do the projects. It is an ongoing process. The ports that have been identified and some are now going through the process of tender so the normal processes will be followed. And eventually, contractors will be engaged to carry out the work but they will always be supervised by the Australians themselves.

Thank you, Mr Acting Speaker.

Pro-Bono Lawyers For Student Protestors

Mr BILLY JOESPH – Thank you, Mr Acting Speaker. My question is directed to the Prime Minister, and I ask the Attorney-General to take note.

My question is in relation to the Defence Cooperation Agreement and Shiprider Agreement that was tabled yesterday. When these agreements were signed, many students went on strike. I had to sit with the students that come from my electorate to listen to their concerns. I told them that, we are the mandated leaders that they have voted to represent them on the Floor of Parliament –

Mr Douglas Tomuriesa – Point of Order! The good member is asking a very important question. However, the subject is on the Notice Paper and the debate has been adjourned so it is only proper that the Member can prepare a statement for discussion or debate when it surfaces again in the next meeting of Parliament.

Thank you.

Mr ACTING SPEAKER – Honourable Deputy Opposition Leader, your Point of Order is in order.

However, I understand that the Honourable Member has just started so I will listen to the rest of his question. If it relates to the Point of Order that was raised, then I will ask the member to reserve his question for the next time when the debate takes place.

I will allow you to preface your question and listen to the subject matter.

Mr BILLY JOESPH – My question is in relation to the students going on strike. We are tired of students going on strike every time the Government wants to make decisions, mainly because they do not understand what is happening. So, if the students are not happy with the decision that the Executive Government has made, one avenue is to go to court but students don't have the money or the time to do it.

09/07

Can the Government through the Attorney General provide lawyers free of charge for the students, if they are not happy with certain issues of the Government?

Thank you, Mr Acting Speaker

Mr ACTING SPEAKER – Honourable members, as I asked earlier, the Honourable Member has prefaced his question, and it seems that the question is in relation to concerns raised by students on the decisions made by the Government, and the Government's advice to these students on how to seek legal representation on such issues.

I will allow the Prime Minister to respond.

Mr JAMES MARAPE – Thank you Mr Acting Speaker, I acknowledge the question from the Member for Nipa-Kutubu. Whilst he has made reference to the DCA and the Shiprider agreements as examples, I think the main substance of his question was students' right to raise issues, and if I could also add in not just student's right but any person in society. We are a democratic country; every person has a right including Members of Parliament to raise issues of concern for the country. It is no offence when the National Government is confronted by the civil society or our people asking certain questions on national issues.

I think the Honourable Member for Kutubu has raised a very important suggestion. In fact, when I was at the University of Technology, when I was addressing the students in respect to the DCA, I did make inference that State will look into possibility of strengthening the Office of the Public Solicitor. The Public Solicitor's Office has a constitutional role. At the moment they're just attending to civil matters and small matters, but we're looking at the

policy to empower the office of the Public Solicitor to be a conduit for our public, including the student body who have any issue. If they feel that the National Government has a decision that is contrary to law, contrary to the *Constitution*, or not in the interest of our country then there is a legal avenue for them to run to the courts to seek an address on any matter they feel that needs to be referred to. Our judiciary remains in our country, our place of discreet resolution.

And more so, under our Government's watch, we are now empowering the Magisterial Judiciary services and fixing the structures. The Minister for Justice and Attorney General has brought in a paper to Cabinet which is already approved for a higher court that is now a three-tier Court instead of just the National Court and the Supreme Court and court judges moving from National Court to the Supreme Court and up and down for that matter.

We have now considered a proposal from the Judiciary themselves for an Appeals Court to be inserted and that proposal has been approved by our Cabinet and that reform in our Judiciary is going on. As I speak, these reforms are going on and I want to inform our country through this question.

The Court is there for you to run to if you feel the Government or any one for that matter has done injustice to you or the instances of referring Government decisions that are unconstitutional based on your opinion. The Court is the place. *WhatsApp, Facebook* or public protests, et cetera, really will not resolve any of these issues credibly. The Court is the place where you can resolve credibly and our Government is seriously looking at strengthening the Public Solicitor as a place in which students or anyone can go to, to make reference to some decisions the Government takes that members of our society may feel is not in the best interest of our country. Thank you, Mr Acting Speaker.

Issue Certificate of Inexpediency – Oil Palm Bill

Mr FREDDIE REU KUMAI – Thank you, Mr Acting Speaker. My question is directed to Attorney General and Minister for Justice. Since he's not here, I'll direct the question to the Prime Minister and the Minister for Agriculture and Oil Palm to take note please.

By way of background, Mr Acting Speaker, I speak as the Member for Talasea whose electorate is a dominant oil palm growing electorate in the country. I'm aware that since 1992, the oil palm industry has been governed and regulated under the *Oil Palm Industry Act 1992*. This law creates the oil palm industry corporation whose role is restricted to extension services

for small oil palm block holders with little to no emphasis from Government involvement, regulation and control.

10/07

It is outdated and needs a complete overhaul and reviewed together with its policy.

Mr Acting Speaker, with emphasis on growing agriculture sector as an economic enabler for PNG, the Government has demonstrated its seriousness by creating respective ministries for the major agriculture commodities, including oil palm.

