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LEE SIROTE
Acting Principal Parliamentary Reporter

THIRD DAY

Thursday 28 May, 2015

DRAFT HANSARD

| SUBJECT | PAGE No. |
|---|-----------------|
| QUESTIONS | 2 |
| SUSPENSION OF STANDING ORDERS – EXTENDED TIME FOR QUESTIONS..... | 16 |
| ANSWERS TO PREVIOUS QUESTIONS – BY THE LEADER OF THE OPPOSITION..... | 23 |
| MOTION BY LEAVE | 32 |
| SUSPENSION OF STANDING ORDERS..... | 31 |
| REARRANGEMENT OF BUSINESS | |
| JUDICIAL PROCEEDINGS (INTEREST ON DEBTS AND DAMAGES)..... | 33 |
| JUDGES PENSION (AMENDMENT) BILL 2015..... | 36 |
| MIGRATION (AMENDMENT) BILL 2015..... | 37 |
| ARREST ACT (AMENDMENT) Bill | 41 |
| SEARCH (AMENDMENT) BILL 2015..... | 42 |
| ADJOURNMENT | 43 |

THIRD DAY

Thursday 28 May 2015

The Speaker (**Mr Theodore Zurenuoc**) 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.

Mr Speaker, again took the Chair at 10.30 a.m., and invited the Member for Chuave, Honourable **Wera Mori** to say Prayers;

‘Father God, we thank you that we have a beautiful country, we thank you for the fact that you have selected leaders to come to this Parliament to deliberate on issues and matters to make laws for the best interest of our people. Oh God we come before you now and bow our knees and ask you for your wisdom, guidance and leadership.

I pray for the Prime Minister and his Ministers, I also pray for the Opposition Leader.

Lord we pray that you will grant them the wisdom, the courage and the leadership to lead our people so that we may fulfil your wishes on this earth. Oh God we pray help us to uphold your righteousness. We are now able to come together to raise our voices together to pray the Lord’s Prayer. Amen.’

QUESTIONS

Mr POWES PARKOP – Mr Speaker, I thank you for giving me this opportunity to ask the first question of the day. I direct my questions to the Minister for National Planning and Monitoring.

Before I ask my questions I take this opportunity to commend the Government on the National ID initiative. Many Papua New Guineans attain certificates and diplomas in other people’s names. With the introduction of this programme it will give clear identification to our people.

Mr Speaker, with the General Elections just around the corner in 2017, my questions are as follows;

(1) Can the Minister explain to this Floor whether the National Identification Programme will be ready before 2017 Elections?

(2) If, that Programme is ready, will it be used in the General Elections?

(3) Will the Electoral Commission use that National Identification Programme or do they have their own Identification Programme?

The Government is funding these two same programmes with the Electoral Commission using photo Identification which, will be put in the common role and is different to the National Identification Program. We must all be aware of the importance of those two projects and give our full support.

02/03

Mr CHARLES ABEL – Mr Speaker, I thank the NCD Governor for his series of questions relating to the National Identification Program. We are all aware of these and I have spoken on the Floor several times. The media coverage is vast and indeed the program is still underway because it is a large and ambitious programme and we must all be aware that it is such a programme that intends to identify every citizen in the country, issue them with a unique ID card and have a centralised data system with the infrastructure and staffing structure to maintain such a system.

With only two and a half years to go, this ambitious programme which not only relates to the elections, it is very important to understand that while it is our hope and intention to use it in the election but this programme goes well beyond just an election basis.

It is intended to provide the whole foundation for the government data information system and all the way through to assisting our people with things that I've talked about such as opening bank accounts, registering land and the data of births and deaths in the civil registry system will be reinforced with this programme.

Whilst much of the programme is underway beginning with the establishment of the NID House, for legislative framework, we are rolling out all the six offices, establishing a recurrent funding programme but there is still more that needs to be done.

And of course one of the intentions of this system was that we will be able to utilise it in the election and we will be able to address many of the issues that have come out in previous elections which have been underscored by the Report from the Electoral Commission in relation to all the problems we've had in elections, particularly fraudulent

voting. Where the Common Roll is not accurate, and we've had many instances of people turning up and either they're not on the Common Roll or they are using names on the Common Roll that are not their own. These are the problems and practices that both the Electoral Commission and the Government are aware of and are trying to address.

And so it is our hope and intention that with the implementation of the National Identity System, when you turn up to vote you can identify yourself in a biometric fashion where you have your unique ID number, you have your card and your photograph which are also captured on the Common Roll and thereby you are able to prove who you are before you vote. That is the idea and the intention.

Of course Governor, as you said, the Electoral Commission is an independent constitutional office and so it alone is authorised to compile a Common Roll and to conduct elections and we have to be sensitive about it. We are simply trying to work with them and complement that process of updating the Common Roll.

Whilst I understand that they are also conducting a photo ID rollout which we are doing as well, we are liaising with them to try and make sure that the two programmes complement each other and are not done separately whilst also realising and being sensitive to the fact that it is an independent office and we cannot dictate to them. We can only offer our data that perhaps they can use to verify their information.

We are hoping that you are able to turn up and identify yourself based on your ID number. Preferably as well, of course the two photos, the photo on the ID card will also match the photo on the Common Roll. That is the intention and the idea.

To actually be able to activate this on a nationwide basis, we are still a long way to go before we come to that stage. But I can say that certainly in many areas of the country we hope to be able to pilot this programme in the coming election and then on a more nationwide basis as we go forward.

Notwithstanding that, by 2017 we should have the infrastructure all in place, we'll have all the provincial offices set up, they'll be fully staffed and it will be an integrated information system feeding back to Telikom Rumana and linking back to National ID House which is the current production centre. That will be a significant achievement for the government in itself but off course, this system has to be applicable and we should be able apply all the benefits that we've been advertising in a real way.

And of course, very much so, the plan is to be able to use it in the upcoming election and that's why we are liaising with the Electoral Commission. We are also sensitive about the boundaries of our mandated leaders. We intend to pilot it during the election, perhaps not

throughout the whole country, but certainly we'll be piloting it in areas such as NCD and a few other districts in the country as well.

03/03

Mr DON POLYE – Thank you Mr Speaker, my question is directed at the Minister for Foreign Affairs and not the Prime Minister this time.

Mr Speaker, the Opposition has a strong policy on the foreign affairs matters of this nation and we did present a policy to this Parliament recently.

Mr Speaker, with your indulgence and before I ask the Minister for Foreign Affairs I will say, praise must be given where praise is due and I think the Minister for Foreign Affairs has done considerably well in the area of foreign affairs and diplomacy.

The Opposition is not careless and irresponsible, wherever the Government is doing good things, we make those good comments but, let me make this comments, and the Opposition can do better than the Government.

The Opposition supports that Papua New Guinea has the biggest economy in the Pacific Region and we have a moral obligation to assist our smaller brothers and sisters who are Melanesians, Polynesians and the Micronesians and we have to interact with the other bigger neighbours like Australia, New Zealand, Indonesia, Malaysia and the other countries within the Region.

My question is in regard to the recent announcement by the Government through the Prime Minister and the Minister for Foreign Affairs that Papua New Guinea Government will be providing over K100 million worth of assistance for the Pacific Island nations.

(1) How much percentage of the Budget of PNG is within the Governments Policy to continue to annually assist these Pacific Island economies in partnership?

(2) Is the assistance in grants or are they tied Aid and in what specific areas are you assisting and is it to mitigate sea level rise, reduce poverty or building infrastructure?

(3) Is Papua New Guinea's interest also enhanced and promoted in these small economies?

It is very important in terms of trade, micro to small and medium enterprise businesses that when we provide assistance, we need to position Papua New Guinea business men and women to interact to benefit within those economies as well.

(4) What is your Governments position in positioning Papua New Guinea business to benefit within the growth that takes place in those economies?

My second set of questions is in regards to Papua New Guinea and Australia regarding the recent diplomatic row as reported by *Post Courier*. We see that as a misunderstanding based on misinformation between the two countries.

(5) What is the current status of the unnecessary diplomatic misunderstanding between Papua New Guinea and Australia?

(6) What is the Government's position on that and what have we done?

For instance has the Government lifted the ban of travel for Australian business men and women to Bougainville Island or is the ban still on.

