

SECOND DAY

Wednesday 21 April 2021

DRAFT HANSARD

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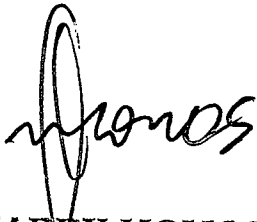
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The Draft Hansard is uncorrected. It is also privileged. Members have one week from the date of this issue of Draft Hansard in which to make corrections to their speeches. Until the expiration of this one week period, Draft Hansard must not be quoted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

Corrections should be authorised 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.

A handwritten signature in black ink, appearing to read 'HARRY MOMOS', written in a cursive style.

HARRY MOMOS

Acting Principal Parliamentary Reporter

SECOND DAY

Wednesday 21 April 2021

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 Member for Goilala and Minister for Transport, **Honourable William Samb**, to say Prayers:

‘Yumi prei. Papa long heaven tenkyu long dispela dei that we are alive today that yu gat purpose long laif bilong mipela long today.

Father, we come to you as sinners, we ask for your forgiveness by the blood of your son Jesus so that wanem something mipela wokim tudei mipela ken mekim wantaim gutpela bel tingting, na gutpela conscience.

Mi tenkyu long olgeta fellow leaders long dispela Floor. We represent our people, our district and our provinces. God help us today to elaborate on decisions affecting our country especially in the midst of a pandemic that drives fear, panic and even die long place bilong mipela tudei.

Na mi laik askim yu long givim mipela wisdom, knowledge na understanding so that we can lead our people while we have the opportunity.

Wantaim dispela Papa mipela pray long prayer pikinini bilong yu yet givim mipela. Amen.’

DEATH OF MEMBER (Mr RICHARD MENDANI) –

STATEMENT BY THE SPEAKER

Mr SPEAKER – Honourable members, I have to inform the Parliament of the death of Mr Richard Mendani on March 20, 2021 He was a Member for Kerema Open Electorate and was first elected to the 9th National Parliament from 2012 to 2017 and re-elected to the 10th National Parliament for the same seat from 2017 till his untimely death.

During these terms, he was appointed Constitutionals Laws Acts and Subordinates Legislation Committee Chairman, member of Economics Affairs Committee, member of Private Business Committee and a member of the Public Accounts Committee in August 2012.

As a mark of respect to the memory of the late honourable gentleman, I invite all honourable members to rise in their respective places.

All members present stood in silence for one minute as a mark of respect to the late gentleman.

**STATUS OF COVID-19 WITHIN PARLIAMENT PRECINCT –
STATEMENT BY THE SPEAKER**

Mr SPEAKER – Honourable members of Parliament, I take this opportunity to present to this Honourable House a very urgent situation regarding the status of the Covid-19 within the precinct of Parliament House.

02/02

I have, as of 20 April, 2021, received a letter from the office of the Controller, the National Control Center for Covid-19, questioning the serious state of the Covid-19 infections here in the Parliament. Prior to receiving directions from the Controller dated 20 April, 2021, for mandatory compulsory testing to be conducted by National Parliament for all its staffs, I have issued similar direction for testing exercise to be conducted in close collaboration with the Parliament clinic.

I have now issued further directives for compulsory testing to be conducted beginning 19 April, 2021, to both the National Parliament and political staff.

While testing is still going on for the rest of the Parliamentary Service and political staff, I have received preliminary results from the 167 cases tested. I inform this Honourable House that an alarming 42 cases have turned out positive.

Honourable members, our very serious concern is the fact that the majority out of these 42 cases are directly employed with the Chamber Services who are in direct contact with the whole host of us, national leaders.

Honourable members, that in itself is a very serious threat not only to us as leaders but also to staff of the National Parliament, our immediate families, friends, relatives and the national wellbeing and national security of this country.

Whilst it is now mandatory for the national health authorities to undertake the necessary steps to follow up with those positive cases for isolation and further medical interventions, the Controller of the National Control Centre has recommended for this House to be adjourned until further notice. This will allow for the Clerk and the Parliamentary Service staff to ensure all the necessary Covid-91 protocols are strictly observed further and continued testing and tracing are carried out. And of course, the regular decontamination exercises are already in place within the precincts of Parliament to be continued.

QUESTIONS

Fix East Sepik Highway Roads

Mr ALLAN BIRD – Thank you, Mr Speaker. Before I ask my questions, let me express the condolences of the people of East Sepik on the death of the late Member for Kerema, Honourable Richard Mendani, who was a member of my party.

Mr Speaker, my questions are directed to the Works Minister, and before I ask my series of questions, I'd like to acknowledge and thank him and his secretary for a written response that I received this morning on yesterday's question, which I will inform the people of East Sepik.

Mr Speaker, my questions relates to two other highways that we have in the province that come under the auspices of the National Department of Works.

Mr Speaker, our Angoram Highway from Passam to Angoram town has not received any attention certainly since I've been the governor and I think for a period before my time.

(1) Can the Minister inform the people of East Sepik and particularly our people of Angoram - the place where the late Sir Michael Thomas Somare, Grand Chief, hails from - as to the reasons why we have not heard of any plans for work on this highway and if there are any plans, can the Minister inform the House and the people of East Sepik?

The second question relates to another highway that heads towards Aitape and to Vanimo and particularly in relation to the Hawain Bridge.

Mr Speaker, work on this bridge has been outstanding for some time and it is virtually about to collapse and is unsafe. The provincial government has tried to work on it but obviously those works are unsustainable.

I thank the previous government under Honourable Peter O'Neill for allocating K20 million. And I also want to thank Prime Minister James Marape, when his government came in, he gave a personal undertaking that the K20 million would be quarantined somewhere either with Finance Department or with the central Bank.

03/02

I understand a contract was signed last year as awarded by the NEC towards the end of last year. To date, work has not commenced on the bridge. My people of Wewak and the people of Aitape who use this highway and depend on it for their livelihood have been raising many questions.

(2) Can the Minister inform the House and the people of East Sepik, in particular, the people of Aitape, Wewak and West Coast as to when this work will commence?

Mr MICHAEL NALI – Mr Speaker, I thank the Governor of East Sepik for raising these two very important questions; the first is regarding a road from Wewak to Angoram and the second is regarding the road from Wewak to Aitape and Vanimo to the Hawain Bridge. I must say that I have travelled on these two very important roads.

For the question regarding the road from Wewak to Angoram, some work was done couple of years back before my time. But during my time, Mr Speaker, through the budgetary process, we did not allocate any major funding for a major rehabilitation or sealing of that section of the road. So, as it is now, not much work has been done but in the past, a contract was awarded before I came in, and so if you fly over, you will see that there are equipment lying in that part of the area which are now rusting away. When that road was built, it was not built properly so it has fallen apart and I think the state of that road has now reverted back to being a dirt road.

Does the Government have any plans for that road? Mr Speaker, under the Connect PNG Program, at the moment, we are at the planning process. We have made many assessments on the roads throughout the country. ADB has been very kind, they gave us very close to US \$31 million which is equivalent to over K100 million to carry out the early feasibility studies, create designs and send our engineers to project sites where the Connect PNG Program will take place.

Mr Speaker, the Connect PNG Program, we are still putting the plans together and we are still talking about it. It has become one of the most heated issue that seems to attract a lot

of interest from every member of Parliament especially the ministers and the members who are affected by the connect PNG Program.

But the Government of Marape-Basil wishes to ensure that we are fair to all the regions of this country. An example of the connect PNG Program would be, the Nine Mile road in Lae to connect to Epo in Gulf in order to reach Port Moresby. And also, under this program, the Momase Highway will start at water rice to Bogia and the Department of Works plans to use the mighty Sepik river.

04/02

Mr Speaker, the Governor asked whether the Government has plans in place to construct the road from Angoram to Wewak.

Through the Department of Works, the Government intends to build a wharf facility in Angoram. To build a road from Madang all the way to the Sepik Plains is difficult so by resorting to the waterways, we can build a wharf facility in Angoram to have access to Wewak, coastal Sepik highway and then to West Papua.

Mr Speaker, the second question is in regard to the Hawain Bridge. I have driven all the way up to Aitape, and it is sad story. In dry weather, the people who live along the coastal Sepik Highway and as far as Vanimo are able to drive their vehicles across the river. Mind you, it is not a small river and during the wet season, the people are cut off and cannot get across. So the Hawain Bridge is very important but is now very old.

A contract has already been awarded and we have given them possession of site and the contractor is now ready to start the project anytime, but Mr Speaker, I must explain at this point that when the Finance Department shuts down all the trust accounts, it also shuts down trust accounts for the Department of Works where funds for major national projects are kept.

We were affected in this way so when it came to close-of-accounts, we wrote a cheque of K19 million to Finance Department last year. And that money is supposed to be parked somewhere in a trust account by the Department of Finance at the central Bank

Mr Speaker, I have asked the secretary to locate this money because it is somewhere in the central Bank. As soon as we identify which trust account holds the money then the project can start. The contract has already been awarded, it is only a matter of identifying where the K19 million is before we can start work on the Hawaiiin Bridge.

Supplementary Question

Mr RICHARD MASERE – Mr Speaker, on behalf of the people of Ijivitari, I wish to convey our sincerest condolences to the people of Kerema on the passing of their Member and the former party member of the National Alliance, Honourable Richard Mendani.

Mr Speaker, last year, the Prime Minister, in his wisdom, allocated K5 million to each district for the purpose of roadworks

Mr SPEAKER – Honourable Member, it seems that you are asking a new question as it is not in relation to the questions raised by the Governor of East Sepik.

However, you may remain and ask the question as a new one.

Bridge and Road Maintenance

Mr RICHARD MASERE - Thank you, Mr Speaker. I met with the provincial Works Department and discussed the expenditure of the K5 million allocation for last year to maintain the Northern Highway. From the K5 million, we agreed that K2.5 million will be used to fix the Pongani Bridge.

05/02

This bridge was washed away by Cyclone Guba and since then, access has only been through wet crossing.

Therefore, we had agreed and allocated K2.5 million to build a new bridge while we will use the other K2.5 million to maintain road from Emo bridge to Bareji/Afore junction. Because the road is in the lowlands, it is always waterlogged and in a very bad condition.

(1) When can we expect the National Department of Works and the provincial Works Department to engage a contractor for this project and when do we expect the work to commence? I understand that funds are already with the Department of Works.

(2) What type of bridge are we expecting to be built? We want a bridge that can last.

(3) If work commences on the waterlogged area, what sort of designs are they going to use because we do not want to continue to face problems along that particular segment of the road?

(4) In the Budget this year, another K5 million was allocated to continue rehabilitation of this road so when can we expect this money to be released from the Treasury Department?

Mr MICHAEL NALI – Thank you, Mr Speaker, I would like to thank the Member for Ijivitari for his questions regarding the K5 million for the rehabilitation of a very important road in Northern Province.

Mr Speaker, in the 2020 Budget, the Government allocated many road rehabilitations programs with funds ranging from K5 million to K10 million. In projects where we already have contractors, the department is paying them and the projects are progressing well.

Where we do not have contractors, as is the case in some provinces and districts, the department has already received K72 million warrants to commit to projects.

Mr Speaker, as I stated yesterday, unlike in the past where when warrants are issued, money was deposited into the accounts of Department of Works so when the funds were not used in that year, it would continue onto the next year. But because the trust accounts were closed, all the funds are kept by Finance at the Central Bank. That is why when the Works Department writes you a cheque, it goes to Finance Department and upon availability of cash, the central Bank makes the payments.

Right now, the K72 million warrant given to Works Department is still there and we anticipate that the cash is still available so I hope your road rehabilitation commitment is included in this. This response is for the first question.

Regarding the proposal on the two projects, it is not a problem as long as it is along that road, it can be done. The issue now is, we did get the warrant but we do not have the cash.

I invite the Honourable Member to sit together and talk to the Works Department to find a solution. My department can do the paperwork but the Finance Department is controlling the cash.

06/02

On the question regarding the second lot of funding, another K5 million for this year, under the reform we have undertaken we have now agreed that all the district roads will come to the districts and all the provincial roads will come under the provinces. The Department of Works will be responsible for the highways and the Connect PNG program.

That does not mean that we will throw away the support of the Department of Works to make sure that the districts and the provinces are building the roads any way you want. No, we will provide assistance when it comes to technicalities to make sure the roads are constructed to the standard that is with the department.

But, under the reform, that K5 million that you are looking at, if it is a district road, you are likely to see that money transferred to the district. If it is transferred to the district, you must liaise with the Works managers or Works engineers on the ground to assist you with your projects.

If it is a provincial road, it will then be paid to the provincial government accounts. If it is a national road then it will stay with the National Government for implementation.

To conclude I must say that the money for 2021 has not come to us yet, if it is a national road. But like I said, if it is a district road it will come to your DDA.

Mr SPEAKER – Before I allow for supplementary questions, I must make it clear to the members that the Chair will not entertain new questions asked under the pretext of a supplementary question.

Supplementary Question

Mr GARRY JUFFA – My supplementary question to the Works Minister is on the subject of the confusion that is apparent in the allocation for funds for roads.

For example, the matter which the Member for Ijivitari raised is an issue that had some confusion in the province.

We made a PIP submission in 2018 for roads and their repairs and maintenance. This was done for three roads; Kokoda, Afore –

Mr SPEAKER – That will be a new question to the Minister for Works. I will ask you to sit down and ask the Governor of Western who has been standing for a long time to ask his question first. You can ask a new question.

Additional Electorate for Western Province

Mr TOBOI YOTO – Thank you, Mr Speaker, for giving time to me and the people of Western to ask this question.

My question will be directed to the Prime Minister but before I do so, I want to extend the condolences of the people of Western to the Member for Kerema who left us. We express our sorrow to the family and people of Kerema.

With that, my questions to the Prime Minister is; two weeks ago, I saw a newspaper report saying that they have appointed a committee to consider new electoral boundaries for the country. They further reported that there will be 11 new electorates created.

I wish to inform the people of Papua New Guinea that Western Province is a big province in the country. Its landmass is enough to carry five highlands provinces and the New Guinea Islands. It is too big.

It is a big problem for me to run this huge province. I want the Prime Minister to make a commitment to give the people of Western Province one more electorate.

07/02

I want to see the name of Western Province included in the list. And allocating a new electorate during your tenure as Prime Minister will be a great present to the people of Western Province. Thank you.

Mr JAMES MARAPE – Thank you, Mr Speaker, and I thank the Governor of Western Province for asking this question.

The Cabinet has already approved the Electoral Boundaries Commission to start work. I understand that time is very short to make the substantial review for the balance of this Parliament term. As I speak, we have only 12 months before the writs are issued for the next election. But nonetheless the Electoral Boundaries Commission is in existence and it's an independent committee where Prime Minister doesn't have direct control over their work.

But there is a policy guideline for creating a new electorate. We have some work that is currently in our government systems where it has been recommended that some of the existing electorates will be spilt up. But I want to inform the Governor that his province will have a fair hearing just like every other province that may qualify regarding population or electorate size.

They will sit and deliberate, we may not have ability to cover the entire country but some districts and provinces comes to our mind as we speak today. Some have only 30,000 people and some have over 200,000 people. That is quite unfair to electorates having 200,000 people represented by one member when another member has 30,000 to 50,000 people.