Mr Acting Speaker, the mandate for the legislative review for oil palm comes from an NEC-approved, functional and expenditure review of Agriculture Commodity Boards and Agencies Report 2014. This report calls for the establishment of an Oil Palm Commodity Board to take over the function of Oil Palm Industry Corporation (OPIC) and provide a consultative mechanism between the industry and government with a view to facilitate further development for both estate and small-holder growers.

The Government through the former Minister for Agriculture and the Oil Palm Industry Corporation has been trying to undertake the legislative review since 2018 but have not been able to push through a draft bill due to many factors such as lack of funding and bureaucratic red-tape.

The legislative review process has, from 2022 onwards, gained momentum and I believe, is in its final stage to be brought to NEC for approval. In that regard, I give credit where it's due, to the Prime Minister and responsible ministers and staff of the respective departments for a good work in progress.

However, having said that, I note with concern that the draft Oil Palm Bill is pending issuance of certificate of inexpediency by the State Solicitor over issues of compliance. This is despite the fact that most of the requirements for a draft Oil Palm Development Authority Bill to be brought to NEC, and eventually to Parliament for enactment, have been met. The draft bill is stuck up with the State Solicitor who has continuously refused to issue a certificate of inexpediency to expedite the passage of the bill.

Can the Attorney General direct and advise the State Solicitor to facilitate an issue of certificate of inexpediency to Oil Palm Industry Corporation to enable it to have the draft bill submitted to NEC for endorsement?

Thank you, Mr Acting Speaker.

Mr JAMES MARAPE – Thank you, Mr Acting Speaker. Thank you for all these questions that are keeping me busy and earning my salary.

(Laughter in the Chamber)

Mr JAMES MARAPE – I want to say thank you for this important question from the Member for Talasea. I firstly want to thank our lovely people of West New Britain, the indigenous people for ensuring that oil palm takes root in West New Britain.

I also note the issues from my friend, the Honourable Governor of Milne Bay, sitting right at the back, in regards to oil palm in his province. We have some outstanding issues that previous governments have not honoured, and we are now in the business of trying to honour them. This is the same for New Ireland and a few other provinces that are now moving big time into oil palm.

I also want to announce that we have set up the Oil Palm Ministry to ensure that oil palm sector grows to be a major economic contributor for our country as it is today. In the eighties when some of us were growing up and picking coffee for sustenance, coffee was big, followed by copra and cocoa.

Today palm oil has emerged as the biggest commodity crop we have in our country, and rightfully so commodity crops need to be under their own ministry. We are empowering the Minister to stand up to ensure that the ministry is running. It is specifically set to deliver more oil palm to our people and our country, and for its contribution to our economy to continue.

Let me assure the Member that the bill will be progressed. Cabinet has given its clearance. The State Solicitor has his own independent process to issue the certificate of clearance and the certificate of necessity, are all statutory obligations on the State Solicitor's Office to clear.

During my time as Prime Minister, I have never gone down to that level to impress on them to be fast. They work in their own time and program. However, it's important for our country; at Cabinet level, we have given clearance of this important bill that the Minister for Oil Palm has brought into Cabinet.

We are waiting for the State Solicitor's clearance and once it is cleared, it will come before Parliament. And the idea is simple, we set up its own authority, that runs and administers oil palm from government regulation perspective and we have OPIC and the industry at arm's length from us.

11/03

Today, you have OPIC and regulation all together under one sort of structure or one organisation. Government issues a regulator and the industry emerges at arm's length from the government so I want to assure the Member, this reform will come to us hopefully in our August or September sitting once we get it up and running.

I want to ask all Governors who have major grassland in their provinces, please jump on board and make land available. The Government has allocated K150 million and this is budgeted for the land acquisition or land program. We're willing to partner with any provincial government who is ready to unbundle its land for the oil palm business or other agricultural business for that matter.

But the Member for Talasea through you, Mr Assistant Speaker, the bill is coming before us and certainly the State Solicitor is listening to your question and will activate the process to ensure it is delivered earlier.

ANSWER TO PREVIOUS QUESTION

Jomard Passage

Mr WALTER SCHNAUBELT – Thank you, Mr Acting Speaker. I ask leave of Parliament to respond to a series of questions raised by the Member for Esa'ala, the Honourable Jimmy Maladina on Thursday 8 June 2023.

Leave granted.

Thank you, Mr Acting Speaker. The Member for Esa'ala raised two questions regarding the Jomard Passage pilotage project in the Milne Bay province.

Mr Acting Speaker, the first question was in relation to the progress of making the Jomard Passage a compulsory pilotage area. For the benefit of the honourable members and the House, let me start by giving an introduction of the Jomard Passage.

The Jomard Passage also known as the Jomard Entrance, is a clear deep-water route, through the coral reefs known as the Jomard Islands in the Samarai-Murua electorate of the Milne Bay Province. It is the first, particularly sensitive sea area (PSSA) of Papua New Guinea that has been declared by the International Maritime Organisation (IMO) in 2016 at the Maritime Environment Protection Committee 70/08 on 11 July 2016. The MEPC Resolution 283/70 declared Jomard as a PSSA on 28 October 2016. The passage is used for

transiting international vessels from the southern Pacific to the northern Pacific and vice versa.