The other set of questionnaires is in regard to the report by the media, on Bougainville National Elections.

(7) Why couldn't the Government of Papua New Guinea provide financing to the National Elections that is taking place in the Autonomous Region of Bougainville?

There are reports being published and if they are not true, then the Government has to explain to the people because no information is coming from the Government. There must be clarification because the perception is this region is in Papua New Guinea and that's our territory. We should be providing for the National Elections in the Region because is a very sensitive area and if the Government has failed as it is perceived through the media then why is that? If the Government assisted in funding then it has failed terribly.

(8) Can the Minister assure the people of Papua New Guinea, that the people of Bougainville are not affected by this misunderstanding between Papua New Guinea and Australia that the people's welfare, the people's rights are looked after by these two partners, rather than the political players at the top, because the people might be neglected?

04/03

Mr RIMBINK PATO –I thank the honourable Leader of the Opposition for his important questions. And since the questions are comprehensively detailed, I would ask if he could set out these questions and forward them to me so that I can make a detailed statement during this session of Parliament, in relation to all of these matters.

However, I can generally answer; in relation to the issue of Bougainville which was discussed yesterday. When we are asking questions and try to provide answers, we must act with some responsibilities. The Leader of the Opposition pointed out the sensitivity in relation to the issues on Bougainville because of the history that surrounds the situation on Bougainville. So even if I have to provide an answer, I have to do it with care and responsibility.

Such that we do not do what the media has done and we do not do what some politicians do in providing answers that may be taken out of context. I have not had the opportunity to visit Bougainville and I am not sure if the Opposition Leader has had the opportunity to visit as well. This is an important part for Papua New Guinea, where we must have greater connectivity.

Over the years and particularly this Government has provided essential funding to many of the programs for the development of infrastructure, health and education on Bougainville but in terms of whether or not the Peace Agreement is working. There are arguments on both sides, therefore, I do not really want to get into too much detail but because I want to look at these things with some care and sensitivity so that I can give a detail answer which will not only satisfy the public at large but also the people on Bougainville.

That is why, some of the statements which I have made with the situation with Australia, I have said very specifically and clearly that the paramount interest to the Government is the interest of the people of Bougainville; their welfare, health, education and prosperity is paramount for us.

It is in that context, that the Prime Minister and I had the opportunity to discuss some of the issues on Bougainville, particularly the announcement in the Australian Parliament that there will be a foreign mission opened on Bougainville, whilst we were in Japan. As to the resolution of that question, the discussions are ongoing because we do not want to do what the Australians did. Make an announcement and then find out whether there is clarity of the discussion or not, so I intend to discuss the matter in some detail and find the solution which will be best for our nation, the people of Australia and more importantly the people of Bougainville, so that that the funding that the Australian Government may provide will address some of the issues on Bougainville. And the ongoing funding from our National Government in infrastructure, law and order, education and health are addressed in a manner that is consistent, with the understanding that Australia and Papua New Guinea will reach.

Whilst the discussions are ongoing, the ban has not been lifted, so in the course of the discussions once the issues are finalised, then we will find a solution and because of the strong bilateral relationship that we have with Australia, it will be a solution that will suite their interest but overall, it will suit our own interest and not in any way affect the issue of sovereignty, the territorial jurisdiction of our country and its affairs.

05/03

Our countries affairs with any partner no matter how close or how strong relationship might be but those are matters which are the subjects of ongoing discussions.

Now to the issue of Development Assistance Funding to smaller Islands States of the Pacific, Papua New Guinean's position internationally is at the top level compared to other Pacific Islands and particularly those of the smaller Island States who are not in position to speak for themselves. They are not in all the regional Forums and International Forums that we attend and they see Papua New Guinea as "big brother" and we are truly the Regional Leader. Therefore, we do not want to displace the trust that these smaller Islands States have but that does not mean that we are not going to spend money everywhere without proper budgetary appropriation and planning.

There is a program of development assistance which has taken over a five-year planning on what we are trying to do as we are telling our development partners. We are asking our own development partners such as Australia, New Zealand and the European Union to align their aid programs to the development priority of our government where advising the smaller Island States of the Pacific those in Micronesia and Polynesia to do likewise so that we are looking to the development aspirations, the infrastructure, education, health issues the same way they are looking at so there is no inconsistency in what we are doing for the smaller Island States of the Pacific.

In relation to issues of climate change or natural disasters, those are things that we cannot plan for so any funding provided as a responsible government we will take it out of the funding which comes in a package but adjustments will be made over the five year period.

I think I have generally answered the questions of the Leader of the Opposition but, if I can get a detailed set of his questions then I can answer them in detail in my statement that I will deliver to the Parliament in this session.

Thank you, Mr Speaker.

Mr NOAH KOOL – Thank you, Mr Speaker, I direct my question to the Minister for Justice and the Attorney General.

Do you think that it is past time now to review the Laws governing the consumption and trafficking of cannabis and marijuana in the country?

My concern is about this increasing crime trend that relates to the current punishment of two years prison term or K200 bail is not enough to control or deter criminals engaged in this illegal activity.

Mr Speaker, this drug is already a potential threat to our population particularly the Youths who are the foundation of this Nation. The rippling effects of marijuana consumption are affecting the community at large, at an alarming rate and so we must act in good time to safeguard our people and their future.

The real threat that I see in my province in the next five years is the consumption of marijuana compared to other crime and social ills and my government has made a lot of effort to contain this problem.

In 2013 and 2014 we have uprooted 218 800 marijuana plants, we have also made 443 arrests and that is the biggest on record.

The police are doing a fine job with assistance from the Provincial Government and our efforts need to be complimented with new tougher laws and regulations to completely stop this drug. The Indonesians have done it so, why can't we do it here?

Mr Speaker, can ten years of prison term or K500 bail be sufficient and can the Court system effectively implement this?

Thank you.

06/03

Mr ANO PALA– Mr Speaker, let me thank the Governor for Simbu for this very important question regarding the consumption and trafficking of cannabis and marijuana in the country.

It is a major problem that we are all concerned about not only in Simbu but all throughout the country. I thank the Governor for giving me a copy of his questions and that gave me an opportunity to think about it.

Mr Speaker, the laws that govern the dangerous drugs and poisonous substances come under the administration of the Minister for Health and HIV/AIDS and the Minister for Police as well. But this is a serious matter although it's not directly under my control I will discuss it with the two Minister's concern and come up with an answer.

But in relation to his question on in adequate punishment for offences relating to consumption and trafficking of illegal drugs the current punishment basing on in possession and production of illegal drugs is only for a short period of time less than three months not

exceeding two years behind bars. And this is only a summary offence and not so serious to compensate for the offence committed.

So, I totally agree with the Governor on the light punishment given to those involved. I will bring it up with my Department and the relevant departments to review the laws governing the trading of illegal drugs in this country.

Mr NIXON MANGAPE – Thank you Mr Speaker, I direct my questions to the Minister for National Planning and I want the Ministers for Finance, Treasury and Mining to take note.

My questions are:

(1) Is it true that your Department has released K2.5 million to former Member for Lagaip-Pogera just recently?

(2) Why is your Department not releasing the MOU and SSG funds for the last two and half years to SPA?

Mr CHARLES ABEL – Mr Speaker, I thank the Member for Lagaip-Pogera for his questions in relation to the K2.5 million that has been released to the former Member for Lagaip-Pogera.

Mr Speaker, the Department of Planning and Monitoring since the O'Neill-Dion Government came into power have been faced with all sorts of issues and problems. And one of them is outstanding claims for various parties running into hundreds of millions of kina on the Department. As part of the reform exercise in the Department we have engaged lawyers to provide advice as obligations relating to some of these arrangements and payments.

07/03

In doing so, we have saved hundreds of millions of Kina in relation to these fraudulent claims. But in that process we have also discovered that there are some legitimate claims and contracts that are in place. In doing so, some payments have had to be made but, I must inform Parliament that there has been no payments made to anybody personally whatsoever. Those payments if they have indeed been made then they have been made as per the contract.

Within those contracts they have been properly constituted with further legal advice and paid through to the people who have been engaged through those contracts because those are obligations of the State. But whilst we have saved many millions of Kina in all sorts of

claims that have come to the Department, there are some claims that are legitimate. They are existing obligations and we have sought legal advice and they are enforceable in Court and we even have some of the Court orders that are upon us. Therefore, we cannot avoid some of these claims because the State has already entered into these obligations. Sometimes well before our time these State obligations still need to be met.