So, in that context the Electoral Boundaries Commission will have a snapshot to look at what needs to be done. If there are one or two remedial issues that need to be addressed in the next few months before 2022 then of course those will be looked at. Those finding and recommendations will then be brought back to Parliament to address. But, substantially, I give

an undertaking to instill into government thinking so that after 2022 whoever is in government can come in and look into the needs to expand our electorates for our country.

The borders and boundaries we have today was set in 1977, if my memory is correct, and it's nearly over 43 years. And so, it's a task that needs to be done because leaders represent their constituency and people. We need to have equal distribution of people under representation and this is the main purpose of having an Electoral Boundaries Commission.

So, this Electoral Boundaries Commission will basically do two things. From desktop, look at what needs to be done especially in the immediate context of few electorates that are really huge today. One electorate that comes to mind is Talasea Electorate with over 200,000 people and it's really unfair on the member, people and province. And so, in that context few electorates that really stand out insofar as population and land spaces concerned will be considered but the final consideration will come back to this Honourable House for us to approve or disapprove.

So, I can give assurance to the Governor of Western Province, he's the head and I know he has written to us on many occasions on this matter. When the Electoral Boundaries Commission does its rounds, every province and district will be given a fair consideration in respect to immediate work but also putting in place recommendations for the next Parliament approval or Electoral Boundaries Commission works.

Thank you very much.

Present Report on Health Status

Sir PUKA TEMU – Thank you, Mr Speaker, I wish to direct my questions to the Prime Minister.

Mr Speaker, I am of the very strong opinion that the two most important issues for the nation today is the status of the economy and health due to Covid-19 in the country today.

08/02

Those are the two most important issues. I'm glad that on the Notice Paper today, the Minister for Treasury is going to make a statement and I hope that will incorporate the questions that were raised by the Opposition yesterday which he failed to answer yesterday.

So, Mr Speaker, can the Prime Minister allow the hardworking Health Minister to inform the country tomorrow of the Covid-19 situation so that this Parliament can debate and discuss it and find a way out.

Mr Speaker, you have just informed the House of the situation of yourself and the staff in this Honourable House.

(1) Can the Executive Government be responsible to this country and inform through its leadership the Covid-19 situation in this country?

(2) Can the Prime Minister make an undertaking for the Health Minister to make a statement tomorrow?

Mr JAMES MARAPE – Thank you, Mr Speaker. Let me thank senior and Member for Abau for very important questions on Covid-19. Covid-19 and its damage and rampage to our country in the health sector as well as the cross-cutting issues which affects our economy, law and order, construction industry, companies who are operating to contribute to our economy has now become a cross-cutting development challenge, and I take note there is a need for a Parliamentary statement that needs to be made and Minister is conscious of this one.

If Parliament sits tomorrow or at its next sitting, the Minister will make a statement. However, every day there is release of information going on our websites and updates from the National Control Center. The National Control Center is not a Covid-19 operation; it's an operation that everyone is privy and can attend.

The senior leader and Member for Abau has been in the Covid-19 center for some time when he was the Health Minister previously but it is also in his special interest the way our country must deal with Covid-19 and he has volunteered his time to come in and out to check.

Statistics are going out. Our daily newspapers are absolutely doing a good job every time. Daily statistics are also going out on Covid-19 sensitivity. We've made many statements to the effects of the need for our nation to be a living, working, socializing with consciousness to the effects of Covid-19, not only affecting you as an individual person but more importantly affecting your close contacts, the work place, family units and our society.

So, the issue of getting information out on society, I think it has been going on for some time and if we have not been satisfactory to the needs of everyone, then I apologise and we will step up to making sure that our country is greatly informed on the immediate effects of Covid-19 but, also the possible effect of our country and our economy going into the next few months and going into 2022 and beyond.

Covid-19 is not a situation that is normal to PNG. It's a once-in-a-century sort of medical event or pandemic. It is global, the global effect is that it affects our global economy for renowned –

Sir Puka Temu – Point of Order! My question was very simple, this is the highest House for the nation, you can send statements and statistics through every social media and print media but our people want to hear leaders talk on Covid-19 and this is the time.

So, my question is, can the Prime Minister allow himself or the Minister for Health to make a statement tomorrow.

Mr JAMES MARAPE – We consider his advice but this is not our first time to talk about Covid-19 here. We've also talked and the Health Minister has presented a report earlier on Covid-19.

09/02

And if this Parliament needs to be updated on Covid-19, we will update this Parliament on Covid-19. However, if a question requires answers that convey information on Covid-19, I am responding in such a way so that the nation can also be aware. Some information available in our country come through ignorance at different levels of our society. Genuine ignorance we can understand but some are political ignorance, under the guise of public policy interest and these are cardinal sins that leaders commit every time under politically disguised questions and interests. If anyone for this matter want information on Covid-19, whether it is expenditure-related or medical dispensation of services, mind you, we have inherited a health system that does not have capacity to deal with Covid-19 as we speak, yet we have the audacity to disturb Government flow of services by politics, by every other activities that politicians concoct to disturb core focuses of Government.

Mr Speaker, if any member of this House feels that there is a need for specific information on Covid-19, I am available for contact, the Health Minister is available for contact and the National Control Centre is available for any leader of this House to visit, offer recommendation, make contact or pick up support if need be, but statistics show - and for those us who have been involved in the Health sector for the last 45 years – there are only 200 ICU beds nationwide for our country. Pathetic! The product of our country for the last 45 years for Covid-19 response or any disaster response in as far as health and medical disaster is concerned, there are only 200 beds.

Sir Puka Temu – Point of Order! The Prime Minister is beginning to confabulate so please stop this confabulation. Just answer the question. Don't play politics, I've been around in the Health sector for 45 years so he may be referring to me. But, the whole world and

developed nations are also running out of intensive care all over the world, so this is not a peculiar need so, Mr Prime Minister, don't confabulate, just answer the question and sit down.

Mr JAMES MARAPE – Alright, I'll sit down very shortly. Over the last 45 years or when the medical services were established in our country, we have had only 200 ICU beds in the country. Out of these 200 ICU beds, only 44 beds have oxygen ventilators attached, of that 44, majority of those beds are in Port Moresby, few in Lae and the rest nil.

As a responsible Government, we have distributed over K2 million each to all districts and provinces as of last year. By now every district must furnish in what we have done in response to Covid-19 preparedness in our respective electorates. Parliament is a sum of bringing activities that we have done and pronouncements of statistics that he wants, we will pronounce this through a Parliament statement or through the Health Minister through a public forum or media.

the fact remains that Covid-19 is a crosscutting issue and I agree with him. We need to tell what is happening as far as the latest status quo. I will not disappoint him, whether in Parliament or outside of Parliament, the Health Minister, myself and the Controller, will clearly augment what has happened, how we have responded to Covid-19 and what each and everyone of us must get to attend including living in a covid-sensitive manner and working in a covid-sensitive manner.

Mr Speaker, as you have alluded to today, we at the highest level are standing exposed to possible exposure to Covid-19. I take that seriously that we need to protect ourselves and protect our country.

10/01

I have not rested the last few months when this Covid-19 hit us, but I will get the Health Minister to report on what needs to be done in our country, and if every citizen and every leader responds to living and working in a Covid-sensitive manner we can help arrest what has become a blown-out pandemic in our country.

Mr CHARLIE BENJAMIN – Thank you, Mr Speaker, for recognising me at long last. As always, in respect of our customs we must tend to others before our own so I acknowledge that.

(Laughter in the Chamber)

Manus – East/West Highway Sealing

Mr CHARLIE BENJAMIN – Mr Speaker, I direct my question to the Minister for Works. Before I do so, on behalf of the people of Manus, I convey our condolences on the passing of the late Member for Kerema, Mr Richard Mendani. It is always sad when one of us leaves us behind.

Mr Speaker, I also ask that the Prime Minister, as Chairman of NEC, takes note of my question because it seems that many of the questions raised to the Minister for Works come back with the same reply in that there are certain obstacles preventing the implementation of major projects. This is happening because the proper processes are not in place.

My question is in relation to the Connect PNG program. In January, the highway road project from East to West Manus was included in the program and was then advertised. This is a 32-kilometre road starting from NBC Beach to Kawa junction.

Mr Speaker and Mr Minister, this will be the first time this road in Manus will be sealed because we have been missing out throughout the years. My people of Manus including myself are very much interested in this project. Unfortunately, after many enquiries on updates up until now, there is not been any clear and positive response.

Can the Minister update us on the status of the project since it has already been advertised, and when will work commence?

It seems that there is no clear indication as to when this project will be implemented. Everyone has seen the advertisement and are eagerly looking forward to it, but whether it will happen is the real question.

Mr MICHAEL NALI – Mr Speaker, I thank the Manus Governor for his very important question.

Manus is on the list for the Connect PNG program, and if all goes well, the Department of Works intends to include this project in phase 1 for 2020-2025.

Mr Speaker, an expression of interest advertisement was released for 32 kilometres, which the Governor has referred to, but the actual road plan for the Department of Works is close to 100 kilometres.

Mr Speaker, in reference to the tender advertisement, before a tender is put out via public media or electronic media, we must get an authority to pre-commit the State. That authority to pre-commit the State is made up of a team comprising the National Planning, Treasury and Finance to make sure we have the money to put this particular project on tender. We have now gone past that stage. The tender was put out to see how many companies would submit their

interest to work on roads in this country. It is not only Manus alone. As I have stated, there is equal distribution right throughout Papua New Guinea and as in the Connect PNG policy, we need to see how many companies are interested.

11/02

Mr Speaker, as I speak, tender is already open but it is with the National Procurement Commission where it will appoint technical and financial evaluation team to evaluate these projects. As you all know, the old process is no longer used.

In the previous O'Neill Government, there was a change in the process where the old tender processes and awarding of contracts was delegated to the National Procurement Commission which also goes down to the Provincial Procurement Commission and now further goes down to the District Procurement Commission.

As I have stated yesterday, process number one; NPC must give approval when there is availability of funds. Process number two; in NPC, tender must be prepared. Process number three, the contractor must bid. Process number four, tenders must be opened. Process number five, tender evaluation must take place. Process number six, it must go through Central Tender and Supplies Board to award contract. Process number seven, where the cost of project is less than K10 million, Central Tender and Supplies Board awards the contract. If more than that, it goes to the Minister for Works who takes the submission to NEC to award the contract. Process number 8, the project goes back to State Solicitors to process the contract. Process number nine, it goes back to NEC. Process number 10, it goes to the General-General to sign the contract on behalf of the State.

These are the processes that the Department of Works has to endure. We have created something that has made it so difficult for us.

To answer the Governor's question, his project has not even gone through the technical evaluation stage. It has not come to me yet.

Thank you, Mr Speaker.

Sitting suspended from 12 noon to 2 p.m.

12/02

MOTION BY LEAVE

Mr RAINBO PAITA (Finschhafen – Finance and Rural Development) – I ask leave of Parliament to move a Motion without Notice.

Leave granted.

SUSPENSION OF STANDING ORDERS – REARRANGMENT OF BUSINESS

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

That so much of the *Standing Orders* be suspended as would prevent the Minister for Inter-Government Relations who will be represented by the Prime Minister from presenting the Lae City Authority (Amendment) Bill 2020 and the Kokopo City Authority (Amendment) Bill 2020 forthwith.

LAE CITY AUTHORITY (AMENDMENT) BILL 2020

First Reading

Bills presented by **Mr James Marape** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith.

Mr JAMES MARAPE (Tari-Pori – Prime Minister) – I move –

That the Bill be now read a second time.

Mr Speaker, this Bill and another one that is to come are consistent with our focus on ensuring that our third municipalities in the country are responsive to administering our urban

areas more so similar to our reforms that we have done for Mount Hagen. All manners of preparation are in order the First Legislative Counsel has given clearance for this Bill. I commend these Bills to Parliament.

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

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

Bill read a second time.

Third Reading

Bill, by leave, read a third time.

13/02

KOKOPO CITY AUTHORITY (AMENDMENT) BILL 2020

First Reading

Bill presented by **Mr James Marape** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith.

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

That the Bill be now read a second time.

Sir PUKA TEMU (Abau) – Mr Speaker, while I personally will support the Bill, I beg the Prime Minister, at least there is an explanatory note. We got a copy of the Bill but the Prime Minister is silent on what it is that we are passing. We have no idea so at least a short explanatory note is attached as with all Bills.

Mr JAMES MARAPE (Tari - Pori – Prime Minister) – Mr Speaker, these are simple amendments to what is already a *Kokopo City Authority Act* as we did with the *Lae City Authority Act*.

It is a repeal of sub-section 4 of the *Act* which deals with vacation of offices by those who hold offices in this important city municipal.

I commend the Amendment Bill to the House.

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

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

Bill read a second time.

Third Reading

Bill, by leave, read a third time.

14/02

MOTION BY LEAVE

Mr RAINBO PAITA (Finschhafen – Finance and Rural Development) – I ask leave of Parliament to move a motion without notice.

Leave granted.

SUSPENSION OF STANDING ORDERS – REARRANGMENT OF BUSINESS

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

That so much of the *Standing Orders* be suspended as would prevent the Minister for Immigration from presenting the Employment of Non-citizens (Amendment) Bill 2020 and Immigration and Citizenship Services (Amendment) Bill 2020 forthwith.

EMPLOYMENT OF NON-CITIZENS (AMENDMENT) BILL 2020

First Reading

Bills presented by **Mr Westly Nukundj** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith.

Mr WESTLY NUKUNDJ (Dei – Minister for Immigration and Border Security) – I move –

That the Bill be now read a second time.

Mr Speaker, it is my privilege to present for the consideration of this Honourable House, the *Immigration and Citizenship (Amendment) Bill 2020*.

Members of Parliament will be aware of the long-awaited plans to merge the work permit functions administered by the Department of Labour and Industrial Relations with the Immigration and Citizenship Authority.

15/02

Mr Deputy Speaker, indeed this reform was first proposed in the early years of this millennium only to be stalled time and time again by the inactions and territorial wars of the public servants.

Mr Deputy Speaker, it is this Marape-Basil government that is finally delivering on this reform. By enacting the Immigration and Citizenship Amendment Bill 2020, then the complimentary Employment of Non-citizens Amendment Bill 2020, we will for the first timing our nation's short history have a single point of contact for non-citizens employment approval requests and visa applications.

This will eliminate red tape; this will remove duplication and dysfunction and it will increase our nation's standings globally as a safe place to work, to conduct business and even to visit for tourists.

Mr Deputy Speaker, let me be clear. This reform is not just about removing red tape and making things easier for the industry, yes, this is important, we must support the foreign

workers needs of legitimate companies but we must also put a stop once and for all to the blatant disregard to our nations laws by fly-by-night foreign businesses who seek only to exploit the duplication in our laws and deny Papua New Guineans the rightful employment opportunities.

Mr Deputy Speaker, that is why this amendment bill and the Employment of Non-Citizens Amendment Bill 2020 is so important. It is about securing the borders. It is about protecting our sovereignty. It is about putting a stop to organised transnational crime and it is about ensuring that we have a coherent integrated compliance and enforcement process that allows us to enforce the law.

Mr Deputy Speaker, it is a fact that the current system has failed us. I am sure my friend and colleague Minister for Labour and Industrial relations will join me in saying that for too long our immigration and labour processes have let us down. And I also am sure that all the Members of Parliament will agree with me on that as well.