Mr Acting Speaker, traffic of international vessels along the Jomard Passage also interacts with PNG Coastal traffic both commercial and traditional along the local fishing vessels. To establish a sense of order for the larger vessels transiting the area, an IMO adopted traffic scheme has been established which controls the north and south flow of traffic. This is done by having two-way traffic of vessels keeping to the right of the identified channel so that the vessels passing in opposite directions pass port to port, left to left. Through extensive use by commercial shipping over an extended period of time, the bathymetric survey, a measurement of the depth of the sea and location of reefs in the region of the two-way route has proven adequate and for safe navigation.

12/07

Under the NMSA and ADB Atom Project, there were four positions identified for the placing of four navigational lights which marked the edge of the reefs to the east and the west of the passage to complement the already established light at Point Waipona.

In addition, a coastal monitoring system installed and commissioned in 2021, can provide visual and audio effects information of the passage to the NMSA Head Office in real-time. All these aids assist international vessels to navigate the passage safely without the need for pilot-inport.

On 8 July 2023, the NEC in its Policy Decision *No.210/2020* approved for Jomard Passage to be a mandatory pilotage and marine conservation area.

Mr Acting Speaker, under article 19 of the *United Nations Conventions on the Law of the Sea 3*, it calls for innocent passage through territorial waters. The right of innocent passage for foreign vessels within the territorial sea of a coastal state is defined as navigation through the territorial sea for the purpose of traversing that sea without entering internal waters or calling at a port facilities outside internal waters. Because of this, PNG needed to solicit support from the other maritime nations and get IMO approval to declare the Jomard Passage as a compulsory Pilotage Area. With the onset of the Covid-19 pandemic, NMSA could not progress this further at international physical meetings to lobby for support.

With the pandemic getting under control in 2022, NMSA started this process again with the intent to have the business plans in place and at the same time work on the IMO endorsement.

At the end of 2022, NMSA made a tender advertisement for a business plan advisor who will be engaged to provide the business plans and the business implementation plans for the Jomard Passage Pilotage Project to assist the Milne Bay Provincial Government.

Mr Acting Speaker, at the close of the tender, nine bids were received and accessed by the nominated Tender Evaluation Committee (TEC), comprising of senior managers from NMSA, Milne Bay Provincial Administration, and the Department of Transport. All initial bids received did not meet most of the requirements of the tender terms of reference. Most of the bid submissions did not capture all the key aspects of the business plan apart from pilotage. These are aspects including eco-tourism development, scientific and educational research, off-ship wastage disposal for local vessels, transit pilotage, transit accommodations, maritime conservation, and off-shore refuelling stations for local vessels.

In view of the above, the TEC agreed and recommended a re-tender but NMSA considered this not acceptable.

13/07

In addition to the business plan advisor, NMSA will conduct a risk analysis of alternative routes other than the Jomard Passage for traversing international vessels that may elect to bypass the passage and look at installing aids to navigation to support.

Mr Acting Speaker, I assure the Member for Eas'ala and this honourable House, that my department notes the importance of the Jomard Passage Pilot Project, and through the National Maritime Safety Authority. We will prioritize this project and we will progress it.

Once, the Jomard Passage is declared a compulsory pilotage area by the International Maritime Organization this will be an additional protective measure apart from the existing two-way routing system already in place, in this already declared particularly sensitive sea area (PSSA).

Provisions of the pilotage services will be the final step resulting from all the preparations made above for the protection of this PSSA, and as a revenue-generating venture for the local communities, the Milne Bay Provincial Administration, and the country.

Mr Acting Speaker, in response to the Honourable Member's second question on the inclusion of politicians in the committee, let me assure the Member for Esa'ala, that a policy decision has already been made by NEC and the NMSA is truly progressing this following the delays caused by the Covid-19 pandemic. Following the initial advertisements, the recommendations and the evaluations by the TEC, after completing the procurement processes, NMSA has undertaken the following:

(1) a refined terms of reference were agreed upon and sent to the nine bidders on 16 May 2023, with the tender closing on Wednesday 31 May 2023. Of the nine initial bidders only five have responded with their revised bid and now it is in for the TEC Committee for assessment,

(2) the TEC, will meet next week to evaluate these bids and advise the NMSA CEO on the successful bidder for the Jomard Passage Project business plan and advisor. This business plan advisor will work with the Milne Bay Provincial Administration to develop business plans and opportunities from the Jomard Passage Pilot Project. Tender evaluation will be completed by Wednesday, 21 June 2023, and the successful bidder will be awarded the contract for the Jomard Passage business plan advisor.

Mr Acting Speaker, I can assure the Member for Esa'ala, and this Honourable House that the formal signing of the contract, fully funded by the NMSA will be completed by the end of the month for the business plan advisor to start on the project by July 2023.

Thank you, Mr Acting Speaker.

**TREATY DOCUMENT –
VISA EXCEMPTION FOR HOLDERS OF DIPLOMATIC AND SERVICE
PASSPORTS BETWEEN THE INDEPENDENT STATE OF PAPUA NEW GUINEA
AND THE REPUBLIC OF INDONESIA –
PAPER AND STATEMENT – PAPER NOTED**

Mr JAMES MARAPE (Tari-Pori – Prime Minister and Minister for Foreign Affairs)
– Pursuant to statute, I present the following paper:

A treaty document relating to an agreement between the Government of the Independent State of Papua New Guinea and the Government of the Republic of Indonesia on Visa Exemption for holders of diplomatic and service passports

I ask leave of the Parliament to make a statement in connection with the Treaty Document.