With that, I would like to repeat again that, there have been no payments to anybody personally including any former Members of Parliament. Nevertheless, there may have been payments to contractual obligations to the particular contractors that have been engaged to those contracts through the due government process. That is why we have tried to get legal advice on regarding many of these cases and many of these obligations have been accredited before our time. But as a government we have to honour some of these contractual obligations.

Therefore, there may have been payments but, I will have to look further into it but these are my general remarks in relation to that matter. With that, I will get the specifics about the exact payments that have been made and to whom they have been contracted and I will make those public.

Mr Nixon Magape – Point of Order! A former Member was arrested and criminally charged is now out on a National Court bail for misappropriation because the money was diverted to his family company. The amount was about K2.9 million and the case is still pending.

Therefore, why has your department released another K2.5 million to the former Member?

Thank you, Mr Speaker.

Mr SPEAKER – Minister, you will have to answer the question.

Mr CHARLES ABEL – Thank you, Mr Speaker.

I will have to get the exact details that the Member is referring to as I am not aware of any Court cases. The only obligations that I am aware of in relation to the obligations to the Government in terms of government to government agencies and the procurement process. Therefore, I am not aware of any payments to any personal bank accounts whatsoever and we would not authorise such a thing.

I apologise because the Minister for Transport is reminding me about the question in relation to the SSG. The government continues to budget towards the SSGs and I have been dealing with the Member personally in relation to some of the outstanding SSGs regarding the Porgera Gold Mine. We are fully committed to that process and funds have been released and we are trying our best to maintain those obligations.

We will get some of those details and I will communicate directly with the Member regarding this matter.

Mr TITUS PHILEMON – Thank you, Mr Speaker.

Mr Speaker, my series of questions this morning are directed to the Minister for Forest and the Member for Kiriwina-Goodenough, and the Prime Minister, Minister for Environment and Conservation and the Lands Minister to take note.

My questions relates to a petition signed by over 7,000 people from across the globe regarding logging operations on Woodluck Island.

My questions are:

(1) Is Minister aware of this petition which, was addressed to the Prime Minister and dated on the 29 May, 2014?

The petition states that a Malaysian company wants to clear 17,600 hectares of forest, which is about one-fifth of the entire Island as part of its logging operations, and that the company is eyeing to log more forest areas.

The petition was dated on the 29 May, 2014 which seems to indicate that logging operations have already started on the Island.

(2) Can the Minister inform the Parliament as to what stage the operation is at now?

The petition states that the majority of the people on the island are opposed to the logging project.

(3) If this is so, then, why has the project been allowed to proceed?

I was there last month to see the opening of the project and I was given the information.

If the legal and appropriate authority had given the approval for the company to carry out logging on Woodluck Island after due process was followed.

(4) Was consideration given to the various issues of concern which are still pending, including the return of the land to customary landowners, which have been continuously debated on the Floor of Parliament, the ongoing debate over the proposed palm oil plantation development by another foreign company, Vitroplant and the mining project?

Thank you, very much, Mr Speaker.

08/03

Mr DOUGLAS TOMURIESA – I would like to thank Honourable Titus Philemon for his series of questions.

First of all, let me take this opportunity to clear the air with regards to this company on the Island. I think the laws on forest and the *Forestry Act* are very clear that no operation can take place on any area without the approval of the Forest Authority. But let me make it very clear that the land in question which, is over 17 000 hectares is actually State land. As we speak the Lands Department is yet to hand over this land to the landowners. From the perspective of the Forestry Authority, the Board and the Ministry haven't approved any license or permit for that project simply because the Lands Department has not carried out its obligations and duties.

The PSNC cannot approve the project because the land that is supposed to be logged is a State land. Unless the land is remitted back to the landowners then we can go ahead and the ILGs will comply with the operation of the project. However, having mentioned this, the company has already gone ahead and build a sawmill on the Island. We have given them a Court Order to stop operation because the Forest Authority has not given a licence or permit for the operation. Therefore, the TA has not been approved and we have given notice to stop any operations until the Lands Department completes its transfer of title back to the landowners.

Mr JOE KOIM KOMUN – I direct my questions to the Minister for Lands and Physical Planning. This is regarding land compensation which, the landowners are pursuing through the Lands Department.

The Government as we know has 3 per cent while, 97 per cent is owned by the landowners. There are many government services on customary land and now the Government has a policy to compensate the landowners. There are many landowners are living in Port Moresby and waiting payment for their land. These landowners are also being harassed by staff of the Lands Department for favours in order to facilitate their land compensation. I had a bad experience in which, one of my brothers came down for a similar case but lost his life in an accident.

My question to the Minister is; has the Government allocated money for land compensation and what assurance can the Government give to these landowners?

09/03

Mr BENNY ALLAN – I thank the Member for Anglimp-South Wahgi for his question.

Before I answer the Member's question, I would like to touch on Woodlark Island.

The Prime Minister has directed me to get the Lands Department to work closely with the Mining Department to give back State land that is outside of the mining lease and give it back to the landowners.

Unfortunate to say as we were in this process, an officer within the department has seen fit to give a forfeiture notice and revoke the title of the section that we are trying to give back to landowners and extended lease by another 5 years.

So that is the dilemma and we are working at it and it will be resolved soon in regards to giving back a portion of land to land owners.

In regards to the Members question on payments of customary land that the Government acquires is one of the biggest challenges we face in the department. There is a situation where people get double payments.

For example, if a school is in a district and the State at that time bought that land in pounds or shillings, axe, salt or so fourth, they have now come back to the Lands Department with a new claim for the Government to pay them. This is a very big issue in the department.

That is why we are looking into all of these and trying to establish that the government of that day who did those payments is the amounts that the landowners agreed to. Those payments should be respected.

The educated persons of today have argued that the amount paid at those times is not sufficient so we have another lot of claims before us to pay.

As we speak, from 2013 the State owes over K400 million to the landowners under this sorts of claims.

This year I directed an audit team to carry out audits and they travelled all over the country and came up with a figure of K200 million to be paid to landowners. That alone is a lot of money.

I thank the O'Neill – Dion Government for approving the payments of some of these issues. This Government made available K25 million in 2014 and some payments were done. In 2015 K20 million has been allocated.

So my department has really found it difficult to pay all of these claims so we are paying them in instalments.

It is not enough to pay all these claims throughout the country. So you have landowners swarming in from all parts of the country to the Finance Department and Lands Department camping outside the offices.

Mr Speaker we are trying our best to address all these and on Tuesday my department met and discussed and we have highlighted that we can reduce that amount.

There are three parts to a claim where it is considered.

(1) Planted improvements like Coffee or other things that the landowners plant that needs to be valued

(2) The land itself – the size of the land to be valued.

(3) Structural improvements on that land.

There are far too many irregularities where a Community School claim for that land is higher than the claim for the High School.

I have directed the Secretary to look into the part where structural improvements must be removed from the three-part consideration grounds because the State puts up those structures, not the landowners. We should be looking at just the land payment alone.

So we have reached that agreement and the department is going to go into all those claims and try and reduce payments by excluding the structural improvements.

10/03

Consider it and try to remove the structural improvement and reduce the amounts, after removing it and obtaining the actual figure, we then plan to make submission to Cabinet for its approval to allocate funds to sort these out.

After that we intend to look at new land only. We should not entertain claims from government institutions where the government has already paid for. So, from now as of Tuesday, we will be talking to the Land Titles Commission to try to review its land case hearings to give approval for us to make double payments again for land that we have paid for already. So, we will be working with the Land Titles Commission to make this happen.

I am sorry Member that one of our clients waited for his payment and met his fate in Port Moresby City. There are many similar cases such as this.

There are many good officers in the Lands Department but others are colluding with landowners to make bogus claims but, we are looking at addressing that. Though it is a big challenge but I am happy to take this challenge and work with faithful officers in the Department to try and reduce such negativities which, the Department is receiving from the public.

That is way I thank the Member for asking this good question but, if he has the name of that client who lost his life then can he provide it to me so that I can follow-up and see the status of his payment and inform you?

SUSPENSION OF STANDING ORDERS – EXTENDED TIME FOR QUESTIONS

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

That so much of the Standing Orders be suspended as would prevent Time for Questions being extended by 20 minutes this day.