Mr Deputy Speaker, by integrating this work permit and visa processes, we will build on the economies of scale, streamline outdated processes, enhance our systems and increase our analytical capacity and system interoperability. All of these means, we can better control our borders and regulate the movement of non-citizen workers.

Mr Deputy Speaker, I will speak in more detail shortly when I move the Employment of Non-Citizens Amendment Bill 2020 also to be read a second time. Not suffice to say, both bills will help advance the interest of our people by ensuring that Papua New Guineans are not denied employment opportunities by foreign workers.

Mr Deputy Speaker, this is a critical part of taking control of our nation. We are doing nothing but we are implementing the Marape-Basil government vision to take back Papua New Guinea. It is a critical part of our vision to provide opportunity and prosperity to our people.

16/02

We are no longer just talking, we are actioning all these critical amendments.

Mr Deputy Speaker, I commend this Bill to the House.

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 Westley Nukundj**) 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.

Bill read a third time.

IMMIGRATION & CITIZENSHIP SERVICE (AMMENDMENT) BILL 2020

First Reading

Bills presented by **Mr Westly Nukundj** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith.

Mr WESTLY NUKUNDJ (Dei – Minister for Immigration and Border Security) – I
move –

That the Bill be now read a second time.

Mr Speaker, it appears that I have the same speech for this Bill. Therefore, I commend the Bill to this House.

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.

17/02

Third Reading

Leave granted to move that Third Reading forthwith.

Motion (by **Mr Westly Nukundj**) proposed –

That the Bill be now read a third time.

Mr ALLAN BIRD (East Sepik) – Thank you Mr Speaker, I stand in support of both Bills and I just want speak to the business community who have for many years raised under the ease of doing business index where Papua New Guineans always rated very poorly. For more than 20 years now, one of the key issues they have been raising is about merging these two functions.

So, I wanted to commend the Minister and our Government under the leadership of honourable James Marape and his Deputy honourable Sam Basil. This now makes it much easier and hopefully, we will improve our rating on the international scene of doing business. This is one less hurdle interested multinationals or others who wish to invest in Papua New Guinea will have to go through in order to sort out their documentation to come in and work in our country.

With that Mr Speaker, I commend the Bill.

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.

MOTION BY LEAVE

Mr RAINBO PAITA (Finschhafen – Minister for Finance) – I ask leave of the Parliament to move a motion without notice.

Leave granted.

18/02

**SUSPENSION OF STANDING ORDERS –
REARRANGEMENT OF BUSINESS**

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

That so much of the *Standing Orders* be suspended as would prevent Notice number 235, 236 and government business being called forthwith.

NATIONAL ENERGY AUTHORITY BILL 2020

First Reading

Bill presented by **Mr Saki Soloma** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith.

Mr SAKI SOLOMA (Okapa – Minister for Energy and Rural Infrastructure) –I move –

That that Bill be now read a second time.

Mr Deputy Speaker, I thank you for this opportunity to address Honourable Members of Parliament, through this second reading speech, on the National Energy Authority Bill, 2020, and the Electricity Industry Act Amendment Bill, 2020.

Mr Deputy Speaker, the honourable members of this Parliament are no doubt aware that energy, in particular electricity, is a major driver of economic development of our country. Electricity access is a vital service to urban and rural populations in terms of social and economic development of our people. Increased electricity services will boost micro, small and medium enterprises in PNG.

Mr Deputy Speaker, since electricity became publicly available in PNG since 1963, electricity access and growth are very minimal, reaching only about 15 per cent in the last 58

years. Major reforms in policy, law and institutional arrangements are being introduced to ensure that electricity access and growth reaches 70 per cent of PNG households by 2030 and 100 per cent by 2050 or earlier. The two bills tabled in Parliament - namely the National Energy Authority Bill 2020 and the Electricity Industry *Act* Amendment Bill 2020 are the culmination of the work done so far in reforming the energy sector.

Mr Deputy Speaker, the National Energy Authority Bill, to be enacted as an act of parliament will establish the energy and electricity industry law for the energy sector.

The Electricity Industry Act Amendment Bill contains consequential amendments to the electricity industry *act*, 2002. The amendment bill will repeal certain provisions of the electricity industry *act* thus enabling the national energy authority *act*, to be enacted by parliament, to take immediate effect.

19/02

Mr Deputy Speaker, the Honourable Members are aware that the government of Prime Minister, Honourable James Marape, has created a separate ministry of energy and rural infrastructure. However, there is no government department, authority or agency currently supporting this new ministry.

Mr Deputy Speaker, all major sectors of the economy have their sectoral policies and legislative framework to guide development of their sectors, supported by appropriate government organisations, as implementing bodies. The national energy authority will be that government body, which will be established upon enactment of the national energy authority act to guide the energy sector.

Mr Deputy Speaker, the national energy authority will be the major driver for policy development, regulation and implementation objectives and plans of the government. The authority will ensure appropriate modern technologies and practices are deployed to meet the power needs of all stakeholders through sound regulation of the power industry.

The national energy authority will be the paramount body for management of the energy sector to deliver increased affordable and consistent supply of electricity for commercial and industrial businesses including power supply to proposed economic corridors, industrial zones and building of towns and cities.

Mr Deputy Speaker, the authority will work with PNG Power Limited (PPL) and private sector companies, donors and financiers to provide electricity access to households in urban and rural communities, support micro, small and medium enterprises (MSMEs) and lift standards of living for all our people in the country within this decade and beyond.

Mr Deputy Speaker, the two legislations I have tabled in Parliament place heavy responsibility on the Minister, the board and the authority to ensure that the energy sector, which has been lagging behind, should now be properly established and enabled, to substantially improve supply of energy and power services to the country.

The national energy authority will ensure the development of all indigenous energy sources, including hydro, gas, solar, geothermal, coal, wind, biomass, biofuels and others. PNG is rich in natural energy resources which can be utilized to produce electricity for domestic and commercial use.

Mr Deputy Speaker, the two legislations establish a comprehensive legal regime. The authority will be the one-stop-shop regulatory body of the electricity industry. The electricity industry act 2002 amendments to give all regulatory powers to the authority. This will stop the current untenable situation where the energy and electricity industry are very fragmented to the extent that certain government industry players are not legally empowered to have full capacity or conflicted in performing regulatory functions.

Mr Deputy Speaker, the current regulation and management of the power industry has resulted in very little power access to our people in the rural and very remote areas of PNG like Okapa in my district. The private sector is also in dire need of adequate and regular electricity services they can rely on to grow their enterprises

Mr Deputy Speaker, the high cost for use of diesel and high fuel oil for electricity generation for a long time has impacted the power industry significantly in terms of costs to PPL and costs to consumers.

Inconsistency in maintenance of infrastructure or lack of funding for new infrastructure has resulted in serious challenges for PPL in the delivery of consistent power supply throughout the country. The issue of aging PPL infrastructure is currently being addressed as I speak, through the national electrification roll-out plan (NEROP).

Some power projects are not completed or delayed because of inadequate benefits to the landowners and lack of participation by them in those projects.

20/02

Other electricity projects are also being held up because of lack of policy or unreasonable requirements of investors.

Mr Deputy Speaker, these are some of the issues affecting the energy and electricity industry that will be addressed through the enactment of the two new legislations.

Mr Deputy Speaker, the main objectives of the legislations are to enable the power industry to be a driving force for the development of the country.

These objectives are:

1. To promote planning, development and operations of a safe and efficient system of electricity generation, transmission, distribution and sale of electricity to the consumers;
2. To promote the efficiency and competition in the electricity industry and downstream gas industry;
3. To establish and enforce proper standards of safety, reliability and quality in the electricity supply industry and downstream gas industry; and
4. To establish and enforce proper technical standards for electrical and gas installations.

Mr Deputy Speaker, the legislation is also intended to establish a tariff system based on accessibility, consistency of supply and ultimately reduction of electricity supply cost to make electricity affordable to the consumers. Consultations with all power industry stakeholders will be vital to establishing a sound tariff system.

The all-important practice of sale and purchase agreements between the generation and transmission, distribution and retail companies will be guided by the following principles to ensure that electricity is affordable to the consumers:

1. Compliance with tariff rules, regulations, regulatory contracts, guidelines, arrangements and mechanisms in force at the time and;
2. Compliance with the objectives of the legislation; to ensure that electricity is affordable to the consumers.

Mr Deputy Speaker, it is very important that the national energy authority is established immediately, with well-resourced and highly skilled staff to deal with the sale and purchase agreements.

The authority will be staffed by skilled and knowledgeable experts in energy and power industry policy, technical and economic regulation, and people high calibre in management of similar organisations.

The high demand for a well-managed regulator of the energy sector together with the high momentum at which the national electrification roll-out plan (NEROP) is moving in its implementation, the authority must be up and running without any delay.

Mr Deputy Speaker, during the initial three years of the authority's operations, the donors have agreed to provide international experts to work with PNG nationals with a view to replacing the international advisers after that period. The advisers will bring expertise for grid,

off-grid and rural to effectively contribute to PNG substantially attaining the national target of electricity access to 70 per cent of PNG households between 2025 to 2030 or earlier.

Mr Deputy Speaker, the legislation provides for the establishment of an electricity trust fund to receive and manage funds granted or loaned to the national energy authority solely for electrification of PNG for grid, off-grid and rural electrification. The proposed legislation states clearly that this fund must be managed independently of the national energy authority's normal operations. Membership and management of the fund should be transparent and accountable to those who provide funding to the trust fund.

Mr Deputy Speaker, most of the initial funding for the operations of the authority will be sought from the national budget and where appropriate the donors, especially during the establishment phase of the authority.

After the initial period of one to two years the authority's revenue sources will be regulatory fees, licensing fees and generation levies to enable implementation of its policy and regulatory functions. And also, the authority's community service obligations, including maintenance of existing infrastructure.

Mr Deputy Speaker, the four APEC countries (United States, Japan, Australia and New Zealand) are committed to supporting PNG's national electrification roll-out plan through the PNG electricity partnership (PEP) that has been established between the four countries and PNG.

21/02

I am pleased to announce that the PNG electricity partnership is progressing and many implementation programs and projects are being planned to achieve PNG's national electrification targets.

Mr Deputy Speaker, the government departments and state-owned enterprises (National Energy Authority, Kumul Consolidated Holdings Limited, PNG Power Limited and Kumul Petroleum Holdings Limited) will be working closely with donors and financiers to speed up the National Electrification Roll-out Plan (NEROP).

Apart from PEP funding support for NEROP, funding has been secured from the World Bank group as well. Other multilateral donors such as UNDP have been undertaking important activities, including training, studies and preparation of draft documents such as grid codes to expedite NEROP and the up-skilling of PNG nationals in both grid and off-grid or rural electrification.

Mr Deputy Speaker, I will now briefly speak on the contents of the two bills, especially the National Energy Authority Bill. The Bill provides for a strong but fair regulatory regime. There will be strict enforcement of the law because the electricity industry requires high standards to maintain safety. Penalties will be imposed on companies and individuals who breach the act and the regulations.

However, there will be fairness in dealing with the offenders. Those who feel aggrieved by the decisions of the Minister or the authority may appeal the decisions made against them to an appeals panel consisting of a power industry expert and a lawyer and an accountant with experience in the power industry.

Mr Deputy Speaker, the National Energy Authority Bill for an *act* will establish a licensing system for issuing generation licenses for many hydro power projects because of the many rivers and creeks we have in PNG. The number of solar projects is increasing so solar power projects will be issued licenses. Geothermal power projects will be issued licences, in addition to one or two projects which are currently operating. Projects utilising other renewable resources such as biomass, biofuel and wind energy will require more studies before licenses can be issued.

Mr Deputy Speaker, the licences for high voltage transmission lines will be issued to companies that satisfy the bona fides stated earlier. The Government will encourage investment by PNG companies involved in construction of distribution lines.

I am aware of interest being shown by companies from all four regions of the country, however, proper vetting of applications will be required to ensure that safety standards, quality materials and overall costing of proposals are acceptable in building a low-cost power industry.

Licenses will be issued to electricity contractors and electricians who have the legally required qualifications and experience in the power industry.

Mr Deputy Speaker, conditions will be imposed on all licenses and licence holders must comply with those conditions. Failure to comply with those conditions may result in serious penalties, including termination of licenses or prosecution in the courts of law.

Current license holders will need to seek extension of their licenses under the new licensing system when their licenses expire. The new licensing system which replaces the previous PPL practice and current ICCC practice will bring more benefits to provincial governments, district development authorities and landowners.

The new legislation provides royalty and equity to national government, provincial government, district development authorities and landowners. The participation of these stakeholders in the power project will result in tangible benefits to PNG as well as investors.

Mr Deputy Speaker, under the new legislation I will start organising national content forums for all stakeholders in power projects to meet and negotiate project agreements before commencement of construction.

22/02

Under the new legislation more opportunities will be given to PNG companies to build, own and operate power projects in generation, transmission and distribution.

Mr Deputy Speaker, the legislation says that the capacity of projects up to 10 mega watts will be reserved for PNG companies. A project with installed capacity above 10 mega watts may be undertaken by PNG companies individually or through joint-ventures. Where this is not possible, PNG companies must be allowed to acquire equity in joint-venture power projects with foreign investors.

Mr Deputy Speaker, the minister will appoint authorised officers and inspectors to investigate operations of power projects, if necessary, with assistance from police, to ensure safety and standards required of operations, installations and equipment are maintained.

The authorised officers and inspectors will have powers to disconnect power and can order temporary shutdown of operations to enable rectifications to electrical works and installations. These officers will be authorised to require information from operators regarding accidents or emergencies.

Mr Deputy Speaker, there is currently no off-grid and rural electrification system in place in PNG. The issues of remoteness, affordability, high logistical costs and sustainability of power projects or electrification solutions for rural areas will be a major challenge for the new authority, PEP partnership and multilateral donors and financiers.

Specifically designed off-grid systems are being developed to meet these challenges and deliver electricity access to rural and remote areas such as the islands. Three options or solutions are being evaluated and likely to be adopted:

1. Mini-grids in areas where they can easily be installed and there are paying customers to sustain these grids;
2. Solar home systems where it is feasible to install such systems; and
3. Stand-alone systems in more remote areas where affordability is very low or not possible, then, subsidies and incentives will be required to install and sustain such a system.

Mr Deputy Speaker, studies are being done, including cost estimates for these solutions by donors and financiers and will be discussed with the government this year, before off-grid and rural electrification will be rolled out.

Mr Deputy Speaker, the national electrification roll-out plan (NEROP) places great emphasis on the electrification in the off-grid and rural areas. Appropriate regulations, mechanisms, and arrangements will be developed under the new legislation to suit electrification for off-grid and rural areas.

Mr Deputy Speaker, a separate tariff system will be introduced for the off-grid areas to suit each of the three rural solutions or systems. The concept of economies of scale will guide the development of the off-grid or rural tariff system based on affordability studies. Off-grid electrification also needs low cost design and construction standards. Therefore, design guidelines, practices and templates will be required to ensure the roll-out of such electrification solutions are successful.

Mr Deputy Speaker and honourable members of this House, I am confident the two bills, if enacted will bring huge benefits to the national government, provincial governments and district development authorities and all our people living in mostly remote areas.

The electricity and energy achievements of the current government, namely the national energy authority and the national electrification roll-out plan will impact the whole country significantly.