Leave granted.

14/07

Mr Acting Speaker, I rise to present the treaty submission on "Reciprocal Visa Waiver Exemption Agreement" that Papua New Guinea has signed with the Republic of Indonesia.

This House is informed that the National Executive Council in its decision No: 63/2023 dated 24 of March 2023, approved for PNG to sign the Reciprocal Visa Waiver Agreement's between Papua New Guinea and the Republic of Indonesia.

This reciprocal visa waiver agreement is aimed at enabling the holders of official and diplomatic passports to travel to each other's countries and be issued with visa on arrival. This visa waiver agreement will allow diplomatic and official passport holders from the two countries; PNG and Indonesia, to travel to each other's countries and obtain visa on arrival and be in that country for a certain period of time.

Mr Acting Speaker and honourable members, you need not to send your staff to stand in the queue or to go online to apply for a visa to go to Indonesia hereon if you hold an official or diplomatic passport. You just have to travel there and you will be issued with a visa on arrival if you are traveling with one of the two passports mentioned.

Mr Acting Speaker, I returned from South Korea and we've signed a visa on arrival arrangements with them, especially for those of us who hold official passports. There are express lanes for diplomatic and official passport holders in many countries' points of entry, which provides faster processing for official and state representatives traveling on official duties.

This reciprocal visa waiver arrangement is a further acknowledgement of the need for these official and state representatives to move seamlessly and with ease when traveling to conduct official duties.

We have the APEC Business Travel Card produced and valid for use in the 21 APEC member economies for business, state and official travellers. This visa waiver agreement for diplomatic and official passport holders is for the state and government officials only in recognition of closer and progressive travel projections between our two countries.

The Republic of Indonesia's business and tourism potentials are immense and upon building our confidence and reliability in the future, potentials to offer visa on arrival for business and genuine tourist can be explored going forward.

PNG and Indonesia have an Air Services Agreement and the reciprocal visa waiver for officials and diplomatic passport holders will help ease the burden of preparations for travel visa.

PNG has such visa waiver arrangement for all MSG countries and could be expanded to include other neighbouring countries such as Indonesia in the future.

Indonesia ranks 117th in the world as of June 2023 according to Visa Guide Passport Index, meaning Indonesian citizen can travel visa free to 40 countries in the world today. This agreement would promote seamless movement of serving government officials and diplomats who would not require visas prior to entry, instead would be granted visas upon arrival.

Mr Acting Speaker and distinguished members, I hereby commend this Agreement to this honourable House for the agreement to be ratified by Parliament.

Thank you.

Motion (by **Mr Belden Namah**) agreed to –

That the question be now put.

Motion – That the Parliament take note of the paper – agreed to.

Paper noted.

MOTION BY LEAVE

Mr JAMES MARAPE (Tari-Pori – Prime Minister and Minister for Foreign Affairs)

– I ask leave of Parliament to move a motion without notice.

Leave granted.

15/07

TREATY DOCUMENT –

MOTION TO WAIVE SECTION 117 (3) OF THE CONSTITUTION –

Motion (by **Mr James Marape**) proposed –

That in accordance with the *Section 117 (5) (a)*, this Parliament waives *Section 117(3)*, of the *Constitution* which requires a Treaty Document to presented to Parliament for at least 10 Sitting Days before Papua New Guinea can be bound as a party insofar as the provision applies to the ratification of the

agreement between the Independent State of Papua New Guinea and the Government of the Republic of Indonesia on Visa Exemption on holders of Diplomatic and Service Passports.

The motion requiring an absolute majority of 60 members, the Parliament voted.

Motion so agreed to.

**TREATY DOCUMENT – VISA EXEMPTION FOR HOLDERS
OF DIPLOMATIC AND REPUBLIC AFFAIRS PASSPORTS BETWEEN
THE PEOPLES REPUBLIC OF CHINA AND THE INDEPENDENT STATE OF
PAPUA NEW GUINEA – PAPER AND STATEMENT – PAPER NOTED**

Mr JAMES MARAPE (Tari-Pori – Prime Minister and Minister for Foreign Affairs)

– I present the following Paper pursuant to statute;

Treaty Document – Relating to an Agreement Between the Government of Peoples Republic of China the Government of the Independent State of Papua New Guinea on Mutual Visa Exemption for Holders of Diplomatic Service Passports and Passports for Public Affairs

I ask leave of Parliament to make a statement in connection with the Paper.

Leave granted.

16/07

Mr Acting Speaker, I would like to thank the Parliament for granting me leave to make this statement to present a treaty submission on the Reciprocal Waiver Visa Exemption Agreement between Papua New Guinea and the Peoples' Republic of China.

This august House is informed that the National Executive Council in its *Decision No: 64 of 2023*, dated 24 March 2023 approved for Papua New Guinea to sign the Reciprocal Visa Waiver Agreement with the Peoples Republic of China. This Reciprocal Visa Waiver Agreement is aimed at enabling the holders of official and diplomatic passports to travel to each other's countries and be issued visas on arrival. This Visa Waiver Agreement will allow diplomatic and official passport holders from the two countries, Papua New Guinea and China

to travel to each other's country and obtain visas on arrival and be in that country for a certain period of time.