Supplementary Question

Mr GARRY JUFFA – Firstly I want to commend the Minister for Lands for his tireless efforts to overhaul the Lands Ministry.

But, in many presentations in the media and here we continue to hear of lands officers who continue to be corrupt, are corroborating with members of the public, individuals and entities to sell Papua New Guinea at will and whim. There seems to be no effort within the Department to take those officers to task.

If the Department was serious it should have a fraud control methodology in place. It should have restructured its organisation so that it should have internal investigative capacity. It should have an MoU signed with police so that fraud investigators can be attached to that Department to investigate such instances of fraud, malpractices etcetera.

My questions are as follows:

(1) Do you have internal investigation capacity and a fraud control mechanism in the Department?

(2) Have you taken note of the SABL Report which names numerous officers involved in corrupt behaviour and criminal activities?

(3) What actions is your Department taking about these officers?

11/03

Mr BENNY ALLAN – Thankyou Mr Speaker, I thank the Governor of Northern for his questions.

The first question is regarding the disciplinary methods for public servants committing offences within the department. Yes, we have a concept which we are trying to bring into the department to address some of these corrupt practises that we encountered within the department and this is the complaint desk. We launched it in 2014. The role of this complaint desk is to assist the public in any of their queries they may have against the conduct of the Minister, the Secretary or staff within the department regarding land matters. It is also established to follow up on any delay in the process of dealing with land matters. The complaint desk receives the complaints from the clients and forwards it to the investigation team within the department who will then find out where the fault is.

However, in terms of dealing with officers committing offences and referring them to the fraud squad, we don't have it, but the Secretary has been enforcing disciplinary action in the department.

I am thankful that the Secretary has taken some action against senior officers who have illegal dealing with clients outside of the *Act* and has reprimanded and suspended many senior officers. I want to assure the Parliament and the people of Papua New Guinea that most of the senior officers who have made land dealings outside of the *Act* have been terminated by the Secretary. We are slowly trying to address this issue. I want to inform the Parliament and the people of Papua New Guinea that corruption is everywhere and it is our duty to address this issue wherever we are. The Department of Lands maybe one of the worst, but I am sure other departments also face similar issues.

I am also thankful that the Governor asked about the SABL. The Cabinet has made a decision to stop SABL in the country. The Department is therefore no longer issuing SABL licence. This is the decision by NEC. The Chief Secretary is now dealing with all the recommendations done by COI so it is now with the Chief Secretary and his team to report back to us on their findings as per the recommendations by NEC.

Mr ATI WOBIRO – Mr Speaker, my questions are directed to the Deputy Prime Minister and the Minister responsible for border development. On Wednesday, 28 May, the Chairman of the Border Development Authority made a statement in the media in concluding the development of border development assets and facilities at Wutung. He stated in the press statement that, the focus of the Border Development Authority and the ministry that the Deputy Prime Minister is responsible for and will now be focused on Wiyam.

Mr Speaker, as I as the Governor and my people of Western Province particularly in the South Fly are very happy to hear of that commitment.

(1) Could the deputy Prime Minister state what kind of facilities will be established at the Wiyam Border Post?

(2) Can the Deputy Prime Minister confirm that his department and the border development authority will now focus on establishing these facilities at Wiyam border post?

(3) Can the Deputy Prime Minister also confirm whether as part of the border development facilities at Wiyam, a road will be constructed connecting Daru because without a road, Wiyam border post no matter how well it is developed, will continue to remain an enclave border post therefore road is very important.

(4) Can the Deputy Prime Minister confirm if sufficient funding has been secured from the Asian Development Bank to develop these facilities?

12/03

Mr LEO DION – Thank you, Mr Speaker, and thank you Governor of Western Province for your questions. The land mass of that province is quite large compared to the province and it is a huge challenge.

The Border Development Authority was established to be the authority that will be responsible for coordinating the responsibilities and functions of the other departments such as Defence, Immigration, NAQIA, Police and other departments who are supposed to be present at the border locations.

A good example is the Vanimo- Wutung, Kiunga- Dome right up to Mindipatana and these are all to do with the Indonesian Border.

I want to explain it this way; from Daru, it is from Wiam to Sota, this is on our side of the border and on the other side is Merauke. We know that there is development on the other side of the border. The challenge now is for the Border Development Authority to make sure that road infrastructure, surveillance facilities and accommodation must be provided for those at the base camp, like the Police and Defence personnel, serving the people in terms of the normal service delivery from the Government.

I want to thank the previous Governments and current management and its board for implementing and creating the Border office. I hope this Parliament replicates this service in other provinces that share land and sea borders with our neighbours. The Government has been funding this area but a lot of times, most of these funds do not get to their intended areas and many people have questioned the use of these funds.

To be quite frank; from my observations on the briefings that have been held under my ministry, the Government has placed less in terms of budget allocations for all these

years. I am being briefed by the BDA board and the Executive Chairman, who will furnish me with a submission to make sure they complete all areas that we need infrastructure to be given and at the same time we need to look into funding through our budget.

Mr Speaker, having said that, I want to make it clear that, it does not mean that the provinces in the border areas are the responsibility of the Authority, but it is the basic responsibility of the Authority to make sure that they continue to plan and work together with the authority to make sure that funding are secured together, so that the infrastructure which are being planned by those provinces are realised.

In the example of the Western province, we all know the financial situation, especially the Papua New Guinea Sustainable Development, and the OK Tedi, which have some input with provisions to assist.

What I would like to appeal on behalf of the Border Development Authority is to work very closely with the Ministers responsible also for those agencies that are supposed to be looking after those areas, so that they can be looking at obtaining funding from the same basket and proceeding in the same direction, with the provinces and the agencies concerned. There must be complacency, we expect Border Development Authority to do all the things but that is not the case.

13/03

But at the same time whilst I have the Floor I want to thank ADB for providing funding to help build the magnificent building where soon the Leaders of this Parliament will be invited in. It is an icon; a landmark which demonstrates that the government that is serious in making sure that those facilities are there. And that is the basis for developing other sites if sufficient funding is available

It is very shameful for the past government and the present government to admit that there is lack of development. Sometimes we have to bite the bullet and admit that we have to do something about the development of boarder areas because these are sensitive areas.

I thank the Prime Minister, the Chief Executive of this country, in taking the lead recently in discussing bilateral arrangements with that this country must have with Indonesia, as our greatest neighbour.

I urge that the Provincial Governments of Saudaun, Western and the other provinces to work closely with the other Border Development Authority so that we can realise all this issues.

Yes, we can have good plans and good decisions but sometimes our pride can get in the way when managing the economy of this country.

Mr Speaker, from the radar of this government, yes, the Border Development Authority and its functions and how it implements them together with the agencies must be continuously supported.

I will present to this Parliament an updated information on what has happened so far since the Border Development Authority was established in 2008, and of course the other activities that are happening not only in the Western Province but also in sensitive areas such as in New Ireland, Bougainville and of course in Manus.

Mr Speaker, those are the information that I can give a brief on so far but like every other department and ministry we are all eyeing one particular basket to get the money and it depends entirely on the mechanism of the department. If we work hard and find the money we can do this.

I must say that the ADB has come good in terms of providing the necessary funding. We are looking at the possibilities to excess those funding in order to have a look at the facilities that we are talking about in Viam, Daru and other places.

Thank you, Mr Speaker.

Dr ALLAN MARAT – Thank you, Mr Speaker. I direct my questions to the Minister for Public Service, and I ask that the Minister for Agriculture and the Honourable Prime Minister to take note.

Mr Speaker, the Regulatory Statutory Authority's appointment to certain *Offices Act* provides for merit based appointment of Board Members and Chief Executive Officers of various Statutory Authorities.

In the absence of a properly constituted board the Secretary for Personnel Management assumes the powers and functions of the board until the board is appointed.

Mr Speaker, in the last four years since 2012 most, if not all, of the Boards in the Agriculture Sector have been without Boards and those whose terms have expired have not been advertised for appointment.

Mr Speaker, my series of questions are;

(1) Can the Minister confirm the following Statutory Authorities that is Livestock Development Cooperation, the Spices Industry Cooperation, National Agriculture and Quarantine Inspection Authority (NAQIA), Cocoa Board, Coconut and Cocoa Research

Institute, Coconut Industry Cooperation and the Coffee Industry Cooperation are each without a properly constituted and functioning Board?