These achievements will be great milestones in providing electricity services to advance industrial development and provide domestic power needs for urban, rural and very remote areas for the first time.

The implementation of power projects in the next five years will be intensive and will require huge mobilisation of in-country resources and funding from overseas donors and financiers to achieve major electricity access targets which were barely achieved in the last 58 years.

Mr Deputy Speaker, I commend the two bills to Parliament.

23/02

Mr JAMES MARAPE (Tari-Pori – Prime Minister) – Mr Deputy Speaker, I rise to give support to this important bill. It's a long time in coming. We've been doing the same thing over and over and we have not been achieving much results, especially in the energy space, and energy is a key input into improving our people's lifestyles and our country going in and leading on into the future.

We must rise to the occasion by supporting this reform. This will be one of our key reforms we do in this Parliament that will ensure that we liberalise the energy space and have

a responsible body that is sitting on top at the gates to ensure that the energy sector is being worked on and policed.

This bill will also ensure that we have room for private capital to come in and for private power generation, private power grids, and private power supply.

Mr Deputy Speaker, in case many in the House do not know we already have isolated cases of power generations by private companies. For instance, I bring to you a private power company that has been operating up there in the Hides for the last 30 years supplying power to Porgera without an authority oversighting this.

This bill will also ensure that provincial governments, if you are isolated from PNG Power, you can set up your own power company. You can control and supply your own power. So far, we've been depending on PNG Power for so long and yet they cannot sustain it. We are living in the legacy and the inherent weaknesses of PNG Power.

So, this bill comes to liberalise the energy space and to ensure that, not only power but every other forms of energy, whether it is kinetic energy, nuclear energy, geothermal energy, hydro energy or solar energy are harnessed for the better. So that we could monetised those assets that we have in this country in as far as energy is concerned. I think it's a step in the right direction. Something that when we look back from history, we will say that our Parliament, we are a part of the creation of this important authority that will give genesis to ensure our energy sector is expanded in a big way. Some will ask for another authority being formed but I think it is worth forming in this space.

We will cut off those who work in the energy section in the petroleum and energy sector and bring them across to work under the National Energy Authority and their head will be appointed and we will get it to sit at the gate of policing the energy sector in our country.

Hopefully, this intervention will assist in getting our country to move forward in the energy space.

I support the Minister and commend him for this important work that he has done thus far.

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 21 April 2021 was announced recommending the imposition of taxation in accordance with *Section 210* of the *Constitution* insofar as the Bill relates to and provides for such imposition.

24/02

Third Reading

Leave granted to move the Third Reading forthwith.

Motion (by **Mr Saki Soloma**) 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 – put.

The Bill, requiring an absolute majority of 56 Members as required by the *Constitution*, Mr Deputy Speaker ordered that the Bells be rung.

25/02

The Parliament voted (the Deputy Speaker, **Mr Koni Iguan**) in the Chair) –

AYES – 73

NOES – 0

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

Bill read a third time.

26/02

ELECTRICITY INDUSTRY (AMENDMENT) BILL 2020

First Reading

Bill presented by **Mr Saki Soloma** and read a first time.

Second Reading

Leave granted to move the Second Reading forthwith.

Mr SAKI SOLOMA (Okapa – Minister for Energy and Rural Infrastructure) – I move

—
That the Bill be now read a second time.

Mr Deputy Speaker, my second reading speech was covered in the speech that I made for the second reading of the first bill.

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.

**ECONOMIC UPDATE – MINISTERIAL STATEMENT –
PAPER NOTED**

Mr IAN LING-STUCKEY (Kavieng – Minister for Treasury) – I present the Ministerial Economic Update.

It is an honour for me and my people of Kavieng and as Treasurer in the Marape-Basil Government to stand here again in Her Majesty's House, a house saddened by the recent death of the wonderful husband of our Queen and a good friend of Papua New Guinea to present an economic update of the 2021 Budget.

Mr Deputy Speaker, a lot has happened since the 2021 Budget was delivered and passed back in December. Unfortunately, due to power hungry stunts of the other side, I was not able to brief the House fully on PNG's economic situation at the end of 2020 and prospects for 2021.

Indeed, the irresponsible Leader of the Opposition, still played by the puppet master is trying to destroy the 2021 Budget by having it declared illegal. What will this mean if such recklessness succeeded?

Would that mean that all payments to our provincial health authorities would have to be returned destroying our covid-19 response? But maybe he would be happy with this as he doesn't believe in science and the risks of covid-19.

Would it mean all contract payments for building roads as part of Connect-PNG would have to be withdrawn?

Would it mean public servants having to pay back their salaries and tell their wantoks that Belden Namah has destroyed their income?

Trying to destroy the 2021 Budget is just simply 'Vanimo Madness'. Shame on you!

27/02

PNG Economy and Prospects

Mr Deputy Speaker, let me be honest. Times are tough and there are great uncertainties about our future.

As I have informed the House regularly, we are facing a once in a century Global Pandemic. In 2020 global growth was estimated to be the worst since World War 2. Since the December presentation of the valid and good budget there have been two major developments.

Mr Deputy Speaker, the first major development is that covid-19 continues to kill around the world and locally.

In January the global death toll passed more than two million global deaths, just three months later the death toll grew to over three million with deepening crises in Brazil, India and France.

Locally we all know the disastrous re-emergence of covid-19 in PNG. When I last spoke in Parliament in mid-December there were an estimated 725 cases with eight deaths. The

current toll has increase to 10 197 cases and 91 deaths as of the 20th of April. An exponential increase.

We are working to control its impact with over 100 000 vaccines already in our country and being administered to key workers. Much more remains to be done.

Mr Deputy Speaker, it I with a heavy heart that I must state we all know of wonderful, strong people that have died from covid-19. It is a deadly killer. But finally, we have a weapon to fight it. A weapon that the Leader of the Opposition wants to throw away so that his troops can die. Look at the science, trust in the health experts. All of these points to a massive health and economic downside risk in our projections.

Mr Deputy Speaker, the second key development since December is that the roll out of the vaccine. The fiscal stimulus being provided by major economies combined with some more successful containment strategies means that growth is returning to the world economies much faster than expected.

Indeed, the IMF has lifted its global forecast for growth

28/02

PNG's Economic Stimulus Plan – Report On Stage 1 of K5.7 billion

Mr Speaker, I am pleased to state the stimulus plan did what was expected and matched expectations. It helped stimulate the economy. It was the vital ingredient for helping turnaround the economy from the recession of 2020 with a negative 2.9 percent fall in our nominal economy to the expected economic growth of over 10 per cent in 2021. From K81.6 billion in 2020 to an estimated K90.3 billion in 2021. K5. 7 billion supporting the K8. 7 billion economic turn-around. This is the big success story. There were no surprises in the BPNG statement quoted yesterday - it simply confirmed the figures above, including the expected big turnaround in growth in 2021.

As mentioned yesterday, there is a misunderstanding by some, promoted by the Opposition, that all the K5.7 billion was to be spent on the health response to COVID-19. This simply displays their ignorance

There are two wars on COVID-19 – a health war and an economic war.

- Almost all of the K5. 7 billion was on the economic war
- That is why it was called an **Economic Stimulus Package**
- Not a COVID-19 Health Package

I went through the success of each of its components yesterday, so to save time, I will leave them in this written statement but not repeat them again. And similarly, I will leave

some details on our success in the IMF program to the written statement that members have in front of them.

Before going on, I want to cover the question about warrant authorities mentioned yesterday. We need some more facts, and less lies that O'Neill twists into his questions. First, he made the outrageous claim that there had been no release of warrants for operational funding of our hospitals, or for government institutions across this country. The facts - I have personally already approved warrants for operational funding to the hospitals for K65.6 million, over half of the budgeted amount, a further K35.8 million for medical supplies. I have personally already approved warrants for our schools and other education subsidies for K148.5 million. I have personally already approved total warrants for operational expenditure of K681.8 million. He says zero. He just lies.

He also told a lie that all these warrants were cleared by a consultant in Canberra. That simply is not true - he is not even on the WhatsApp group within my office that deals with warrants and payments. And in our Westminster Parliamentary system, I am the Minister that makes the decisions delegated to my portfolio following proper process, broad advice and consultation with my government colleagues.

Progress with the IMF Program

Mr Speaker, I am pleased to say we made very good progress with the Key Performance Indicators under the IMF program given the COVID-19 circumstances.

On the structural KPI's, 15 of the 20 benchmarks already have been completed - already a 75 per cent success rate.

We have essentially completed our first review. A second review will be completed in the middle of the year.

29/02

There is a big decision going ahead. Does PNG seek an IMF funded program which could deliver a further K1.3 billion in budget support each year for three years? This will be a big decision for Government later in the year and I look forward to further discussions on it.

Economic Stimulus Package – Stage 2

Mr Speaker, we live in incredibly uncertain times. What I am about to set out are proposals on using the second response to the COVID-19 disaster. The Marape Government hoped it wasn't necessary, but it was prepared for the second wave. K600 million had been set

aside. And we have built into our budget forecasts another K600 million on COVID 19 in 2022. Wise planning.

Given the priority the Marape Government attaches to supporting the health sector, we are proposing a further K255 million in additional emergency support to our health system. This will lift estimated health expenditure in 2021 from K1, 745 million to a record K2,000 million. And yes, we are mindful that we need to ensure that these funds are released on time and proportionate to the timeline so that front line workers are supported. The Marape- Basil government is lifting health expenditure by K625 million in just 3 years - an extraordinary increase of 45 per cent from K1,375 million to K2,000 million.

It is beyond my comprehension why some choose to sit on the opposite side! Look at the shameful legacy of the former PM on health and economic and disaster management. So, we all know of his economic mess, but what about the health mess. The Member slashed health spending by K1 17 million from 2015 to 2018. Reflect on what he did in the last national emergency of the drought. He failed to ask for any international assistance for more than a year! A drought that started in February 2015 - finally asking for assistance in April 2016 after the worst of the drought and frosts were over. What incompetence! He was a total failure - reportedly costing hundreds of lives and hundreds of millions in unaccountable expenditure.

Let's remember the extravagant APEC meeting which failed to produce an agreed statement. And it doesn't help that he gets regularly drunk, abuses police and has these images go around the world! PNG's former PM! Disgraceful! Yet some of those opposite still somehow cling to his failed and shameful record. Let us celebrate the better vision and economic performance of the Marape Government.

Mr Speaker, the proposed increase in health funding is more than double the health share of the 2020 COVID-19 package. The majority will once again go to the PHAs, especially ensuring they have enough goods and services funding to deal with PPEs, testing, oxygen supplies and vaccinations. Major increases in funding of Church Health Services and Catholic Health Services are proposed. More funds for communications, and more funds for the National Coordination Centre.

30/02

The remaining K345 million is proposed to support economic activity. Once again, we want to take a local approach, with a proposed K1 million per District and Province to continue providing support for SMEs and WASH programs. There is a proposed program of supporting K1 00 million in shovel-ready infrastructure such as roads, schools and jetties. A proposed

K50 million in price support for our farmers, and a further K60 million for supporting our businesses in badly affected areas such as tourism. Further support for our security forces, and for bringing our people back home.

We are also working with BPNG on further options for monetary policy support to our businesses.

The Pathway Forward

The "PNG National Restoration and Growth Commitment 2020-2022" defines a clear path forward for the Marape government. This agreement reached at the Loloata Camp captures the policy consensus of the coalition partners for the remainder of this parliament. The fiscal policy currently being pursued by the government reflects this vision.

We will support that vision despite the massive setbacks of COVID-19. The long haul out of the O'Neill legacy, which I have stated from the beginning will take years, will now take longer than set out in the pre-COVID-19 2020 Budget. This is the reality of the painful legacy of economic mismanagement combined with COVID-19.

The first step is being honest and accepting there is a problem - we don't stick our head in the sand. We have been honest that COVID-19 will drive the PNG economy into a recession - I have been stating this for over a year - since my 4 April 2020 Economic Update. Similarly, that our revenues will take a massive hit of K2.7 billion - once again openly stated a year ago. At that time, I think that Peter O'Neill must have been still crying in his Sydney mansion about losing the leadership, because he only seems to have discovered this reality yesterday. Just like in the drought of 2015, he waited a year before really accepting that there was a problem. He is such a slow mover- constantly one year behind the times.

As set out in the Loloata Commitments, building on the recovery strategies set out in 2019 and 2020, we will build a better PNG. Major initiatives are taken in the budget to Take Back PNG, including our commitment to growing the economy by linking our greatest asset, our people and their capabilities, to the markets of Asia through the Connect PNG program. We will continue building on our program of better support for the SME sector. We will build links to the world through our labour mobility program getting ready to massively expand programs in the context of COVID-19. We are restructuring our debt towards much cheaper financing, paying off old expensive debt.

We are working to lift our revenues and replace those lost due to the COVID-19 downturn. We will continue pushing to get cash out on time, including to our hospitals and schools. We will help make our SOEs perform better. We will work with our international

friends and partners, including the IMF. Our policy attention is on increasing the incomes of our people and getting them jobs with a particular focus on agriculture,

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31/02

Looking ahead, we have some tough challenges. We need to move out of the debt, deficit, jobs and incomes holes of the O'Neill years. We have put in place a responsible 2021 Budget Strategy that starts re-building from the O'Neill years as well as responding to the COVID-19 crisis. We were on track with a projected increase in our economy of 10 per cent in 2021.

The latest wave of infections puts that at risk, but there is good news of a more rapid recovery in the global economy. We are finalizing a new stimulus package, one that is responsive and flexible, one that proposes a further K255 million in health funding, the remainder of K345 million focusing on local level initiatives to support economic growth and health as we did in 2020. And we know that this global pandemic will require on-going actions. That is why we have put in place in our responsible forward estimates a further K600 million in COVID-19 responses in 2022. That is why we introduced last year a more flexible cash management mechanism through the updated K1.5 billion Temporary Advance Facility last year. That is why we are working to have monetary policy fixed through dealing with the foreign exchange shortages plaguing our businesses and having more accountable management

with a review of our *Central Banking Act* which is now underway.

In concluding as we go out of this crowded house, let us all put into practice the health basics to protect especially our elderly and vulnerable—wash our hands, socially distance, wear our masks, get a voluntary vaccine. These are extraordinary times which require all of us to work together for a better PNG.

Mr PETER O'NEILL (Ialibu-Pangia) — I move —

That the Parliament take note of the paper.

Mr Speaker, I have the right to reply because the honourable Treasurer loves calling me names and insulting me regularly over the last 24 months that he has been in government. You can blame it on other people but sometimes one must take responsibility. Twenty-four months in government is a long time. You have outlined no plans whatsoever to control deficit, debts and financial instruments like interest.

32/02

We see the result of it from independent analysis. But continuously lying to this honourable house, constructing figures to justify yourselves, not working with the officials and relying on the data they provide you, is certainly misleading and lying to the nation.

Mr Speaker, he has not —

(Mr Bryan Kramer interjecting)

Mr PETER O'NEILL — Mr Speaker, tell the Member for Madang, I did not object to the honourable Treasurer when he insulted me all afternoon.

Mr Bryan Kramer — Point of Order! If a Member of Parliament is going to accuse another of being a liar then he must provide the data. You must have the evidence to dispute what the Minister is saying. If you do, then bring it to Parliament and make that statement.