Mr Acting Speaker, and honourable members of the House, you need not send staff or even yourself to stand in the queue to apply for the visa on arrival because it will be granted to you as you apply to travel to China; or likewise, Chinese diplomatic passport holders and public officials as they travel over here. You can just travel and go into the express lane for those who are diplomatic and official passport holders and a visa will be granted to you.

The Reciprocal Visa Waiver Agreement is a further acknowledgment of the need for these officials and state representatives to move seamlessly and with ease when traveling to conduct official duties. Similarly, with Indonesia, we are all members of the APEC so we have APEC business travellers cards available for all members of the economy; those who do business and are business officials. But, this Reciprocal Visa Waiver Agreement between PNG and the Peoples Republic of China, comes in for those who are traveling government to government officials. This will enhance business and tourism potential, government-to-government work between both countries. Both countries have signed the Air Service Agreement and the Visa Waiver Agreement will help ease the burden of preparations for travel between both nations.

Papua New Guinea has such Visa Waiver Agreements with other countries including the MSG, we have already cleared for Indonesia, Korea, and all other countries who are doing business with us. We are moving into this space to do business with them and to ease travel between PNG and them.

Correctly, China has waiver arrangements with 150 other countries and PNG will be the 151st country to have such arrangements with them. PNG doesn't have any bilateral visa waiver agreement with any other country so this will be the first one we have with China. This agreement will promote seamless movement and travel between our officials and their officials as I alluded to earlier.

And, so Mr Acting Speaker, and all distinguished members, I hereby commend this amendment to this honourable House for the agreement to be ratified by our National Parliament.

Motion (by **Mr Belden Namah**) agreed to –

That the question be now put.

Motion – That the Parliament takes note of the Paper – agreed to.

Paper noted.

MOTION BY LEAVE

Mr JAMES MARAPE (Tari-Pori – Prime Minister and Minister for Foreign Affairs)

– I ask leave of the Parliament to move a motion without notice.

Leave granted.

Sir Julius Chan – Point of Order! You just made a statement, can I just ask if Taiwan will be included in this arrangement agreement? Because there is only one China policy, and Papua New Guinea, has given an undertaking for that policy.

So, can he confirm that Taiwan will be automatically be included in this policy?

Thank you.

17/07

Mr ACTING SPEAKER – I will allow Prime Minister to make a statement during the presentation of the paper.

Mr JAMES MARAPE – Mr Acting Speaker, before I ask leave of Parliament to move another motion without notice for us to vote on this, I just want to appreciate the question on Taiwan raised by the Governor of New Ireland Province. Taiwan as we speak, is part of the One-China Policy embrace. This reciprocal visa arrangement in my view also entails our travel into Taipei, into Taiwan and in respect to our Government's stand, we continue to embrace the One-China Policy and recognize that Taiwan remains with the sovereign territory of the Peoples Republic of China.

Mr Acting Speaker on this note, I ask leave of Parliament to move another motion without notice.

Mr Acting Speaker, before I move, I just want to appreciate Minister Justin Tkatchenko. Against many sentiments, these are some of the work in the cleaning up of the Foreign Affairs Department that was hanging in space for many many years. He came on board and moved

this without much delay. It will be unfair of me not to mention a person who went to work on some of these outstanding issues for many many years.

**TREATY DOCUMENT –
MOTION TO WAIVE SECTION 117(3) OF THE CONSTITUTION**

Motion (by **Mr James Marape**) proposed –

That in accordance with the *Section 117 (5) (a)*, this Parliament waives *Section 117(3)*, of the *Constitution* which requires a Treaty Document to be presented to Parliament for at least 10 Sitting Days before Papua New Guinea can be bound as a party insofar as the provision applies to the ratification of the agreement between the Independent State of Papua New Guinea and the Republic of China on Visa Exemption on holders of Diplomatic and Service Passports.

The motion requiring an absolute majority of 60 members, the Parliament voted.

Motion so agreed to.

Mr BELDEN NAMAHA – I’m just a little bit concerned, I think in accordance with the *Standing Orders*, the actual vote must be recorded as to the support of this Treaty, it’s very important that we record the actual number of the votes.

Mr ACTING SPEAKER – Honourable Member for Vanimomo-Green, on advice, in such motion that we move, it doesn’t require the number counted to be recorded because it is like an extension to a question time and that doesn’t require a record of numbers.

When we do amendments on *Constitution*, that requires the numbers to be recorded.

So on this motion, it shows that the full House is in support and that will be noted as being in support of the motion.

18/07

**TREATY DOCUMENT – SUBMISSION ON THE RATIFICATION OF
THE COMPREHENSIVE NUCLEAR TEST BAN TREATY – PAPER AND
STATEMENT – PAPER NOTED**

Mr JAMES MARAPE (Tari-Pori – Prime Minister and Minister for Foreign Affairs)

– I present the following treaty pursuant to statute;

Comprehensive Nuclear Test Ban Treaty.

Mr Acting Speaker, I ask leave of Parliament to make a statement in connection with the treaty.

Leave granted.

Mr Acting Speaker, I hope the Parliament is circulating the treaties in discussion, as I am presenting them.