14/03

Inform our people as to why it is taking four years to appoint new board members and what are the requirements prescribed by the *RSSA Act* and the various laws relating to the various commodity boards?

(3) In the absence of the legally constituted boards, who is authorising or approving the budgets, expenses, travels of this board and issuing of and renewal of various licenses by this board?

(4) Is the Minister aware that the Secretary for Agriculture and Livestock is holding himself out as chairman of most of the commodity boards that have no stakeholder members?

(5) Is the Minister aware that very highly competent staff holding Phds, Masters and post graduate qualifications work in the agriculture sector but the lack of legally constituted boards and permanent chief executive officers is affecting the morale and performance?

(6) Is the Minister aware that the World Bank funded Private-Public Agriculture Programme or PPAP within the cocoa and coffee industry will be scrapped because there is no proper legally constituted board to execute various agreements and programmes in institutes?

(7) Could the Minister make an undertaking to apply the relevant provisions of the *RSSA Act* and various laws through the Secretary for Personnel Management to call for nominations for the board position and also to start advertising for permanent chief executive officers?

(8) Is the Minister aware, that the absence of legal boards and permanent chief executive officers in the agriculture sector has caused the decline in the provision of government extension, advisory and training services that has resulted in the very dismal performance of the agriculture sector and the O'Neill Government is responsible for this mess?

Sir PUKA TEMU – I thank the Member for Rabaul for his questions.

I wish to say that the bulk of the questions and responses will relate to the functions and responsibilities of my colleague who is the Minister for Agriculture and Livestock, therefore, he would be the appropriate person to respond in view of some of the serious

allegations the Member has mentioned and blaming this Government in the agriculture sector.

Under the *Regulatory Supplementary Services Act*, the provisions for various commodity boards as per the recent changes that we made to the *Constitution* and the *2014 Public Service Management Act* has left, particularly the commodity boards under the RSSA provisions. So all the commodity boards are subject to the RSSA provisions and therefore the Member is absolutely right.

The Minister for Agriculture and Livestock will confirm that the reason why the majority of the boards are not yet fully in place is that the Minister through his ministry's initiative has taken a major sectoral review. I will leave to the Minister to explain to the Parliament on the outcome of the review and what he is planning in terms of the new structural changes that will be accommodated particularly for the commodity boards. The issue is about what the agricultural sector is doing to address these things through National Agricultural Development Plan and the new policies that have been approved.

Once the terms of the commodity boards have expired, under the law the Secretary of Personnel Management then takes charge. But there is a provision within that law where the Secretary can then establish a team to ensure that the board functions are maintained.

15/03

The Secretary has taken charge of those particular boards when the board's term expired. For the agriculture sector the issue is a little bit different and the Minister and his Secretary have taken charge of the Commodity Boards because of the restructure exercise that the Minister has initiated and it's an on-going exercise and the honourable Member is absolutely right where in some of this instances the Secretary for Department of Agriculture and Livestock has taken charge in this regard.

I am aware that couple of commodity boards that the Member has mentioned, many of them do not have boards and therefore, the minister has already initiated submission to my committee the Ministerial Appointment Committee. And last week we appointed one of the officers to be the Acting Chief Executive Officers for CIC and other submissions also came on board. Now that the Minister has concluded the functional review of the Department on how the new board structures will be and under what umbrella or body as the Minister has just presented. I can assure the nation and Honourable Members that the process is now beginning on this important sector. But I must say that the Minister is looking into the entire boards and that's where the delay is.

**ANSWER TO PREVIOUS QUESTIONS –
BY THE LEADER OF THE OPPOSITION**

Mr RICHARD MARU (Yangoru-Saussia-Minister for Trade, Commerce and Industry) – I ask leave of the Chair to respond to the questions raised by the Leader of the Opposition.

Leave granted.

Mr Speaker, firstly I want to thank the Leader of the Opposition for spending three days in East Sepik Province, particularly in Yangoru to launch a cocoa project of a candidate contesting under his party. I thank him once again for that.

Mr Speaker, I initiated the Sepik Plain zone when I became Minister to unlock the vast potential of East Sepik Province in Agriculture. Mr Speaker, East Sepik has over 500 000 hectares of dry flat grassland and it's the biggest agriculture resources this country has.

Mr Speaker, the special economic zone concept was developed following the success we have seen in countries like Indonesia the Philippines, China and Malaysia where they have mobilised last tracks of land government invested in infrastructure such as roads, wharfs, power-lines and made available land for world class major investors to come and invest in those countries.

Mr Speaker, countries like China today enjoy 80 percent of their export produce made specifically in special economic zones. It's the source of the biggest employment in those countries and PNG has to go down this path.

Mr Speaker, before this Government came into office the world's biggest oil palm company WILMA International, a company that makes profits of over.

16/03

This is a company that makes profits of over a billion per annum. It has operations in over 50 countries and a triple 'A' company listed on the Singapore Stock Exchange. This company came to the Sepik Province and visited the Sepik Plains.

When I became the Minister, they approached me and the government to develop a 100,000 hectare oil palm project within the Sepik Plains. In discussions with the Governments of Malaysia and Singapore, they highly recommended Wilma because of their reputation globally as one of the most competent and fully integrated oil palm company. This

company is also a very highly respected company globally who not only have oil palm plantations but, also a fully integrated downstream processing machinery like refineries to produce cooking oil, glycerin and other products.

We also discovered that companies like Wilma have a large balance sheet and can bring in significant capital and foreign direct investment into this country. In negotiations and discussions with this company, one of the conditions that they placed before they could consider entering into a project agreement with the State to come into the East Sepik Province was for the government to provide the prerequisites infrastructures like roads, bridges, power lines, making sure we have law and order into the Sepik Plains. We need to have a strong police operation there before they could come with their capital and expertise to transform the Sepik Plains.

Mr Speaker, not only because of the expedition capital but we were very interested in Wilma because, as a policy Wilma does not log. They do not do logging because they are not logging company unlike companies like Turubu Oil Palm who have been taking all the logs out of most of our provinces with nothing to show for.

Mr Speaker, I then took a submission to the Cabinet. I would like to thank our Prime Minister and this Government for approving an initial K100 million for co-infrastructure to be built in the Sepik Plains including a wharf in Wewak.

In the 2014 Budget, this Government only allocated K50 million instead of the K100 million that we requested. Therefore, we could not proceed with the wharf. But on the 28 May, 2014 we established the project office in Wewak. A trustee was organised by the Finance Department and accounts were opened, and the primary signatories to the account are the Secretary for Finance and Secretary for Trade, Commerce and Industry. In other words, no payments have to be made until the Finance Secretary personally signs and approves payment. That is the way these funds are controlled for this project. It is not controlled by politics but by the bureaucracy and public servants.

Mr Speaker, I am happy to report to you that we have engaged the Department of Works and they have already completed 50 km of roads and are working to now complete the remainder. By the end of this year, we should have completed 150 km of new roads into the Sepik Plains. We used a government entity and they are delivering the roads for us. We also engaged PNG Power and they have already completed 24 km of power lines and are working on the final seven now. We also engaged PNG Water Board to put in a water supply system so that we could remove the bucket toilets and build a modern police barracks and attract police personnel to come and live in the district. These are funds that we have advanced to

government's own State Institutions who are charged and mandated with those responsibilities with their own procurement system.

Mr Speaker, in the last few weeks the Central Supplies and Tenders Board (CSTB) has now tendered the Yanggoru Mobile Barracks Project. And we are expecting the tender to be processed by the CSTB and the tender to be awarded in the coming weeks.

17/03

So far according to the records that I have been provided by the department, we have expended K26 million. There is enough funds to complete the rest of the roads and the police barracks. That is within the first K50 million that we have been allocated.

Mr Speaker, the NEC Decision never said I should fund cocoa projects and vanilla. It did not talk about any of them. The funds are specifically for prerequisite infrastructure and for land mobilisation.

Mr Speaker, I am happy to inform this Parliament that we have four survey companies now on the ground surveying land. We can now mobilise another 80 thousand hectares of land in addition to the Urimo land of 15 thousand hectares which the government owns and also the Enauwi land of 8 thousand hectares both in my electorate in the Sepik plains. We are working towards mobilising 100 thousand hectares of land.