Mr SPEAKER — The Honourable Member is debating on the statement by the Minister. I will allow him to continue.

Mr PETER O'NEILL – The Honourable Minister knows it all. Allow others to have their say, absorb it and then you can comment. Sometimes, learn to listen, it does not matter how insulting it may be.

Mr Speaker, this statement is important. You are talking about the economy of the nation which affects about 10 million people. This is not your private business. You are in a position where you have to be questioned and you respond. This is precisely what the Opposition is doing. It is its role.

It is your prerogative to examine what my government has done over the last eight years but you cannot come here and insult the intelligence of our people-continuously lying. That is what's happening, Mr Speaker. Just imagine, you are running an economy and Moody's International Rating Agency downgrades your economy from stable to negative. Everyone else in the world is facing the same problem but they are managing their economies except us.

Mr Speaker, when we took government in 2011, we deliberately planned to have a deficit budget over four or five years and returning to a balanced budget. We did that precisely. From 5 percent deficit down to 1 percent is an achievable target, which we achieve. No other government has ever done that.

(Mr Bryan Kramer Interjecting)

Mr PETER O'NEILL – The Member for Madang is continuously interjecting. What has he done for the people of Madang? Nothing! But that is politics. We will see. I have been around for a while too.

Yesterday, the good Treasurer said that the country's debt to GDP level is around 51 percent. That is comparable to countries like Haiti, Mogadishu, Somalia et cetera. All you have to do is go to the international websites and see the status of your country. And you should be proud of it. Ours is nothing to be proud of, Mr Deputy Speaker.

Mr James Marape – Point of Order! The former Prime Minister should speak with context. The Treasurer is implementing the Budget in difficult circumstances. When we were earning surpluses retrospectively, had he not sunk K5 billion in the UBS transaction, the Treasurers job in recovery would have been much easier.

33/02

(Members injecting)

Mr PETER O'NEILL – Our Prime Minister is having memory lapse. He forgot that he was the Finance Minister. I appointed him and trusted him to manage it. The K3 billion Inquiry is still going on which he was included so we will be answerable to it. We are not running away to hide, we are here and we will answer for our actions. So, don't mislead Parliament. State paid some interest payments only and never paid K3.5 billion to repay that loan. It was paid through the sale of the shares so think before you talk. Allow the Inquiry to complete and the report will come out and we will see who is right and who is wrong. It is easy for you to point fingers but take account of your own actions first.

Mr Speaker, talking about 51 per cent, if you go back to the economic status when the Somare Government took over in 2002, our economy was in recession. I was privileged to work with this old man in 2002 and even though he did not understand the economy, he was able to maintain the Debt to GDP ratio at 30 per cent.

Mr John Simon – Point of Order! Our Grand Chief cannot be called an old man. Can the Member withdraw that statement? That is an insult.

Mr PETER O'NEILL – Mr I am referring to him as our senior and in addressing him in such a manner; we have respect for him. Don't initiate discussions and simply trying to initiate scenarios or arguments.

Although our Grand Chief was not familiar with the economy of our country well, he managed to keep the debt level low. At least, it is a credit to him. What have you done?

Mr Speaker, from 2011 until 2019 when we left office, we were able to grow the economy. The economy was still growing even though at marginal levels. All you have to do is see the data that ADB, IMF and World Banks have got. We have doubled the GDP level of our country from K40 billion to over K80 billion in 2019. There are summaries at the back of every budget papers, try and read them.

Mr Ian Ling-Stuckey – Do you mean the fake budgets?

Mr PETER O'NEILL – So, we all have to give credit where it is due.

(Mr Ian Ling-Stuckey interjecting)

Mr DEPUTY SPEAKER – Honourable Members, let's have order on the Floor. We are debating information paper. The Chair will give opportunities to Members to debate so allow the Member for Ialibu-Pangia to debate.

Mr PETER O'NEILL – My debate won't be long. I want to say that the Government's plan to reduce deficit in 2020 Budget and 2021 Budget has not eventuate. You are just admitting today that there was a negative growth of 2.9 per cent in your statement here in 2020. And then, you are saying you are going to growing the economy by 10 per cent in 2021. We are four months into the year and I see a down turn in the economic activity in the country. How are you going to turn around to 10 per cent growth? This will be a miracle. Porgera Mine is still closed, Papuan LNG has not taken off, most of the resource sectors are all in the down turn, many businesses are closing down and thousands of Papua New Guineans are out of jobs today when you are talking about jobs. That is the fact because you are not managing the economy well.

I know the Prime Minister wants to support his Treasurer but please allow some of our professionals to assist him. This is our also country, it is not your country alone. Sometimes learn to take advise. Those foreigners will come and go. That is what we are trying to give you the message.

34/02

The 13 per cent of the growth in just two years; 2020 and 2021 is never being achieved before. That is what you have stated here, you read it properly yourself. Between the insults that you have thrown at me, that is what you are trying fool me?

Mr Deputy Speaker, Papua New Guineans are losing jobs, Papua New Guineans are closing businesses. All you need to do is talk to the banks and companies; they are repossessing Papua New Guineas' houses, properties, equipment and assists. That is the reality we are facing.

So, please so exaggerating because we are not playing politics. We are saying let's manage the economy and at the same time manage Covid-19. Isn't this the challenge we are facing in this country? What is wrong with us? You always talk about corruption so you do it. Who is stopping you?

(Mr Bryan Kramer interjecting)

Mr PETER O'NEILL – You will find nothing on me, I will see you in Madang in 2022. Do not worry about me, I will get old and die here. We will see whether you will return to Parliament or not.

Mr Deputy Speaker, I will stop here but we have made good propositions to the Treasurer, we know that this is a difficult environment so we are quite happy to work together through the Covid-19 and management issues in the country because it is getting and not better. Thank you, Mr Deputy Speaker.

Mr DEPUTY SPEAKER – I will allow the new Member for Kandep to debate.

Mr DON POLYE (Kandep) – Thank you, Mr Deputy. This is an important paper about our country's economy and Covid-19. These are issues that we must debate properly. Therefore, your decision to allow the debate to go on is not a bad one because somewhere there in the good book says “my people suffer from want of knowledge”. Knowledge is the truth that I think the same book refers to when it says, “thou shall know the truth and the truth shall set you free”. We see that as something in the future life or in the afterlife. I see that as something very meaningful in the practical life we are living today; mindset we have, the focus we have in lot of other issues is to create what we have in us, before us and we become what we think.

If you look at this paper, the details are there. I personally support the details of economic update presented. Before I defend some of these facts, I want to say that to be honest, both sides of the argument from the Treasurer and from the former Prime Minister have some of the facts highlighted that we cannot deny or dispute.

The facts are being addressed here in this paper and I had a look at them. I can say that succumbed to the moment, they are not easy ones. I would not envy to be a Prime Minister or Treasurer at this time because it is a challenging time. It is easy to talk but we knew the position, it is tough and three of us experienced that.

I really think that the Treasurer is doing his very best to do a good job under a very difficult situation. I will justify my point. I will also debate only fact. The Treasurer indicated in his paper that there is a negative 2 per cent growth in 2020 and the former Prime Minister is debating that how can we achieve the 10 per cent growth this year over a short-term period when we are already into one-third of the year. These are valid issues but also deserve valid

reasons. Is it impossible to exist? It also adds to the challenges of those questions that needed to be asked. So, these are fair things that we are discussing here.

But let me highlight some truths that both sides of the House can look at.

35/02

Yesterday, when the Speaker allowed me to make a statement, I said that under the leadership of the Prime Minister, honourable James Marape, we can achieve a lot if we put personality and political rivalry aside and work together, we will achieve a lot. The Leader of the Opposition can work with the Government at this time; say work together for 12 months and these are the facts that justifies the points that I have made. Let me just highlight as a token of supporting this paper and what is on it.

First of all, I'd like to from what I heard from the former Prime Minister said about the NA led Government and the Late Grand Chief Michael Somare did not know the economy. I would like to dispute and dismiss that statement with due respect to the former Prime Minister and Member for Ialibu-Pangia. That is not true.

The late former Prime Minister Grand Chief Somare's Government was made up of very people who had the heart for this country's economy to grow. Yes, I agree that there was a recession. We came into power in 2002 and turned the recession around. What did we do? There were numbers Members present today who were part of the Government and I was one of them, Sir Puka Temu, Dr Allan Marat and we took turns in supporting the Grand Chief then. We drew a strategy called National Development Strategy. When you look at the global statistics; World Bank, IMF and even our own Treasury. You look at our performance on how we turned around the recession into a growth in a short period of time from 2002 to 2009 and it goes to 2014 when O'Neill Government was in place. So, we did well there.

So, it was not that the Grand Chief did not know economics. Economics is not hard; it does not belong to the territory of those that go to those special schools to become economists. It is common sense and the Grand Chief had not gone to school but had a common sense of love and care for the people and knew how to spend the money accordingly for the people. He did that under his leadership and we had massive economic growth and there were surplus after surplus budgets we passed within the 9-year period.

So, I want to dispel the myth that the then Prime Minister, Late Grand Chief Michael Somare was not affluent in economics. Economics does not require a lot of knowledge, does not require a masters degree; it is pure common sense.

There was also another point that was made and yes, I agree that the former Government did grow GDP from K40 billion to K80 billion. That is a fact and we cannot deny it but there is another truth that the former Prime Minister forgot to mention. The debt to GDP was 58 per cent at that time. I was the Leader of the Opposition and I used to mention that all the time and the former Prime Minister and his Government then tried to nimbly piddle around with figures and hide the debts. So those debts that were taken by other State entities like PNG Power or others were hidden under their balance sheets and were not reflected through the Treasuries.

In my argument I said, whether you pass those off the budget or within the budget, they will still be included in this country's economy. That is another truth that I wanted us to establish because this Parliament consists a lot of young and new leaders. We must tell them our mistakes, debate freely and discuss openly so we learn as well as we guide our goals.

So, at that time although the GDP has grown from K40 billion to K80 billion, the debt to GDP is also at a maximum level. Although the *Fiscal Responsibility Act* demands that we keep the debt to GDP rate below 30 per cent or 25 per cent. But with due respect to the former Prime Minister, he is telling us to listen to his advice, what advice is he talking about? He did not listen to the advice I gave him.

(Government Members applauding)

Mr DON POLYE – I want us to be true and honest on both sides of the coin. I said, we have to be very careful and don't go beyond 40 per cent, Prime Minister but nobody wanted to listen to me. It was only three or two years ago. Let us not lose our memory. I hope we don't have amnesia here.

(Laughter in the Chamber)

36/02

Mr DON POLYE – Another point was made and over the years, businesses are lost and unemployment is rising but what are the factors that are causing the unemployment to rise? What decisions led to it? Who was responsible for that? I think its all of us because in the O'Neill Government, we were part of that too. In this Marape Government, we are part of it too. So, how are we going to solve this problem? We have to be honest enough not to blame one and other but let's look at the truth, and then let's pave the way forward together.

Mr Deputy Speaker, the answer lies in us working together, being honest on the truth, let's admit our failures and go forward on a properly calculated approach to taking this economy and reforming ourselves.

There are some facts on loans that are taken. We are talking about the little details here and these are only small detail of a fact or an analysis on part of the economy that the Treasurer has given and he has given truth but let's see some of the factors that caused it; loans that were taken – bad loans. This Parliament was advised by various Members on the Floor and I was one of them that advised those issues to the former Prime Minister on UBS Loan. That is true because it was a very bad loan. We have dug a hole; we got a loan of K3.1 billion. Now, look at the development budget, we have K12 billion but if we include all those debts and other funds and grants that come in from outside, will our budget turn K12 billion? So, with the borrowed money, it goes up to K14 billion or K15 billion.

So, when look at Papua New Guinea's only income, on the balance you will find that K12 billion is allocated for your development expenditure which we call development fund. We have only K4 billion and if you are taking a loan of K3 billion, you are already eating up your development money and the second thing that we did was that we put the money into the wrong areas by buying shares. Buying shares does not grow the economy. If that K3 billion was put into coffee, cocoa, agriculture and to stimulating the economy then that would have been a good loan. But here we are buying shares in a private company, I think all of us should take responsibility for it instead of blaming the former Prime Minister, all of us in Parliament have to see that those were bad decisions and we ought to correct them from now on.

You cannot just borrow money; massive amounts that eats away your development budget and then you put abuse them. We cannot dispute this because this because that is the truth and that truth must set us free; meaning we learn from it, change again. The second mistake was the generator that we bought costing millions of kina from Israel. We could have fixed our own powers and now, where are those generators? They are not here? They have not been powering us because we have been experiencing consistent blackouts last night. See, bad decisions.

And then the so-called infrastructures. Look at the boulevard in front of the Parliament. What are we getting? Is there any coffee growing there that gives returns to our treasury so we build expensive roads like this for nothing? That includes the flyovers. And here, I heard the Member for Ijivitari asking a question about a bridge destroyed by Cyclone Cuba many years ago. The money used to build the Kumul Flyover should have been used to build that bridge because that is where the oil palm is. The road between Lae/Madang where are the economic

activities are but we have spent money on infrastructures that has no development areas. Let us not be deceived, infrastructures are good but when you spend on productive areas, you will get a return and during such times when we have a down turn in the economy, it helps us.

Do you agree with this Mr Deputy Speaker? We have to learn from those lessons. The loans spent on consumables; we cannot get loans to pay our public service salaries.

37/02

We cannot get loans to pay maintenance. Because it shows there's no way we are growing; we are only spending on consumables. It is just like you household money you have and you budgeted whether to invest, buy rice for the house or pay school fees. And school fees are investment and building infrastructures are investment but you spend rice only and toilet papers is not investment; that's consumables. Same thing here, you pay salaries where you don't get a return and you complain because you have not done a good economic decision.

The third matter I want to mention is controlling the expenditure. As politicians, we would like to go out there and give things to people. Our people cry foul saying we want projects here and there and you want to appease them by giving to them. Therefore, the expenditure goes on and on. Yesterday, I heard the Minister for Works saying, we have about billions and billions of kina worth of contracts given but there's no cashflow to match the contracts signed. That is crazy, we cannot do that. It is not proper for us to do that. It is a criminal act to do things like this when you don't have the money knowing committing contractors billions of kina and you give up. You are deceiving those contractors; you will never get the contracts done and you will run the economic down. It does not require complicated science and economic knowledge to see those things. Its common sense.

So, we have to control our expenditure. As much as we would like to give to our people, as much as the desire is there, we as the leader control and say sorry we can't do this, this we cannot do. We have to exercise that intemperance.

The last point that I wanted to raise is the cutting down the cost. There are so many duplicated functions we have Petromin, Kumul Petroleum, Kumul Minerals; so many Kumuls and then you have mine and gas corporation, you have Public Service Commission and Department of Personnel Management who are performing the same roles. You look at the expenditure, it is so high. So, really the answer is not us criticising the Treasurer, he is doing his best under very difficult circumstances. We must bear the responsible.

The former Members and leaders who contributed towards making these poor decisions do not have a position or do not have that qualification to challenge the Treasurer because we

have created it, didn't we? We have to help provide solutions and on what authority. If the Opposition is saying that we have authority, we have to listen to them and hear what is there.

The authority is there Opposition Leader to help the Government. An open policy does not mean that you try to bit somebody else, and say there is another way, choose what you want. But there is no authority to former Prime Minister's speech in rebut to the Treasurer's statement, he is only saying things like fist fight. We have to have constructive alternative policy debates.