Mr Acting Speaker, and all distinguished Members of Parliament, I rise again to table the Submission on the Ratification of the Comprehensive Nuclear Test-Ban Treaty. This is an international legal framework aimed at protecting states and regions like ours, from surging environmental impact of the build-up and use of nuclear and biological weapons by advanced economies, big countries or nuclear-powered countries.

There is a need for PNG to ratify this treaty to complete the obligation as a signatory and by doing so, affirm our ongoing support and commitment as a state party to existing arrangements such as the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Antarctic Treaty (1959), the South Pacific Nuclear-Free Zone Treaty (1985), also known as the Treaty of Rarotonga, to build a better future for the coming generations by securing a nuclear-free a world for all nations.

The tabling of this submission to Parliament is in fulfilment of the legislative requirements under *Section 117* of our *National Constitution*.

Mr Acting Speaker, since it opened for signature on 24 September 1996, Papua New Guinea was amongst the first states to sign the Comprehensive Nuclear-Test-Ban Treaty but remains to date, one of the only 10 states that have yet to ratify it. Within the region, Papua New Guinea, Solomon Islands and Tonga are the only Pacific Island Forum nations yet to

ratify the Treaty. Once in force, the Comprehensive Nuclear Test-Ban Treaty is anticipated to ban all forms of nuclear weapon testing in the world. So far, 186 nations have signed and 176 have ratified it.

Mr Acting Speaker, it is also unfortunate that this treaty will not enter into force until it is ratified by all the other 44 countries in the world that either produce, possess or have in their possession nuclear weapons. Of the 44, eight of them are China, India, Pakistan, North Korea, Israel, Iran, Egypt and the United States, have yet to ratify the treaty. Despite lack of cooperation from these countries, ample progress has been made by the rest of the signatories towards the universalization of the treaty.

Some of the 44 countries in the above list are advanced nuclear states and are permanent members of the United Nations Security Council. These are countries that will possibly stop at nothing to use nuclear weapons against each other or to wield power over weaker opponents in the events of conflicts. And the United Nations, as I stand here in our people's House, must continue to remain vigilant and be the advocate for these advanced states not to use nuclear power in our planet. At this time, I would like the United Nations to make continuous intervention in the ongoing Russia-Ukraine conflict.

This fact not only holds us accountable to our commitment to a nuclear-free future, but also serves as a reminder for global solidarity to end ongoing crimes against humanity in geopolitical conflicts and to pressure the United Nations towards a tangible outcome of the proposed reforms within the UN specialized councils, especially to increase the membership of the Security Council to more than the current five nuclear powers.

Mr Acting Speaker, there is a need to ensure a balanced geopolitical and socio-economic representation within the UN Security Council Membership to address biases that threaten the very existence of the human race through global warming, possible nuclear and biochemical warfare, creation and use of biological weapons of mass destruction, as we have seen in the Covid-19 pandemic.

There is consistent indifference of advanced economies to the impact of their actions on our natural terrestrial and marine environment and ecosystem, and the lack of cooperation by nuclear states in matters regarding disarmament and nuclear test ban.

19/07

We need not to go further than the Pacific to understand the adverse impact on nuclear testing on population and the environment. The Mururoa Atolls Testing, the 20th Century North Korea Nuclear Test Explosions and the Fukushima Nuclear Reactor Meltdown

reactions of 11th March, 2011 clearly demonstrates the need to coordinate commitment of ongoing efforts to a global peaceful co-existence in a nuclear free environment.

Mr Acting Speaker, the importance of this treaty is also to provide an opportunity for Papua New Guinea to review and consolidate technical cooperation especially in building national capacity in the international monetary system and data for civil and scientific applications in disasters, risk management, seismic activity, monitoring, early tsunami warning alerts, volcanic activity monitoring and climate change research.

Our commitment as a country towards ratifying this treaty is important because of the emerging transnational-geopolitical trends. We cannot deny the fact that nuclear weapons production and accumulation is slowing or has ceased. Nor should we anticipate a total nuclear free world in a few centuries ahead knowing the quantity already in the possession of countries around the world today.

However, that being said, fulfilling our domestic process at least makes our efforts to work together with the rest of the world, towards finding a more controlled and safer alternative in the use of nuclear technology to benefit humanity and the environment in the long run.

Mr Acting Speaker, I now commend this treaty to the honourable House to be ratified.

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

Motion – That the Parliament do take note of the paper – agreed to.

Paper Noted.

MOTION BY LEAVE

Mr JAMES MARAPE (Tari-Pori – Prime Minister and Minister for Foreign Affairs)

– Mr Acting Speaker, I ask leave of Parliament to move a motion without notice.

Leave granted.

**TREATY DOCUMENT –
MOTION TO WAIVE SECTION 117(3) OF THE CONSTITUTION**

Motion (by **Mr James Marape**) proposed –

That in accordance with Section 117(5)(a) of the *Constitution*, this Parliament waive Section 117 (3) of the *Constitution* which requires a Treaty document to be presented to Parliament for at least 10 sitting days before Papua New Guinea can be bound by that Treaty in so far as the provision applies to the ratification of the comprehensive *Nuclear Test Ban Treaty*.

The motion requiring an absolute majority of 60 members, the Parliament voted.

Motion so agreed to.