Since we started improvements, I am happy to report to this Parliament that apart from Wilmar International which we couldn't agree on terms, we have had three other serious international investors come and visit.

I am happy to announce that two weeks ago the NEC approved an agreement to be signed between KualarLumpaBerhard and the State to start a 15 thousand hectare oil palm plantation in Urimo. The only reason why we couldn't sign the agreement now is because former landowners of the Urimo state land have gone to court to try and take the land back. There is already a restraining order against the state to proceed to get the agreement signed so we can get on with the project. The roads have been completed and the investors are happy to go ahead with the project.

Mr Speaker, this development is on State land which the Government acquired in 1958. The traditional landowners interestingly who are shareholders have gone to court basically to frustrate the Government from proceeding with the project.

I am also happy to report to Parliament that the Israeli Government and our Government have jointly funded a feasibility study also in the Sepik Plain to develop a major chicken and cocoa grain project. The feasibility study report has gone as far as the Ministerial

Economic Committee. We are now looking at funding to work on that project and I informed the Governor yesterday that I was going to see him to brief him and ask him about being involved in that project.

Mr Speaker, we have also had interest as far as India, Belgium and many other interested investors are coming to the project office in Wewak to visit the place

18/03

I thank the Government, if it wasn't for the roads and power lines and the work that we are doing no investor would be interested to come to the Sepik Plains. Mr Prime Minister, I thank you and your Government for supporting us with funding that is now attracting global investors. I am talking leading global branch and investors.

Mr Speaker, before this year is up I am confident that we will deliver water to the main station that will be the service centre for the entire economic zone under phase one. We will commence the building of the police barracks to secure the province and district to host such a big project.

We will have most of the roads completed and as I said earlier there is about 150 km and I expect some work to start with one or two investors. This project is only 12 months old.

Mr Speaker, I know the Opposition Leader used such words like embezzlement using Parliamentary privilege on Monday. The records of the funds and who authorized them to use the funds are with the Finance Department and I invite the Leader to go and have a look at them. They are all very transparent and they are all there for him to see.

Mr Speaker, I think it is important because the Opposition Leader is so passionate about supporting Turubu Oil Palm and funding them, let me explain my position on the Turubu Oil Palm for the record of this country and this Parliament and our people.

Mr Don Polye – Point of Order! Mr Speaker, I did not say I support Turubu Oil Palm. I was talking about the funding for the Sepik Plains. I never mentioned Turubu in my questions to the Prime Minister. I thought the Agriculture Minister was responsible but I am now learning that it is the Minister for Commerce and Trade. My apologies, but you got to be factual. I was talking about the Sepik Plains and the 500 000 hectares you referred to.

Mr SPEAKER – Leader of the Opposition, your point of order is in order. But I can allow the Minister to continue.

Mr RICHARD MARU – Mr Speaker, in the interest of public good I need to explain myself so everyone knows my position in respect to Turubu Oil Palm.

Mr Speaker, Turubu Oil Palm is a brand name for basically four companies that operate within both Wewak District and my District in Yangoru–Saussia. These are Limawa Holdings, a purported landowner company, and we got Sepik Oil Palm Limited Company owned by two foreigners who own the bulk of that business called Turubu Oil Palm. We got Wewak Agriculture Limited and Sepik Plantation Limited. All these are names of companies. Interestingly they secured an SABL Lease and they were able to secure 115 000 hectares of land. The National Court found on the 4th of July last year that within 50 minutes they had consulted all the landowners from Wewak District and Yangoru – Saussia District some of whom didn't even know there was a meeting for that purpose.

It is also interesting to note that the National Court found that when our local people took the Turubu Oil Palm Company and all other companies I have mentioned to court, the National Court found that the SABL was acquired illegally and the granting of the SABL breached *Section 10, Sub section 2 and 3* of the *Land Act* and further it breached the mandatory requirement of *Section 102, Sub section 2 and sub section 3* of the *Land Act* and also breached *Section 53 of the National Constitution* of Papua New Guinea. This is the finding of a competent National Court, in other words the foreigners or proponents of that project acquired 115 000 hectares including Urimo State Land of 15 000, Nagam Adventist High School , Kubalia Government Land, all my village land and my people's *betel nut* and garden land were stolen from them.

19/03

My people's food gardens and everything else was stolen including those from the Nagam Adventist High School and Kubalia Government Station.

Mr SPEAKER – Member, please address the Chair!

Mr RICHARD MARU – My people were left as refugees in their own land. This is what this country needs to know. Under the guise of an SABL to do oil palm, so far, 400 000 hectares of logs with a market value of K100 million have been exported and to date they have not built one permanent road, nor bridge, nor school nor church, nor police station nor health centre, nothing at all and yet he went and supported them. This is what this country needs to know.

Sir Michael Somare – Point of Order! I would like the honourable Member to put in detail the allocation of land concerned because we have a lot of problems with the land. We don't have problems in Turubu but we definitely have land problems in Yangoru-Saussia Electorate. I am talking about his electorate, not mine.

Mr SPEAKER – Very good, honourable Governor, I think the Minister has heard your comments. He will prepare some reports and furnish them to your later.

Minister, go ahead and finish your speech.

Mr RICHARD MARU – Mr Speaker, I've not had any issue with Turubu Oil Palm, the only issue I've had is if you are a foreign company coming into our land claiming that you have capital for oil palm, please, bring your foreign capital. There is no evidence that they brought in any foreign capital.

Why is it that after 10 years of logging they haven't built an oil palm mill which, costs K150 million. Why haven't they made that investment, even after making K100 million from the logs defrauded from our people, there is no sign of an oil palm mill today.

They've only planted 3000 hectares of oil palm which, is now all turned into yellow because it has never been fertilised nor managed. Nobody builds an oil palm mill on a 3000 hectares of oil palm. Ten thousand is the minimum economic volume you must plant in order to have an economic sized mill.

So, Mr Speaker, since I became Minister, with the support of the O'Neill-Dion Government and its drive for agriculture we have invested in agriculture so that we can bring in big time investors like WILMA, Kuala Lumpur Kepo and other companies who are rated 'AAA' companies who have so many mills in this country and who are operating in all parts of the world.

What about these foreigners? They don't even own an oil palm mill in the world that I know of. How did we bring them in at the first instance? Who brought them in? They are not an oil palm company, so how did we bring them here?

Mr Speaker, I have received information from National Planning that a K5 million disappeared mysteriously from Waigani and went to Turubu Oil Palm. How is it possible for a company that defrauded our people, got all these logs and delivered nothing to get government funding?

Mr Speaker, very recently we took a very prominent Papua New Guinean to court for getting K10 million from Planning to buy an aeroplane company that is now providing services to the people. Do we allow private people to come and access funds like that? Isn't that criminal in the same sense that we've now gone after this fellow? Isn't this a foreign company? How can we put K5 million to them using Waigani funds, it's not a NEC sanction project nor is it a government sanctioned project. It's interesting, isn't it?

20/03

Mr Speaker, the Opposition Leader is still my brother and had he informed me that he was going, I would have sent the project manager and everyone in the department to go and give him and show him the respect he deserves but he didn't. I am sorry he had to come to Parliament, he could have easily got the information that he was looking for but anyway that's his job as the Opposition leader, so I respect that.

Mr Don Polye – Point of Order! Mr Speaker, I rang up the Ministers Office and I talked to them but the problem with our politics in PNG is this, when you are in the Opposition and especially when you are the Leader of the Opposition, Ministers and Members on the Government are scared to travel or deal with you and that is why I went without him.

(Members laughing)

Mr RICHARD MARU – Mr Speaker, apart from the investments in roads, bridges and power lines, East Sepik Province itself does not have the pre-requisite structure for any major economy development. We need an international wharf, we need water in Wewak, and we also need power. As I have explained to the Governor and the Prime Minister yesterday, my department will be putting out an international tender inviting the private sector to build a wharf, a 30 megawatt power plant and to build a new water supply system. So it is not only about the Sepik Plains infrastructure, it is also about infrastructure in the town itself. Having the pre-requisite services that we require will attract the investors to come into the province.