So, we need to cut cost and we have not done that yet. The Public Service is less productive but very expensive. There is a lot of reform that the Public Service needs. But that is not just Prime Minister James Marape's problem, he has been a Prime Minister for only two years. Let us be realistic. It requires minimum of 10 years to fix this issue. You cannot achieve it even though a best economist of the country is put in as a Prime Minister or Treasurer. I am telling you the truth and if you want me to qualify my statement, I will give you statistics that they can't even turn Papua New Guinea around when you have Public Service has fallen failure, systems not functioning, when you have increase in debt, when our expenditures are not spent in the right places, when we are not controlling our expenditures since 15 years ago until now. Even if we ask God to come and help us, God does not do things in a shortcut way.

38/02

He does things Systematically, correctly, properly and changing and skilling public servants, aligning systems down to the district and to the provincial systems, up the national level, guarding things properly, training officers, the human resource development, giving the capabilities, managing money well and so forth, it will take time to do it.

So, let me say that this paper, let's see the passion to it and let's embrace it but at the same time, both sides of the House and Middle Bench as well, we should learn the lessons. We should only promote the truth if there are wrong decisions, we have made that led us to our downfall, we have to correct ourselves and move on from hereon to making better decisions. In this way, this country is saved. But, if we continue to gag and twist the truth, mislead and misinform, I don't see any future.

Mr Deputy Speaker, I think that the answer lies in telling the truth and I support the Prime Minister James Marape and his team; we support him, he is doing his best under difficult circumstances. We support the Treasurer; he is also doing his best as a Minister under difficult circumstances and all other ministers and members of Parliament, and also the views raised by the Opposition are good views, we hear them but let's be realistic and let's face the elections.

I want to say that the next elections are very important so let's fix the Electoral Commission and let those systems work. Maybe there's no time now, but after the elections, the reforms that we see needs to be done. So that we have much better systems of delivery and governance systems to deliver these projects before we see transformation taking place in our people.

Thank you, Mr Deputy Speaker.

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

Motion -- That the paper be noted -- agreed to.

MOTION BY LEAVE

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

Leave granted.

SUSPENSION OF STANDING ORDERS -- REARRANGEMENT OF BUSINESS

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

That so much of the *Standing Orders* be suspended as would prevent me from make a statement regarding the effect of Covid-19 on PNG's economy.

EFFECT OF COVID-19 ON PNG'S ECONOMY -- STATEMENT BY THE PRIME MINISTER -- PAPER NOTED

Mr JAMES MARAPE (Tari-Pori -- Prime Minister) -- I thank all our Members of Parliament, Ministers, governors and members from both sides of the House for sitting up late.

Although with Covid-19 peaking here, we are here sitting here working and exposing our own lives to the risk of Covid-19.

I would like to make some statements in regard Covid-19 and how we should go forward from here today in this Parliament and onwards. I ask members of Parliament to give me ten minutes. This statement is in regards to what we face today as a country in as far as Covid-19's influence on our economy and our country and hopefully when my speech is done, I would like to rally each and every one of us to the task that lies ahead of us in our districts, provinces and in our ministries. Together we can rise to work for our country. Instead of just sitting here playing politics and criticising each other. Of course, there is place for healthy criticism but politics at the expense of development must sometimes come to a stop. Today, we are in no ordinary times, two years ago without Covid-19, the world was a far different place then it is today. With Covid-19, you can have all you focus on the economy and what you want to do for the country but Covid-19 and its effects continue to evolve just like the mutation that takes place in the covid strands.

There was a very important call from the Member for Abau today, that there must be a statement made. I would like to through this statement give assurance to the Member that the Health Minister will present a very detailed statement to the country in the not too distant future on what we have done thus far and what we will do going ingot the future.

39/02

Covid-19 is not just a one-off event. The effects of Covid-19 will be felt for the next decade and possibly into the future. If I am not wrong, Covid-19 is possibly here to stay. Covid for those who are medical doctors can confirm, is a cast under what was SARS before. Today it is Covid-19, mutation is taking place. The world will adopt to live with Covid-19, the world will adapt to live with it.

The Treasurer's word on the economy rebounding in 2021 is observed. I observed and I also read from IMF and World Bank report that the economy will pitch a little bit better than what it did last year especially the engines of economy that runs USA and China is now rebounding and reconfiguring. So not all is bad but we have to rally in, in this hard time. The role is for each and every one of us to play. I will conclude on this role hopefully and we all can find traction. Whilst we have our own mandates to throw sling shots and mud at each other, also importantly we must all rise in our respective areas of leadership responsibility. Since our first index case in March 23 last year, our Covid-19 cases today has gone past 10,000 as I speak. Out of thee 10,000, 47 per cent are symptomatic cases and 53 per cent are asymptomatic

so it's almost an even split. This means, those who are exposed can be fatal for our country. Needles to remind us, we have had our colleague the Honourable Late Richard Mendani who passed on, we have a member of Parliamentary staff who passed on.

Today, the Speaker was giving us statistics earlier on today and many of us, possibly did not hear clearly the statistics that he was pointing to us this morning.

Of the 167 tested, 42 samples have returned positive from those who work in Parliament. About five officers in his office were tested positive with Covid-19 and so with 25 per cent of Parliament staff who turned positive, our controller is doing his absolute best. He has now labelled those who work in Parliament as essential. Let me commend the Health Minister who has worked over time, today as we speak 100,000 vaccines have come in. There's 100,000 vaccines available and first and foremost to transfer to those identified as essential Papua New Guineans who will hold our economy together. And secondly, those who are asymptomatic and those who belong to age bracket 60 and beyond so that we protect the elderly and protect those who are essential staff including those who work in our frontline health workers, Police and defence who are assisting in the roll out of the policing of the Covid-19 measures.

Mr Speaker, the Covid-19 situation that is facing us is nothing for us to be politicking about. It is nothing for us to use as a point scoring opportunity. Covid-19 has hit us, Covid-19 is here despite our best endeavours to shut down. I remember very clearly last year when our index case was established, we went for a half lock down and overdrive shut down. The yell on the other side of the spectrum demanding reopening of the lock down because of the economy to be alive grew weak. And we tried adapting but needless to remind all of us, we know the statistics that we are faced with, the statistics of our health system, statistics of how our people respond to such situations or order or command from our control centre despite best directions from our national control centre we still faced with this situation of over 10,000 people now as we speak in, where Papua New Guineans have been exposed to Covid-19. All of us here have been exposed to Covid-19 too.

40/02

Some of us have been Covid-19 positive. I thank those who have come out to explain what Covid-19 is and what it was to them as far as them lying in their sick beds.

Today, let me say, with Covid-19 threat facing us, our Government since last year, we have not been sleeping too. Some think that the National Control centre have been sitting back and misusing money, let me inform and report to all of us, since last year, we funnelled through out PETs a total envelope of K149 .6 million, of that envelope about K12 million still remains

sitting in our HSSP Trust account. Most provincial health authorities on average have received K2.2 million as added money under the banner of Covid-19 to respond to the Covid-19. Today, as I speak, only East New Britain, western Highlands, West New Britain, NCD and Port Moresby General Hospital have provided acquittals for the small funds that we have given to them. These funds are on top of the money that we directly transferred to our districts and provinces, WASH facilities received K500,000 each.

The Member for Ialibu-Pangia questioned what we have done in times of economic contractions, part of those economic stimulus, K1 million each went for agriculture interventions at the lowest level where our people are. In as far as districts and provincial disbursements, we would have distributed K1 million each and that is K111 million. Our governments direct intervention in the frontline where our people are, for them to participate in agriculture. For SME participation, another K500,000 each were given to the 111 members of Parliament. So you do your mathematics, that is over K200 million that would have been transacted from Waigani public accounts to the frontline using district conduits and using provincial conduits to ensure that our people at least see some liquidity through the districts and through the province in helping them cope through Covid-19 during these tough times.

From the national government disbursements, we hope and anticipated that the provincial PHAs would step up in this these specific areas. There are nine key areas that the Health Department and our Covid-19 emergency response team wanted. They are: clinical management and health care, operations procurement and logistics, laboratory services, risk communication and community engagements, surveillance and rapid response; infection prevention and control and establishing point of entry supervisions including establishing non-pharmaceutical public health care and awareness like working with our national strategy for isolation to work at the provinces or districts coordinated by the provincial control centre and working in partnership with the provincial health authority.

About two weeks ago, I was at the National Control centre, I asked the Health Minister and the Controller whether we have clear links to the provincial control centres and whether the provincial centres have an existing relationship with the districts.

Mr Speaker, the sad reality is that, because of personality, just like personality issue at the national level, PHAs seem to be completely isolated from the provincial government. I have one case where the PHAs runs away without informing the Governor and comes and works with the medical contractor for the vaccination program. There's a clear disjoint. Apparently the PHAs structure thinks they are autonomous and they are high and mighty and they can

work on their own. And so those teething troubles we have identified and as we rise and adjourn Parliament, I will spend my own time to ensure that this is ironed out and resolved.

Today is not time for us to be territorial, and so Governors, I ask you in this honourable House, it's easy to manage when we have our Governors stepping up and taking leadership roles in the provinces.

41/02

I will not be a Prime Minister that tries to control Papua New Guinea from Waigani. It is not something I ascribe to, I believe in devolution of powers. Many of you Members know that I have always advocated for provincial government to be the subnational government agencies on the ground coordinating all our government programs.

Mr Speaker, I appeal to this House and Members of Parliament, the Treasurer's job, the Finance Minister's job, the Planning Minister's job, my job and the Cabinet's job is to make sure we try our best within the context of what we have in our Budget. We will make it available to you at the frontline. Today we really need these statistics of the infection rate of one person infected to pass onto three persons not discounting the fact that we live in a society where there's a *haus krai* every second day despite a no go to *haus krai* control measure. There's a community program everyday despite the warnings. So we stand totally exposed than most people from countries who respect orders to isolate and social distance from others. There's an urgent need for every one of us to go back to our respective districts and provinces and for Waigani, we will rise up to ensure we remove impediments that block you in trying to assist your districts or provinces. For Waigani, we will try and ensure we supply resources to you.

Today, your health expenditures must also be linked to Covid-19 as well as other health issues. Your education expenditures must link to covid-based programs because next year onwards Covid-19 is here to stay for some time. Respiratory diseases will be here for some time and we now have to relook at classroom sizes. I commend Governor Wingti, I fly over his province every time and I see the green roofs. His expanding more high schools than any other provinces. I think his investing more money into high schools.

Mr Speaker, the classroom sizes must now be relooked at, we must have at least 20 students per class. We have overcrowding in our classes. Covid-19 is here to stay. We just have to readjust our work program. The government's resources to districts, last year, over K1.5 billion was transferred from Waigani public accounts, Mr Treasurer, I may be wrong, straight to your district and provinces. It was an allocation under the title of DSIP and Covid-19 support and the extra support that is still yet to come. He is still mobilising the space. Please report

back and audit and report on what you have done. The Finance and Planning can check on these. I appeal to each and every one of you, spend quality time in the leadership roles that God has placed you in. Whilst there is time and moment to be Prime Minister and someone is bidding again to be Prime Minister, whilst there is time and moments for us to be ministers, or member and to contest for elections, today is no ordinary time. You cannot be a messiah in these times when the entire world has contracted covid-19 and to cover itself from the bio warfare the world is facing. No one, not even the most powerful nation in the face of the earth can face Covid-19. It has ravaged the economy; they are still recovering. They are trialling vaccines after vaccines and today is not time to play politics. Today is not time for us to be fighting in Waigani when our people need us back home. I rise today to point to us that Covid-19 has exposed the vulnerabilities we have in our public service systems in everything we have as a country. Today I appeal as we discuss Covid-19 let us step back and see it in the context of care and welfare of our nation and our people. We stand ready as we have supplied you – I speak on record, our Treasurer and Finance and Planning has disbursed unfailingly record money in times of tight economic conditions to the districts and provinces. You can all create your district plan to ensure you are Covid-19 responsive at your districts or at your provinces. We will give you all the coverage you need in as far as ensuring that your work program is geared towards getting our people rebound with Covid-19 and ready to face life with Covid-19 and God forbids, if one or two dies, we bury them but the rest of the country must not die.

42/02

Whilst speaking on allocations, knowing that we live in tough times, and I clearly heard the former Prime Minister asking, what have we done for local people? What level of hypocrisy is this? Can this statement be made when in government for eight years, local contractors were given their backslaps in favour of overseas based contractors? What level of hypocrisy is this? Today, we have placed value on local contracts.

We put K200 million in banks last year and we will put another K200 million in banks this year and the media must report this. Don't be lazy a man sitting there dreaming of windfalls to fall from the sky. Get up, organise yourselves, go to the bank and obtain low cost loans. There is K200 million already transferred to the banks. Instead of transferring to wantoks in Vulupindi house as it had been in the past. We already put K50 million last year and we are starting again this year on price subsidies on coffee, cocoa, copra, oil palm and vanilla. We are trying to make sure this policy is fitted out. Giving good price to our people in tough times will ensure people are having money in their pockets. We are not just talking, we are exercising

practical policies that can ensure our people get up and get better going into the future. We have ensured we put money in assisting parents. Our Government has been criticised for the TFF policy that we shifted away a little bit. But we are paying school fees at 63 per cent cost of school fees for children at elementary all the way to high school. And we have made intervention in school fees at the tertiary level by putting the HELP program so our parents are assisted in all sense from elementary all the way to university.

We are also ensuring the repaying of outstanding debts that government books have carried for a long time. Debts that are directly under Treasury as well as debts that have been skilfully hidden away in other government SOEs. For the first time when we took office, we were transparent and we were honest. We brought all these books under one table. Debt related to us increasing our debt to GDP ratio to almost 10 per cent. We were not ashamed to admit that this was national deficit and debt we were carrying. The result of being honest, Australia for the first time since 1975, gave us K1 billion to support the entire 2019 money plan with zero per cent interest. A new \$A300 million came into PNG.

Contrary to the past where there was no direct US dollar coming in, except the US\$300 million Swiss loan that we had to repay for only 12 months at over eight or nine per cent. This one was zero percent lending, five- year grace period, and we can start repaying in 2026 going forward. It is a clear classical difference, good borrowings that had the least effect on the economy right away and give us the breathing space. The second borrowing in a row on class capital, Japan one of the hardest lenders on planet earth, but because of the value of honesty, Japan is not a Christian country like PNG, but they die for the word honesty. They were able to lend US \$280 million at 0.01 per cent interest rate with a grace period of five years which we will start repaying in 2026.

Mr Speaker, hard times require honesty, credibility and hard work at all levels. I give assurance to this House that Covid-19 is here to stay. Our People, over 10,000 have been exposed to Covid-19. Some have recovered. The number of covid-related deaths is almost 100. We remember them at this time. One life is important. I and the ministers for Treasury, Finance and, Planning will try our best to assist the Members in your districts.

43/02

Forget your ambition to be a Minister or Prime Minister. That can come in 2022 and into the future. If life is allowing for you or God's plan for you, that's your moment in life but, today in pursuit of something else, you might forgo what you already have. The fundamental fact is that you are Member of Parliament. Lest we forget that in the last National General

Election over five thousand people contested to be a Member of Parliament, not to be a minister. Yet, 111 won and you are the privileged ones.