20/07

**MINISTRY OF TREASURY – 2022 FINAL BUDGET OUTCOME (FBO) –
DELIVERING BUDGET REPAIR AND HOUSEHOLD ASSISTANCE –
MINISTERIAL STATEMENT –
MOTION TO TAKE NOTE OF PAPER**

Mr IAN LING STUCKEY (Kavieng – Minister for Treasury) – Mr Acting Speaker, once again, I want to share with this House, some good news about budget repair, contained in the 2022 Final Budget Outcome, or FBO.

Delivering a healthier budget

Mr Acting Speaker, the Pangu-led coalition Government, is fixing up the battered and bruised budget books, left by the failed economic policies of the O'Neill Government.

In sharp contrast, the hard work of the Marape-Rosso Government continues to see our budget books look healthier and healthier. And we have our 13-year Budget Repair Plan, which gives our country, a path to a fixed budget and no more debt.

Mr Acting Speaker, last month, the report card on our budget repair work in 2022, was published on the Treasury Website. This Final Budget Outcome Report, again, proves that the hard work is being done by the government, in fixing the budget.

Once again, the Government has delivered a healthier budget bottom line. We have a lower budget deficit than expected when this House passed the *2022 Budget* and the *2022*

Supplementary Budget. This means less build-up of debt. Increased confidence in our economy. More funds are available for the private sector.

In 2022, the Government recorded a budget deficit of K5,851.8 million or 5.4 per cent of GDP. This outcome is lower than both the 2021 outcome (by 1.3 percentage points) and the 2022 Supplementary Budget Estimates (by 0.2 percentage points). In comparison to 2020, the budget deficit has been reduced from 8.6 per cent of GDP, down to 5.4 per cent, in just two years.

This places PNG as one of the countries in the world, with the most rapid rate of budget repair.

Responsible economic management.

Learning the lessons from the past. Supporting the budget, supporting the economy during the Covid-19 pandemic in 2020, which added billions to our GDP and saved thousands and thousands of jobs. And when the worst of the crisis passed, then making sure we worked on a healthier budget bottom line.

The Marape-Rosso Government, is an economically responsible government, including a plan for our future!

Delivering on infrastructure development

Mr Acting Speaker, the Government has restructured the budget to concentrate on capital expenditure.

21/07

In 2022, we invested K9,871.9 million, or nearly K10 billion in our Capital Budget. This is a massive increase of K2,570.5 million on the 2021 outcome. A significant increase of 35.2 per cent!

Under the Marape-Rosso Government, the Public Investment Program (PIP) has grown from K2,041 million in 2018 to K6,952.3 million in 2022. This is an increase of 240.7 per cent. No other government in our history has delivered such major increases, while at the same time, delivering on a healthier budget. The Marape-Rosso Government is the infrastructure government!

Delivering a caring budget for our struggling families

Mr Acting Speaker, the Marape-Rosso government continues to demonstrate, that it cares about our struggling families.

During Covid-19, the government provided a targeted package of K506 million, back then with the vast majority of these funds, provided down at the local level through agriculture

support, water and sanitation programs, SME funding, and health assistance. We believed that delivery at the local level would best help our families and our communities.

Mr Acting Speaker, in response to the inflationary impacts of the Ukraine-Russian war, our Government designed and implemented a Households Assistance Package worth K587 million, last year. This was the largest package of assistance provided to PNG families in our country's history.

It demonstrates that this Government listens to the hardships facing our families, and when we can responsibly respond, we do what we can to assist.

And in the 2023 Budget, we built on this package of assistance with a further K590 million in support. A total package of K110,77 million, the largest ever. And a sharp contrast, to the lack of support during the drought and frosts of 2015-2016, what did the former government do, to help struggling families back then?

Mr Acting Speaker, at this stage, we are not planning any changes to the K590 million assistance package. This means that the assistance on fuel taxes will end on 30 June. Why? Because International fuel prices are well below their levels, even at the start of the Ukraine-Russian war, and our estimates are that fuel prices will stay below the levels, back in February 2022. But, let me assure this House, we will keep the international situation under close review and if prices spike upwards again, we will consider carefully, what more can be done.

Mr Acting Speaker, we would have been able to assist a lot more of our people's expectations and deliver even a budget surplus, if two key things had happened.

First, instead of a deficit of K4.5 billion in mid-2019, we should have inherited a balanced budget, following the good times from the PNG LNG start.

Second, the burden of our interest costs should have been K1.4 billion a year lower, but the former government went and increased their debt by over 300 per cent.

22/07

But such is life, and we have to move on from the mistakes and lost opportunities of the past.

But let us not forget, Mr Acting Speaker, 2022 was also an election year and the Government invested K695.8 million to support our democratic ways. Contrary to the sensational reporting, yet again, from the Post-Courier, details on how these election funds were spent by agency, is set out clearly on pages 32 and 33 of the FBO.

The Government knows that the 2022 National General Election did not go as well as our people deserved, and looks forward to the findings of the Parliamentary Committee, that

is examining what can be improved. However, in terms of funding support for the election, this was the best funded election in PNG's history. Indeed, compared to the 2017 National General Elections, the Government massively increased funding by 88.8 per cent, from K368.5 million to K695.8 million. We must now find out why all of this extra support did not translate into a better 2022 election.