Mr Speaker, I want to encourage my Opposition Leader, I will never go up to Kandep and support a group of people who literally stole timber from my people and use public funds to fund the foreign oil palm operation, not as equity but as a free gift, I would never do that as

it is against my conscious and the values I stand for. I appreciate that the Opposition Leader was in Cabinet when we allocated the money, I want to assure him that.

MR RICHARD MARU – That’s okay the records are there and, Mr Speaker, if he continues saying those things, then I would also like him to come and give a personal statement to this Parliament about the Kandep Wheat project that he has taken ten years to deliver.

Mr SPEAKER – Honourable Minister, you are carrying on a debate right now so I will have to caution you.

Mr RICHARD MARU – Thank you, Mr Speaker. I want to assure this Parliament that we will complete the infrastructure and I have no doubt we will deliver some major investments in the Sepik plains, initially in the areas that we are surveying.

I have already received interests from other districts to join in this National Government project and we will do everything we can while I am in this ministry with the support of this Government and the Opposition to ensure we deliver the transformation that we need in the Sepik Plains to transform this province after forty years of waiting.

Mr Don Polye – Point of Order! Mr Speaker, as you can recall when I asked the question and did seek leave of Parliament to table some documents, I had and you did give me the permission to do it once the Minister had given their details.

I seek leave of Parliament to table the documents?

Objection being raised, leave not granted.

21/03

Mr SPEAKER – It is up to the Chair to assess and make a ruling. Member for Bulolo, I must caution you.

Mr John Pundari – Point of Order! Your ruling is correct and is in order. There are times on the Floor of Parliament, where we like to table documents but we do not have the

guts to table with the media outside. And sometimes we do not know what documents are tabled and when they go public, they are protected by immunity of Parliament.

Mr Speaker, we need to continue to protect the decorum and the integrity of this Parliament. If anyone has any document to table, maybe they should do so with the media out there and take responsibility for it.

Mr SPEAKER – Your Point of Order is in Order.

Mr Don Polye –Point of Order! These are quite serious issues and the Minister did say some good things by calling me brother. That brotherhood is there but my issue is not on personality but concerning the K50 million and not on issues like who is developing the agriculture project in the Sepik plains. I am looking at the money through the facts that we did provide when I was Treasurer, for the works there in that region.

And when I now travel as a leader would do and when they ask me questions about such things and being a leader who was responsible for giving this money it is only fair for me to tell the people, what they want to know. I have documents and rather than going to the media I think that Parliament should see these documents, because, I have the ledgers, copies of cheques produced and where these cheques were paid to and for what service was provided from these.

I am not talking from hearsay, but I am talking based on facts that I have. This is the first point I want to raise and I respect the Members of Parliament here and provide these papers so that it becomes a Parliament property and we know about what is happening.

My other point is that when the Prime Minister responded to my questions, his answer was quite vague. I thought that the Minister for Agriculture would be the rightful person to answer this. But then I am taken off guard by the Minister for Trade and Commerce so now there is confusion as to who is in charge of the Agriculture Ministry, so when they present this document the citizens must also see the relevance of this document.

Did the cheques come out from Agriculture, National Planning or Commerce and Trade? And then where did they go to? That is the document I have here.

**DIVISION ON THE TABLING OF DOCUMENT
BY THE LEADER OF THE OPPOSITION**

Mr SPEAKER – I need to protect the integrity of the Chair and I have to seek clearance of the Parliament and put the question again. If there is a division, we will take a vote. Those in favour of the document to be presented please rise.

22-03

Voting in progress

23/03

The Parliament voted (the Speaker, **Mr Theodore Zurenuoc**, in the Chair) –

AYES – 9

NOES – 61

Leave not granted.

MOTION BY LEAVE

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

Leave granted.

**SUSPENSION OF STANDING ORDERS –
RE-ARRANGEMENT OF GOVERNMENT BUSINESS**

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

That so much of the Standing Orders be suspended as would prevent Notice Nos: 210, 211, 212, 213 and 214 being called on forthwith.

JUDICIAL PROCEEDINGS (INTEREST ON DEBTS AND DAMAGES)

BILL 2015

First Reading

Bill, presented by **Mr Ano Pala** and read a first time.

Second Reading

Leave granted for the second reading to be moved forthwith.

Mr ANO PALA (Rigo – Minister for Attorney-General) – I move –

That the Bill be now read a second time.

Mr Speaker and Members of this honourable Parliament, it gives me great pleasure to be able to introduce the *Judicial Proceedings (Interest on Debts and Damages) Bill 2014*, which amends the current *Judicial Proceedings (Interest on Debts and Damages) Act 1962*. The purpose of introducing this Bill is to get legislator to address the urgent need to reduce 8 per cent interest on judgement that's against the State to 2 per cent.

Mr Speaker, *Judicial Proceedings (Interest on Debts and Damages) Act 1962*, particularly section 1(2) subsection states where the proceedings refer to subsection 1 are attacking against the State. The rate of interest under that subsection shall not exceed 8 per cent yearly. Although the provision provides discretion to the court to decide on a percentage rate from 1 to 8 per cent when ruling on a civil claim against the State, in practice the court usually award 8 percent interest as a set amount. Under 12 rules 6 subsection 2 of the National Court rules 1983 which is often relied on, expressly states that the interest rate to be payable annually is 8 per cent.

24/03

This rule conflicts with the intent of the *Judicial Proceedings Act*, and that, it fixes the rate at 8 per cent and does not allow the Court's discretion to award a smaller amount. There are reasons by which a lesser rate other than 8 per cent owed to the (*inaudible*) This includes

the interest of justice, balance of convenience, the nature of the case and the principal amount awarded in damages or debt.

Mr Speaker, 8 per cent rate was then 13 per cent in 1962 which reflected the bank lending interest rate. However, this continues to create a disparity with regard to the current commercial bank and financial institution lending rate, for it is 1 per cent to 2 per cent per annum. This is significantly lower than the 80 per cent rate derived from the judgment debt. The consequence of the 8 per cent rate is evident in the *Office of the State Solicitor General's Cases Management System Interest Liability Report*, where it was estimated that an amount of K61 million had been paid out on interest alone from 2008 to 2014. There are currently 14 judgment debts against the State that have generated millions of Kina over the years given the 8 per cent interest rate.

Mr Speaker, the implication of allowing the 8 per cent rate to continue include massive unplanned and unbudgeted expenses out of the consolidated revenue fund at the expense of socio-economic development priority of the Government, unjust enrichment on the part of individuals who may have obtained favourable judgment through default, the difficulties in processing hundreds of judgment debts each year due to unavailability of funds. This means that only few is processed and the balance qualifies for the 8 per cent every year after that. And finally, it is a non-deterrent interest rate that encourages claims against the State.

The purpose of this Bill is to reduce the 8 per cent rate yearly to 2 percent. The new rate will only apply to pre-judgment assessments and judgments made on or after 1 January, 2014. The amendments will result in the change to order 12 of the National Court Rules. The maximum rate of interest payable by the State would be 2 per cent. The proposed amendment specifies the rate of interest payable per annum for more than 2 per cent and includes proceedings arising out of breach of express or implied contract or mercantile useage where the rate is higher than 2 per cent.

Therefore, this Bill will save significant amounts of money for the State.

Mr Speaker, with that, I now commend this Bill to Parliament.

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

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

That the Bill be now read a second time.

Bill read a second time.

Third Reading

Leave granted to move the Third Reading forthwith.

Mr ANO PALA (Rigo – Minister for Justice and attorney-General) – I move –
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 third time – put

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

25/03

(Voting in progress)

26/03

The Parliament voted (the Speaker, **Mr Theodor Zurenuoc** in the Chair) –

AYES – 68

NOES – 0

Motion so agreed to.

Bill read a third time.

JUDGES PENSION (AMENDMENT) BILL 2015

First Reading

Bill presented by **Mr Ano Pala** and read a first time.

Second Reading

Leave granted to move the second reading forthwith.

Mr ANO PALA (Rigo – Minister for Justice and Attorney-General) – I move –

That the Bill be now read a second time.

Mr Speaker, it gives me great pleasure to be able to introduce the Judges Pension (Amendment) Bill 2015, which amends the current *Judges Pension Act 1997*. The purpose of introducing this Bill is to get legislator to provide life-long pension to the Judges upon retirement and spouses and dependents in the event that they have died.