In these Covid-19 times the demand is on us for us to rise collectively and not individually. If 89 districts respond in our Covid-19 responses, your investment in the DSIP goes to education, health and transport. When our Covid-19 help comes in, go back to your provinces and discuss it with your governors as head of your districts. If a doctor at a PHA is not responding to you, issue summons to him and the PPC and the provincial administrator. These three key persons are instructed by the national control center two weeks ago.

I want 22 blue prints from the 22 provinces including NCD and the Autonomous Region of Bougainville. If we can have 22 blue prints, ADB has indicated to me that a possibility of 2billion dollar facility is available. We could unlock them into a clear plan that your provinces provide to us and not the Waigani based plan that has been given to you.

I ask this honourable House, this is not an ordinary time for us to turn around and making noise, go in and out and try to worry about who is right or wrong. We can live and dwell on the past but it does no one any good. Let us collectively come together, hold hands and step into the future and that future, in my view is, we all work together, 22 provincial leaders, 89 district leaders, this Covid-19 challenges can be overcome because this government, your government and our government stand ready to assist where we can.

With this, Mr Speaker, I retire my conversation.

Sir PUKA TEMU (Abau) – I move –

That Parliament take note of the Prime Minister's statement.

Thank you, Mr Speaker. I thank the Prime Minister for responding to my request to, at least, inform the nation through the honourable House on the status of Covid-19 in our country. I also thank the Treasurer for the statement that he has made and also the debate that he pursued.

Mr Speaker, I wish to make a couple of points and it won't take long. Firstly, it is in regards to the Covid-19 and the Prime Minister has to accept that the government failed to contain the community transmission because -

(Government Members interjecting)

Sir PUKA TEMU — No noise, shut up and listen. Most of the times honourable Member, you are very disrespectful to leaders. We the leaders have love and respect for you as

you are a leader. I don't talk when you talk. So, when I have my turn, I represent the people of Abau. Respect me and the people that I represent then they will respect you honourable Member.

Mr Speaker, the honourable leader has to know how to behave on the Floor of Parliament. So far, his behavior is taunting. I have to express my views so that honourable leaders can listen. Many times, the best leaders are the ones who are listening and not the ones who talk too much like him.

Mr Speaker, I believe that the Prime Minister and his team have to accept that there was a period of complacency and there was a time when the first flight came and then the HCC was advised that the flights are going up but there was a slow response.

44/02

Although, we do have the Pandemic Act and the controller has the power to act but there was delay in a response on your isolation policy. That period, you have to accept that the response was slow. We are a free society, we have a community society and on average, six people live in a house. We go to churches in big groups and in tribes so nobody is listening to your instructions for a PMV to carry only 15 passengers, church building to accommodate certain number of congregations and maintain social distancing. So, in our society, nobody listens to these types of instructions and that's what has happened.

When the Covid-19 instruction was given, I was still there. I was living in Malaoro, the market is full, the PMVs are together, the people are still selling *buai* in big groups. When I went to Boroko Market, Koki Market and other markets in NCD as the red zone but the actions were not there. I am telling you, we have approximately hundred thousand infected, not the figure that Prime Minister or Treasurer mentioned because our reporting is not good.

Therefore, it is a serious thing. So, the Prime Minister and Health Minister, there is no social distancing whatsoever amongst you all sitting there. Where is the law and the controller?

Mr Speaker, you complain that our workers here have been infected. We came in the last Parliament and nobody observed the orders and we infected all our staff.

In this meeting, the government is the one administering the law but you are sitting together and then we expect our people to practice the two meters social distancing. Where's the leadership?

(Government Members interjecting)

Mr SPEAKER – Allow the Member for Abau to make his statement.

Sir PUKA TEMU — What I am saying is, the government through, the law that we have proudly passed, and I supported but, we have not been successful in administering that law and making our people to comply with that law because the strategies that we use and the orders that we give are not acceptable by our people. So, we need a different way doing things.

China did it because an authority controlled everything. We don't have that so we need to have some strategies that comply with our behaviors.

In East Sepik, when the Grand Chief Sir Michael Somare passed away, nobody controlled anything. For example, big crowds came to the airport right through to town. Therefore, spikes are happening everywhere.

So, Mr Prime Minister and Health Minister, what would be your response? We have to look at the laws. Mr Prime Minister, you have just complained about the PHAs, I never supported PHAs, it was the former health ministers that brought it. But, today, Prime Minister, you don't complain, you should bring in an amendment to the PHA law. That's where you make the change. You don't complain as the Prime Minister, you make the amendments because Covid-19 is very serious now.

If the PHA is not administering what you want as a government, change the law, this is the place to change laws but you failed to bring the amendment today.

(Government Members interjecting)

Sir PUKA TEMU – Shut your mouth, you sit down and listen. That is the law of the government. I've been around, you would have brought the amendments to the PHA law today. We would have passed it and that amendment would have given PHAs a new alignment to the governors. For example, governors to take control of the PHAs. So, let's bring the amendments tomorrow or any time this week.

45/02

Let's make the amendments tomorrow and sit for two weeks. We need to make the amendments if you want to control Covid-19. You can't make this change outside or even after August when you come back. No! You have to change the law today, otherwise the Minister for Health, Prime Minister and the governors will have difficulty in administering Covid-19 strategies.

Mr Speaker, I will sit down after making this short statement. The Treasurer has forgotten one very important advice for Parliament. He has pointed a finger to Parliament, but four fingers are pointing back at him.

I supported the Prime Minister with the K200 million, but the problem with that is we are putting that money into unproven businesses other than into business houses who have, in good and bad times, stayed here and invested their money. They are the ones that are greatly affected. I think the Treasurer failed to mention the total amount of money that the Government owes to those private sector companies that have, over many years, contributed more than K2 billion to building this country. They are the ones that have invested in this country by employing many, many Papua New Guineans, who are now being laid off. Those are the people that have to be looked at. You cannot ignore them. The Works Minister complains about many contractors, but we have not even paid them yet. Even the Agriculture Minister complains on TV about what support we are giving farmers.

Mr James Marape – Point of Order! Mr Speaker, with respect to our senior leader, he mentioned that we have not paid Works contractors. Let me place on record for Parliament history and *Hansard*, our Government has retired over K300 million, in fact, going towards K400 million on past government contracts.

Mr PUKA TEMU – Thank you, Mr Prime Minister, but these are the issues that my debate is based on. You have to accept that there was a period of complacency. The Honourable Governor of NCD –

Mr Bryan Kramer – Point of Order! Mr Speaker, with due respect to the Member for Abau, if you actually check the global record in countries that have the best records of managing Covid-19 in terms of outbreaks, we are one of those countries. We have on record one of the lowest spikes against other countries. We were able to sustain this pandemic as a developing country when we were expected to go into the ground. Unfortunately, we could never shut it down at the expense of our economy and people with jobs. So on one hand you have the Opposition supporting the economy and then you have the former Health Minister talking about Health and locking down the country. So, which one is it? The economy or locking down the country and costing peoples' jobs?

Mr SPEAKER – Honourable Minister, your point of order is out of order because Member for Abau has already moved past that particular statement and is onto other issues at this point in time. You should have raised this at that relevant time.

Mr PUKA TEMU – Mr Speaker, as you said, that point of order is really out of order. Not just out of order, but really out of order.

(Laughter in the Chamber)

Sir Dr PUKA TEMU – Mr Speaker, this is the time to exchange in debates. But the issue I have difficulty understanding is; if the Prime Minister himself stood up this afternoon and said that the PHAs are a problem, why didn't he bring the amendment to the Floor?

46/02

(Members interjecting)

Sir Dr PUKA TEMU – This is a part of the discussion and conversation we need to have. You want change then take action rather than talk and preach because we are tired of talking.

Mr PAIAS WINGTI (Western Highlands) – Mr Speaker, the issue we are talking about is quite important for the country. In fact, it is the most important since our country became independent.

When we talk about Covid-19, we just need to look at certain countries and their conditions; for instance, the United Kingdom, Europe, the United States and China. These are well-advanced countries and their population is educated. They are not tribal societies; they are highly educated.

As leaders, each one of us has a huge responsibility to our people, and not only the Prime Minister. Under these circumstances, what can a prime minister do? We are not asking these serious questions. What can he do? He is not a prime minister of a country like China where everyone follows what the Communist Party says. It is a country of 1.4 billion people. It has a different system, therefore, they were able to contain the spread of the virus.

It is so difficult and impossible to do that in our country unless there is mobilisation of leadership at the highest level to be united and have a common cause. Our provincial leaders

must unite; our councils must unite; and our churches must unite. When we unite our people and explain to them the importance and seriousness of this disease, we will get it right. If we and our people are not mentally clear, how can we get it under control?

Mr Speaker, I see what's going to happen to this country and our social situation is such that two things will happen. Firstly, the haus krais numbers will increase. And they are increasing every day because people are dying. No leader is standing up and saying, 'no haus krais.' Saying no to haus krais is taking leadership. We must take a firm stand. We will be facing the elections, but today, don't think about it, just forget about the elections. Think about what will be happening in the next 6-12 months. We need to think seriously about that. When you start thinking about the elections, you also get caught up and become weak, and because you are weak, you think you should do the same when other candidates are going to the haus krais and donating pigs and dogs. But they are only candidates, you are the elected leader. We are the leaders so we need to take a stand and come together and address this issue.

I stated in the Caucus meeting this morning that in Hagen, 14 people died within 10 days.

47/02

Every time I am seeing at the airport every plane that is going to Mt Hagen there is load of dead bodies from Port Moresby.

What happen, all the tribal people are getting together mourning? Do you think they know what they are doing? I don't think so. It is our responsibility. Five months ago I told my senior Nambuga Mara and Peter Plag. You wear the mask in Hagen and come and pick me in your clear glass and I'm going to wear my mask and come. All your council presidents and leaders have to stay there in the conference room with the public servants and I'll explain to you what is happening.

I went on the plane and they were there and I went and explained but they were laughing. Hey! We are black people and our body system is different it will not come to us. God has blessed us and not them.

What's happening now, the numbers are going up? We have to map out the country so, no areoplane must go to Telefomin, Okapa, Karimui and all our remote parts of Papua New Guinea to make sure they are protected. Let's attack Lae, Highlands Highway, Port Moresby, and all those big cities. Use the Defence and Police forces to dispel our own people. Their brains are no functioning well and they are going to get away, they are going to die. That's how serious this problem is.

Don't compare the world with Papua New Guinea, honourable Members. Papua New Guinea is not America, Australia and sometimes I hear people saying, oh they are playing state of origin game and our people are watching too. Forget about that. Australia is controlled and educated they know what they are doing. We don't know what we are doing.

Today Mr Speaker, I think Prime Minister, we all must work together and mobilize our church leaders, councilors, and everybody and tell them how serious it is. And take stock of some issues like funeral services. The election is around the corner. Every weak politicians are going to jump the gun and say if I don't go I am losing votes. So, we are participating and promoting this disease that is killing our people.

We must be man enough and I have given my views. I don't think the election should on next year and I don't think it will happen. I'm so frighten that many people will be dying that's the way I see it. We don't have to worry about the election we have to worry about how we do take control of this disease now.

That's the way we should be thinking. Please all of us Members of Parliament have a responsibility to talk to our people in the electorate. How much money Prime Minister you can put, how many things you can do, it won't work. You can do your part but it comes back to leadership at every level to tell our people what is right and wrong and take a stand.

I told my council presidents; 'don't attend funeral services', stop it! If leaders go, people will follow and tell your people not to go.

We need to be firm, if we not firm Prime Minister and Members of Parliament, I see a lot of danger for this young country. The next 6 to 10 months I see danger. Let us all unite and have a master plan with clear objectives and send it right throughout the country.

Tell the people the things they don't want to do we are in a position to tell them what to do. We need too, if we don't, our population is not educated and I 'm not putting them down in the remote areas.

48/02

They don't understand this and all the things that we do, they are laughing at it. But as the days, weeks and months go the death numbers will increase.

Minister for Health and Finance put money into Angau and Mt Hagen General Hospital the district members can get it but put money into those major hospitals. We got manpower, doctors and expertise there, we don't have it at the district level we are building it up.

These people must be well equipped and we must all work together to get this under control otherwise the way is not clear for our country unless all leaders come together. We will

get the message across to our people and common sense will prevail and I think we will take control of this.

Thank you very much Mr Speaker.

Mr **TIMOTHY MASIU** (South Bougainville – Minister for Information and Communication) – Thank you Mr Speaker, I also want contribute to this debate regarding Covid-19.

I, as the Minister for Information and Communication, want to inform this House that the huge problem we have here is no proper dissemination of information reaching our people regarding Covid-19 situations in the country. We are having problems with misinformation and lack of information. When we deliberate this issue in this House how will our people have access to this information.

I stand because I have made several requests through the government seeking their funding assistance to increase the radio stations. This country is huge with four regions and made up of islands, highlands and the big land mass.

As the Minister for Information and Communication debating on this Floor, I want this government to give funding assistance to fix transmitters throughout our radio stations within this country. We will then disseminate accurate information that will reach our people.

Alluding to what our senior, Governor of Western Highlands has said, allocating funds to general hospitals is fine, but also allocate funds to radio stations and we fix NBC. We have radio stations all over Papua New Guinea.

Mr Speaker, Manus your province, and Milne Bay comprised of many islands and they are not receiving any form of information and also in the highlands. I want to say that since, I have taken this ministry I have been taken to task and travel all over Papua New Guinea except six provinces. Try my best to speak to governors in each provinces and Open Members to assist with little funding component of DSIP and PSIP to buy transmitters and fix radio stations.

The people are ready to work but if we are not fixing those radio stations and not disseminating information to the people then we are failing our people. This is the great concern I have.

I want our people to access information from their home. One of the key areas in disseminating information is available. So, please when we debate on this, I appeal to all open members and governors we fix our radio stations.

As I speak we are installing a 10 kilowatt medium transmitter outside of Goroka town. Once this setup is done we will broadcast to many parts of the Highlands, Momase, and some

parts of Southern region. This is only one transmitter but it will carry national radio and the provincial radios.

49/02

I want each province to have a provincial radio station. There has been so much rhetoric being said on the Floor and nothing tangible has eventuated in in terms of funding.

Treasurer, give me the money. So much has been said but where are my radio stations.

Funds are to be allocated as part of the government's COVID intervention to the provincial health authorities. Our people are not in the hospitals; they are in the remote areas of the country. Dissemination of information is the key if we are to halt the tide of transmission to the rural areas.

When the first case COVID case was reported in the country, I initiated a radio awareness program with Dr. Esorom Daoni. That program is still running and tonight I will be on that program again.

All of the *National Broadcasting Corporation's* radio stations are broadcasting on the FM Band to a few listeners only. The majority of listeners are not receiving the transmission of these important messages. That is my great concern.

I am grateful to a number of Governors like the Governor for Enga. They have assisted me with the use of their communication towers and as a result we are now broadcasting to more of our people than before. That is one area you can look at to assist me.