The mechanics of Budget Repair

Mr Acting Speaker, there are two (2) key numbers in this report that help explain budget repair. The first is that total revenues and grants increased by K4,677.8 million or 33.7 per cent compared to the 2021 outcome. This strong growth reflects the effectiveness of our revenue strategies, including international engagement. The higher outcome also reflects the higher global oil prices as a result of the Russia-Ukraine War.

The second, is that PNG government expenditures increased by K4,259.1 million or 21.2 per cent, compared to the 2021 outcome or budget with most of this, going to an increased capital budget for projects.

A fast 33.7 per cent revenue increase, compared with a lower 21.2 per cent expenditure increase. This is the path of budget repair, ensuring that revenues continue to grow much faster than expenditures.

The budget deficit meant the level of debt increased to K53,679.9 million, or 49.8 per cent of GDP, lower than the 2022 Supplementary Budget estimate of 50.2 per cent. This is well below the *Fiscal Responsibility Act* limit of 60 per cent. This lower debt level, will feed into slightly lower debt estimates for 2023 and future years.

Mr Acting Speaker, in 2020, I made a commitment to put in place a plan to reduce debt and bring our public finances back in a position to support long-term development.

Our 13-year Budget Repair and Reconstruction Plan introduced as part of the 2022 Budget, sets out a clear path toward reducing budget deficits, turning them into surpluses by 2027, and then paying down our national debts.

Importantly, the 13-year plan covers the option, if a future government should wish to go down this path, to pay off all our national debt by 2034.

The 2022 FBO demonstrates we are well and truly on track to meet these targets.

23/07

On Preparing for lower commodity prices

Mr Acting Speaker, despite the very good news contained in this 2022 FBO report, we cannot become complacent. The funds that we were able to invest in 2022, into our record

capital budget, into our historic Household Assistance Support, and into the best-funded elections in our nation's history, were backed up by the major increases in tax revenues, flowing on and flowing from higher commodity prices.

We know commodity prices go up, and they come down.

The Marape Government indeed experienced the lowest commodity prices ever, during 2020. Remember when the oil price even went negative in early 2020, negative international oil prices, never have prices ever been so low!

So, going forward, we must prepare for lower commodity prices. This has been built into the 2023 Budget and the 13-year Budget Repair Plan.

We must also ensure, that our expenditures are targeted even better, and that there will be a need, to move more funds towards the operational budget to support the nurses and teachers for the new hospitals and new schools being built, as well as maintaining all of the new roads and bridges and wharves and airports that this Government is building.

We need stronger expenditure controls, especially over wages.

We need better revenue collection performance, with the core taxes of personal income tax, company tax and GST, not growing as fast as the economy in recent years.

We need to dramatically increase our non-tax revenue performance also, including through better collection of dividends and implementing the recently approved *Non-Tax Revenue Act*.

Mr Acting Speaker, there is much work to be done. And we are doing this work. We will have a finalized Medium-Term Revenue strategy by August this year. We will have a finalized Medium-Term Debt Strategy by the same month.

By August, we will have received updated forecasts from the Mid-Year Fiscal and Economic Outlook, the MYEFO. And we will be preparing our revised Budget Strategy for the next five years, all within the 13-year Budget Repair Plan.

In Conclusion, Mr Acting Speaker, often the work of a Treasurer, seems remote from the day to day issues I see, when travelling around my electorate, including the many remote islands that I maintain.

However, for those in this House, the leaders of our nation, we must take a keen interest in the high-level economic matters discussed today.

The health of our budget, ends up having a critically important impact, on income and job opportunities for our families and their children, in all of our electorates.

Budget repair means getting debt under control, it means being able to cut interest costs, so money is freed up for health and education and to the most remote villages in our country.

A good 2022 FBO result as part of our high-level work, helping all our families. This is just a further sign of the benefits of the hard work, responsible, responsive and caring leadership, of the Marape-Rosso Government.

Thank you, Mr Acting Speaker.

Mr DOUGLAS TOMURIESA (Kiriwina-Goodenough) – Thank you, Mr Acting Speaker. We are very happy to hear many positive speeches made by our Treasurer in his statement but the ministerial statement that he presented has a lot of details that needs to be seen by us and understood before we make a detailed response.

Mr Acting Speaker, therefore, I'd like to ask that we adjourn a debate on this paper to a subsequent sitting so that we can provide a detailed response to this Parliament. Thank you.

Motion (by **Mr Douglas Tomuriesa**) agreed to –

That the Parliament take note of the paper and debate be adjourned.

Debate adjourned.

24/07

Mr RAINBO PAITA – Thank you, Mr Acting Speaker. I want to thank the Members of Parliament for the two weeks in session, the Leader of the Opposition, his deputy and the Members of the Opposition side as well as the Government side, the Prime Minister and the Ministers. I also want to make mention of those members who couldn't join us because of medical issues and court matters in relation to the election court petitions.

Mr Acting Speaker, on behalf of the Government Business, I'd like to thank everyone who participated in these two weeks and we look forward to another Parliament session.

SPECIAL ADJOURNMENT

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

That the Parliament at its rising adjourn to Tuesday, 1 August 2023, at 2. p. m.

ADJOURNMENT

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

That the Parliament do now adjourn.

The Parliament adjourned at 12.49 p.m.