The *Judges Pension Act*, particularly section 3 subsection 18 state that where a judge is reaching the age of 50 years and has served not less than 10 years retires, or a judge retires on or after the age of 50 years and have served not less than 10 years retires, he or she is entitled to a pension for life at a rate equal to 75 per cent of the appropriate current judicial salary.

Section 32 further provides where a judge who is not at the age of 50 years and has served not less than 10 years retires he or she is entitle to a pension for life at the rate of 75 per cent of the salary upon he or she attaining the age of 50 years.

Section 3 subsection 3 of the Act further provides for the widow of any judge to receive a pension on behalf of her husband. The *Judges Pensions Act* does not have an effect so as to allow the pension entitlements to be paid to widows and dependents of judges who died or retired before the commencement of the *Act*. It is only applicable to those judges retired or died on or after the *Certification of the Act*. The late Judges, particularly late Judge Sir Buri Kidu, late Judge ToMarum Korniloho, who have made tremendous contributions to the legal profession in this country and have died before the *Act* came into effect; the proposed Bill will have application where the widows of this two Judges would be entitled to

pension just like those widows of their colleagues who have died after the *Act* came into being. This is to recognise the Judge distinguished services and contribution to the legal profession and the development of the law in this country.

With that, I commend this bill to this honourable Parliament.

27/03

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

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

Bill read a second time.

Third Reading

Leave granted to move the third reading forthwith.

Mr ANO PALA (Rigo – Minister for Justice and Attorney-General) – I move –
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.

MIGRATION (AMENDMENT) BILL 2015

First Reading

Bill presented by **Mr Rimbink Pato** and read a first time.

Second Reading

Leave granted to move the second reading forthwith.

Mr RIMBINK PATO (Wapenamanda – Minister for Foreign Affairs and Immigration) – I move –

That the Bill be now read a second time.

Mr Speaker and Members of the honourable Parliament, it is my privilege to present for the consideration of the National Parliament the Migration (Amendment) Bill 2015 along with the consequential amendments to the *Arrest Act 1977* and the *Search Act 1977*.

The Migration (Amendment) Bill provides extended powers to manage refugee location centres and places of immigration, detention, and introduces for the first time a clear definition of Immigration Detention.

This was not the case and this situation posed a real problem for us with the incidents at the Manus Refugee Processing Centre which has resulted in bringing about these proposals for amendment.

With over 500 000 international movements to and from the country each year we now face challenges in managing the borders and enforcing our immigration laws. Our current *Migration Act* was introduced in the context of the economic, social and security conditions that existed during the early years of our Independence. It is now time to change in the 37 years since this legislation was introduced and passed by the Parliament.

Mr Speaker, migration is a growing path worldwide, people are moving internationally and in even greater numbers to seek asylum from many conflicts around the world. The need to properly manage their presence in host countries whilst claims are checked present challenges to governments worldwide and this includes, no doubt, Papua New Guinea.

Papua New Guinea needs to be able to meet its international obligations towards asylum seekers under the refugee conventions of the United Nations and to meet its obligations of the duty of care to those foreigners who may be relocated to processing centres or placed in immigration detention. These obligations also extend to the safety of staffs who work in these centres.

Mr Speaker, we also have an obligation to protect our borders and be able to efficiently manage the presence of foreign nationals in the country who enter without authority or who overstay their visas.

We should also ensure that our public servants and officers as well as contracted security staff have the powers and have legal certainty necessary to discharge their responsibilities.

Mr Speaker, it is therefore our intention to establish an Immigration Detention facility in the precincts of the National Capital District to enable the detention of foreigners who are to be removed from the country.

28/03

This was not possible before the bringing into of this amendment operating this facility will require legislative amendments to establish the concept of places of immigration, detention and provide power to manage facilities.

These amendments I have brought before this Parliament introduces a clear definition of immigration detention for the purpose of removing a national from a foreign country where their presence in PNG is unlawful. It also introduces a power to designate a place of immigration detention, a power to fetch a person, property building and items in and around the precincts of the relocated centres and places of immigration detention, power to seize items in such places where possession would be illegal or whether it threatens the good order and security of such facilities, delegation of power to detain a search to senior authorised officers, delegation of some powers to persons such as security contractors to enable better management of these facilities under the supervision of senior officers, and it introduces authorisation to use reasonable force to carry out functions under the *Act*, authorises temporary restraints of a persons in immigrations custody or care who seeks to harm others or themselves, amends the *Arrest Act* to clearly separate the provision of that *Act* from the exercise of administrative immigrations detention powers in the *Migration Act*, introduces amendments to the *Search Act*, to separate the provision of that *Act* from searches which may be carried out under the *Migration Act*.

Mr Speaker, these amendments will also streamline our abilities to manage facilities used to enforce our migration laws and to meet our international obligation. They will also ensure that we have the ability to prevent contraband or weapons entering such facilities and provides enforceable directions to manage them, thus protecting our officers as well as those who are housed within those facilities. The amendments also enable immigration officials to move effectively and manage the presence of persons unlawful in the country, reducing removal and detention cost, enable delegation of certain powers in this area to a limited number of senior immigration officials then requiring a ministerial intervention, which is consistent with international practice.

Mr Speaker, the amendment Bills also reflect our changing circumstances in an increasing globalising world and balances the need for modern enforcement pass with the right of persons to be treated with a basic dignity of the human person when they are in custody or in detention.

The Bill also strengthens our border security and protects our sovereign rights to manage entry and stay of foreign nationals in this country. With those, I commend the three Bills to the Parliament.

Mr DON POLYE (Kandep -Leader of Opposition) – Thank you, Mr Speaker.

I am on page 3 with regards to the subsection where it states, ‘person detained under subsection two must be released from detention if an authorized officer has reasonable cause to believe that a person is’ and it lists the conditions from *a tod*. I am thinking for that officer to exercise that power there should be some process or some authority that should guide him or her to exercise his powers there.

The opposition was not given ample time, I just received it and I’m reading it. Can the Minister give some clarifications on the processes the officer will follow to arrive at that decision. Thank you, Mr Speaker.

29/03

Mr SPEAKER –Please be quiet and listen.

Mr RIMBINK PATO – There is already provisions in the law for power to search, detention and arrest, but this is an extension to provide specifically for this class of persons. It is not a new area which ignores existing safeguards.

The position is that those people will have the rights necessarily available under the law so they will not be disadvantaged in any way.

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

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

Bill read a second time.

Third Reading

Leave granted to move the third reading forthwith.

Mr RIMBINK PATO (Wapenamanda – Minister for Foreign Affairs and Immigration) – I move –

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 Speaker ordered that the bells be rung.

30/03

The Parliament voted (the Speaker, **Mr Theodore Zurenouc**, in Chair) –

AYES – 67

NOES – 0

Motion so agreed.

Bill read a third time.

ARREST ACT (AMENDMENT) Bill

First Reading

Bill presented by **Mr RimbinkPato** and read a first times.

Second Reading

Leave granted for the second reading to be moved forthwith.

Mr RIMBINK PATO (Wapenamanda – Minister for Foreign Affairs and Immigration) – I move –

That the Bill be now read a second time.

Mr RIMBINK PATO – Mr Speaker and the Honourable Members of the Parliament, the comments that I would like to make in relation to this particular amended legislation have already been made in earlier comments I made in the main legislation because this amendment is the consequence of the earlier amendment we have just passed.

Third Reading

Mr RIMBINK PATO (Wapenamanda – Minister for Foreign Affairs and Immigration) –I ask leave of Parliament to move the third reading forthwith.

Bill, by leave, read a third time.

31/03

Leave granted to move the third reading forthwith.

Motion (**Mr RimbinkPato**) 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.

SEARCH (AMENDMENT) BILL 2015

First Reading

Bill presented by **Mr RimbinkPato** and read a first time.

Second Reading

Leave granted to move the second reading forthwith.

Mr RIMBINK PATO (Wapenamanda – Minister for Foreign Affairs and Immigration) – I move –

That the Bill be now read a second time.

Mr Speaker, the statements that I have made earlier equally applies here.

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

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

Bill read a third time.

Third Reading

Leave granted to move the third reading forthwith.

Motion (by **Mr RimbinkPato**) 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.

ADJOURNMENT

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

That the Parliament do now adjourn.

The Parliament adjourned at 1:15p.m..