Misinformation is a major problem such as those promoted in the social media. Lack of information is also a problem. I am concerned that people are not getting the right information. They do not know what COVID is or what the importance of wearing a mask is. We need people to relay this information to them. So, if we are going to have Members of Parliament as advocates, then we can go to the radio stations when they are broadcasting to the people in the rural areas. If you advise them not to go to town or of a health team on patrol to their area, they will hear that on the radio. It is difficult for people in the rural areas to have access to mediums such as television and the newspapers. I appeal to the Treasurer and other ministers to assist in funding the installation of radio transmitters so that the correct information is disseminated to the people. After this, well, let's wait and see the result.

Mr ALLAN BIRD (East Sepik) – Thank you Mr Speaker for allowing debate to continue. I am sad that we are sitting during a time when we are experiencing the devastating

effects of Covid-19 on our people and the nation's economy. But we come here and become disrespectful of each other.

I have been one of those who used to vigorously oppose the former Prime Minister and Member for Ialibu-Pangia, Honourable Peter O'Neill. But I want to say on record that when I was in the Opposition and wanted to debate the Budget, I can recall that he nodded and said, allow the debate to continue. That is the sort of spirit we should have now that we have the upper hand.

I was also angry the last time when we tried to belittle the Opposition Leader Honourable Belden Namah and Member for Vanimo-Green with this kind of attitude. We must show some leadership from here. Our people listen to us on the radio and watch us on television and if we are going to act like children playing marbles under a mango tree, they will laugh at us

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They will lose respect for us, and when that happens that's when they stop listening to us and we lose credibility. And when we want to deal with something as serious as Covid-19, they will think we are bluffing because they will say we were not being serious when debating the issue in Parliament. All we did was point fingers, laugh and play around. So we do this to ourselves and we wonder why our people don't listen to us.

Mr Speaker, East Sepik does not have any issues with its PHA. My PHA has taken the lead in this Covid-19 fight. Every day the provincial administration, the head of the Defence Force in East Sepik, and the head of the Police Force hold meetings with the PHA. I don't know what issues you have with your PHAs but East Sepik doesn't have any problems.

We need to allow and empower the medical workers to do their jobs. Last time in Wewak, I was told that they had run out of oxygen. I asked why and they said they had run out of money. There were 40 cylinders in Lae awaiting payment so the provincial government stepped in and paid for the oxygen cylinders, which were then moved from Lae to Wewak. These are logistical issues. They ran out of augmentin in Wewak. Augmentin is needed to treat pneumonia in patients with Covid-19, and again, they ran out of money to pay for this medicine. I asked whether they had received the money from the National Government via the National Department of Health, and they said no. They could not even take blood samples for testing because they didn't have the reagents or test kits in Wewak.

Mr Speaker, I am grateful for the allocation of K2 million for each district, but if the hospital does not have the test kits to diagnose diseases, we are killing ourselves. We need

better communication between the PHAs and the Health Department because this is a medical pandemic.

The frontline workers are the Health workers, not the Members of Parliament. So we need to improve on that, it's not about pointing fingers. We can play the blame game but what happens when 1000 people die from Covid-19? You wait for the backlash.

I argue with highly-educated Papua New Guineans on social media every day. People with PhDs tell me that Covid-19 is not true and we are lying about it. I have lost some friends, people I respect, to Covid-19 and I wonder how many more people will die before we take this seriously. Yes, we have an economic issue but we are not going fix the economic issue unless we fix the medical issue.

Covid-19 is transmitted by human beings. It is not transmitted by mosquitoes or through any other vessel. Only human beings can catch it and transmit it to others. So we have to look at the connection point.

The Governor of western Highlands made a point about *haus kraiss*, churches and other gathering places. I have pastors in East Sepik who were sick with Covid-19 and were treated. They contracted this virus because they meet with a lot of people. Bank tellers and those employed in shops come in contact with different people every day so they become the perfect transmission points for Covid-19.

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Mr Speaker, we are using radio and the frequency can go as far as the mountains of Enga and Western Highlands. It has been working since the late Grand Chief was governor, and we have kept it working up till today. Our people are listening but they need to be assured that there is consistency coming from our leadership.

Do you know what the smart, educated Papua New Guineans are saying on social media? They are saying that the PNG Government has expended K5.7 billion on Covid-19 but where is the result?

I just heard from the honourable Prime Minister that we only spent K140 million on Covid-19. And the rest of the money was used for other purposes. But the public understands that we spent K5.7 billion, we did not. Those are not facts. How did the public come to the conclusion that we spent K5.7 billion? We never did! The Prime Minister just laid out the facts; it's only K140 million. These are the basic things we need to get right because when we start to contradict ourselves, we create doubt in the minds of our people.

Mr Speaker, when I stood up here last year to talk about Covid-19, I said that this Parliament should have a flexible strategy. Our first strategy was containment and it worked for a while until we had people starting to come back into the country. We still don't know the source of how it all flared up again. We went down almost to zero. What happened? We still don't understand that.

Our data collection is probably the worst in the world. We are terrible at it and so it is unreliable. So I agree, we probably have over 100 000 cases and we don't know. I heard from one of the local villages here, a settlement village, that they were having one *haus krai* a day with people dying every day. The dead were not even taken to the hospital to find the cause of deaths. How many people have died from Covid-19 without us knowing?

Governor Wingti made a point that if we are not careful, people will be dying like flies. And in some of the areas in Port Moresby, they are dying like flies because they are not going to the hospital. This is because educated Papua New Guineans are telling others to treat themselves at home by doing steam therapy to kill the virus.

Mr Speaker, we need to pay allowances to our medical workers and make sure we are looking after them because they are the frontline. We need to make sure they have all the equipment they need.

Teachers have asked for risk allowance to go back and teach and I told them that the risk allowance is not going to protect you from Covid-19. You are kidding yourself if you think that by getting a risk allowance, you are going to somehow prevent yourself from catching the virus.

Mr Speaker, I expressed my frustration on the Government *WhatsApp* group 12 weeks ago where I wanted the vaccine to be available here because, as I said, the first strategy of containment did not work.

When we were planning on taking late Grand Chief's body to Wewak for the big funeral, his children told me that they didn't not want a funeral to be held in Sepik for fear of spreading Covid-19. The whole of Sepik was upset and thought that I didn't want a funeral to be held. The people insisted on a grand funeral and couldn't less about Covid-19. If we catch the Covid-19 and die then so be it; that is what they said. So we agreed and held the funeral service.

Mr Speaker, about 50 people who went to Wewak had Covid-19. For 12 months East Sepik only had seven cases. Today, as I stand here, we have 149 cases and 4 deaths. We knew this would happen with large gatherings of people. Manus had no cases but when three dinghies returned from Wewak after the funeral, they now have 30 Covid-19 cases.

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We brought it from Port Moresby to Wewak and then we decided to share it with our *wansolwara* from Manus.

Mr Speaker, we must not take this disease lightly. We have to be honest about it. We have to stop our politics. I understand there are people who wish to become Prime Minister but let this happen at another time. We cannot afford to be doing those sorts of things while we say we have a serious crisis on our door step; that would be irresponsible for us leaders. And at the same time those of us in government must lift our game. The Opposition is correct, when they tell us of our mistakes, we must acknowledge these mistakes that is how we run a country, honourable members of Parliament. We can't do it by slinging mud all the time.

Mr Speaker, my opinion is this, unless it is very important for us to be sitting here, unless we have very important matters of State aside from Covid-19, aside from the economy, then we should really seriously consider why we are sitting in Parliament like this.

Many of you are in the vulnerable group, if infected, it will lead to your demise. We just heard that a significant proportion and we lost a Member to Covid-19 too. Many of the officers within the Bills and Papers division of the National Parliament who serve us have been tested Covid-19 positive. These documents that we have been handling pass through them. We do not know if the documents were handled with gloves on.

So these are the things that as leaders, we must be aware and we need to go out there and correct the misconceptions out there.

When we were trying to vaccinate the children against polio in 2019, the people in the villages were so scared claiming that this was the 666 the beastly number prophesied in the Bible. Our people did not want to let their babies receive vaccination on polio. Today, many educated Papua New Guineans are claiming that the Covid-19 vaccine is a microchip being injected into humans.

I am still upset that the vaccine is not in East Sepik. I really want to know what is the action plan of getting this vaccine to my province and to hot spot areas like Morobe. We have to cut the transmission, not talk about money or about winning the next elections. We have to do the right thing by our people and will we wait until 1000 people are dead. We have already gone past 90 and soon will reach 100. Australia only had 28,000 cases. We have exceeded 10,000. They have a population of almost 30 million people. And in Australia, everybody has been tested, we did not do that. We have only tested those with respiratory infections and out of the ones that were suspected of Covid-19, we have already surpassed 10,000. We are almost half of Australia. Every day, I am asking my team, how many confirmed cases? I'm glad that we

have gone down to five a day. We have dropped from the double numbers but I don't know if we are just lucky or if these are the reported statistics. I don't have the data.

As a Governor, I want to appeal to this Honourable, can we take the leadership from here because our people will follow our lead. So with that, I thank the Speaker for giving me this opportunity.

Mr POWES PARKOP (National Capital District) – Thank you, Mr Speaker for the opportunity to speak.

I understand a lot have been said but more importantly I want to give an update on NCD amidst the Covid-19 pandemic. And I also speak as the Chairman of Task Force Covid-19, working very closely with the Prime Minister and the National Control Centre (NCC). I acknowledge all that have been said, we heard very some very strong statements.

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Many good points were raised. I take note of the recommendations that the Speaker announced this morning from the Controller. I wanted to ask you a number of questions in relation to convening this Parliament itself. Mr Speaker, convening this Parliament itself is on breach of protocol regarding Covid-19 in the country and the whole city. The protocol states clearly, we cannot have a meeting of over 50 people. And here in the city, it can be seen. All big public gatherings such as the informal markets at Unagi Oval, at Waigani Pitpit Street, we shut it down. At Manu Auto port we have shut it down. All the informal markets we have shut down. We have talked about PHAs and health response but the reality is this, the pandemic will not stop or the health workers cannot stop the pandemic. We ourselves will stop the pandemic by what we do especially by adhering to protocols. We have been meeting through *haus kraï*, compensation, peace meetings and *moka* and that is how the transmission takes place and the virus has been spreading.

Mr Speaker, the hospital, the health workers are only dealing with those infected patients who sought medical help. They help them to recover but what will stop the transmission and pandemic, it is our approach of adhering to protocol. And it starts here in Parliament, we have to take leadership.

So I want to support the recommendation of the Controller because by convening this Parliament we are sending mixed signals to our people. We are saying we can be an exception to the protocol. This makes it hard for us to go out and tell our people that we can't congregate or we cannot have meetings. We have even stopped church gatherings.

Mr Speaker, the Clerk shut down Parliament three weeks ago because of the number of transmission and infections in Parliament. Even one of my staff tested positive. I shut my office here in Parliament. It is very important that we have clear understanding of the strategy that we need to end the pandemic. The medical response is only to treat and help infected persons recover, it will not stop the pandemic. We have to do that ourselves; the non-pharmaceutical response. Convening the Parliament, having over 100 people meeting with no social distancing is causing difficulty. If we continue to hold the session, what is the message that we are giving to our people. Many times, we complain about our people not listening and that's because we leaders don't walk the talk. I want to acknowledge the Member for Abau, Sir Puka Temu, during the passing of our Grand Chief Sir Michael Somare, he kept sending me messages through *WhatsApp* regarding the Covid-19 protocols, urging me to put in place protocols to avoid public gathering. But, this was so hard during that time because we had so much respect for our Grand Chief and we could not do it.

Immediately after the Grand Chief's burial, I flew back and we did our best for the capital City.

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In the country for the 10,000 cases that are recorded, 4123 are in Capital City, Port Moresby with 91 deaths and 61 of them are in our capital city. This city is high risk area and we are doing our best to contain transmission. We all must do our part to make the difference and no need to play around. We can talk a lot but unless we take serious action now, we will be wasting our time.

I have to highlight this fact too that if we do not end the pandemic, we will have another crisis where the Treasurer is trying to address and we have debated on it. There is an equal crisis that is facing us; economy crisis. Business is shutting down now in Port Moresby and everybody cannot do business and nobody is making profit. Employment rate is declining in the city.

We need to end the pandemic so that economic can grow, people can get employment, income can be generated and people can look after their families. And if we do not deal with the pandemic quickly, I see Mr Speaker, that a bigger crisis will face us. Economic crisis because economy is not growing and then the social crisis.

Last year for example, all of our children graduating from universities and colleges Mr Speaker, how are they going to get employment? The economy is contracted. How many jobs created?

Yesterday, children went to school and we want them to progress and at the end of the year when they graduate, how will they find employment? So, we need to put attention to the pandemic and I want to emphasize that point. The pandemic will not be ended by the medical respond all the doctors and nurses. They are doing their best to responding to the infected patient.

The pandemic will end when we stop all the big meetings. The transmission; get our people to stop spreading through gatherings like *haus krai* and this type of meeting like now we are gathered in Parliament. We got to stop this. The one-month special period is coming to an end now and we deployed the police, military, even private security and enforcement unit within our city but some people are listening and some are not.

It's not easy as stated by Minister for Communication and Member for South Bougainville. We need to communicate better with our people because that's the way in which we will stop the transmission and end the pandemic.

We can fund the hospitals but there is no capacity there. In terms of the PHA, maybe it's functioning in East Sepik, here we are working together. We have a coordinating committee that works together with PHA, police, military, our enforcement unit and private security.

But this is what I want to suggest Mr Speaker, if there is a problem with PHA in other provinces, Prime Minister, the best way is give the money to the Provincial Governments. Then the Provincial Governments will work with the PHAs and PHAs will adhere to Provincial Governments. Now giving funding to PHAs and they are not adhering to our strategy and whilst they have their own plan and it collides ours.

This is the situation so we know whoever gives the money, they are responding to them. So, if the money comes to the Provincial Governments, of course the PHAs will quickly align with the Provincial Governments. So, if it's too late to make amendments to the *PHA Act*, let just do this. Treasurer, send the funds to Provincial Treasuries and then PHAs will adhere to us and everything will align.

So, this is a little contribution I wanted to share with us. I have yet to highlight the fact that what we are doing now, I know Mr Speaker, you constitutionally mandated to convene the Parliament. Just like here in the city too, we have a by-election in Moresby North-West.

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But the by-election has been deferred about 2 to 3 times. Although the Commissioner of the Electoral Commission is a constitutional independent office, he must also adhere to the

Controller's instructions because the election process can also spread the virus in the city. They should delay until they get the protocol right, brief all the candidates and run the by-election.

Mr Speaker, Parliament as an independent first State arm of the government does not mean, we just come and have meetings because we have the powers. These are extraordinary times and we must all cooperate and that is all I ask.

Thank you, Mr Speaker.

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

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

Mr RAINBOW PAITA – Mr Speaker, I thank the Parliament for allowing us deliberate on the most important businesses of the day; the tabling of the proposed legislations and the amendments to the Lae City Authority Bill and the Kokopo City Authority Bill.

There are no urgent Government Business on Notice Paper and at the same time we had the learned Shadow Minister condemning that Parliament cannot have meetings. We also had other Members stating that having meetings under such Covid-19 situation is a health hazard for all of us. As such we adjourn Parliament to Tuesday 10th August 2021.

SPECIAL ADJOURNMENT

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

That the Parliament at its rising, adjourn until Tuesday 10th August 2021 at 2 p.m.

ADJOURNMENT

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

That the Parliament do now adjourn.

The Parliament adjourned at 6.05 p.m.