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LEE SIROTE

Acting Principal Parliamentary Reporter

SECOND DAY

Wednesday 27 May 2015

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SECOND DAY

Wednesday 27 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 Central, Honourable **Kila Haoda**, to say prayers:

‘Siahu bona helaga Diravana o nohova, o nohom o noho hanaihanai. Papua Niu Gini leaders iboudia eme vareai ina Parliament lalonai, Emai Praim Minista, Deputi Praim Minista, Spika, Oposisin lida maiena orea, Ministas, Gavanoas, Membas of Palaman. Ina hari dina, ena hebou, ena lalo hadai emai taunimanimia edia mauri bona edia noho lalodiai a heauamu neganai emu lauma helaga asiaia pada mai ai bainema helai lalo hadai namodia baineme henimai. Taunimanimia iboudia ina tanobadai ese enarim ehokaim ai lidas dahaka disisin baia karam namona ei ava dikana. Lohibada oi emu lauma helaga ai pada mai ainema ina hari dina ena hebou danu oi imamu ain a atoa kaumu. Oi ese bahakau mai lalaohadai namodia ba henimai ela bona adorahi. – Keriso ladanai. Amen’

QUESTIONS

Mr RONNY KNIGHT – Thank you, Mr Speaker for recognising the people of Manus. Mr Speaker, I direct my question to the Attorney-General and I would like the Foreign Affairs Minister also to take note.

Mr Speaker, this Nation and indeed the world is aware of a serious incident around a year ago where Asylum Seekers rioted and several were hurt and one was killed. The people on the ground responded with force to calm down the situation.

Mr Speaker, the violent nature of the incident made it necessary to act in such a way. In my belief, the incident was completely avoidable but the management at that time ignored the signs so they must also take responsibility for that.

Mr Speaker, four people were identified for the death of the Asylum seeker; two were expatriates and two were local Manus citizens. Both local men today are standing trial for the death of the asylum seeker while their superiors who were also involved in the incident; the Australian and the New Zealander are not. In my view, they all should have been charged together and stand trial together over this issue. I believe the Australian is now working again at Lombrum.

Mr Speaker, I think our boys were being used as scapegoats for this incident and it is totally unacceptable. Our laws should apply to everyone. My questions are;

(1) Is the Minister aware of this and are these expatriates going to face the same justice as our two citizens?

(2) Will there be an enquiry to attain the facts of the Lombrum riot?

(3) Are these expatriates being given any form of immunity for this kind of work? And if so, then our people should be granted similar immunity to do this type of work.

(4) If none of the above is true, can the suspects be immediately extradited and also face justice for this crime?

Thank you, Mr Speaker.

Mr ANO PALA – Thank you very much for these series of questions. These are very important questions that reflect the fundamentals of our legal system.

02/02

As you know, our legal system applies to everybody in Papua New Guinea. For those who have committed offences and have escaped, they will also be dealt with in accordance with the legal system as it applies under the international obligations agreement.

Mr Speaker, this is a very important matter, therefore, I will have my department to furnish me the details of this incident. I will then provide the answers to the Parliament and the honourable Member concerned.

Mr Speaker, these are very serious issues that the Member has raised and it should be properly investigated and the information should be properly attested professionally before forwarding the responses to the Member.

Mr Speaker, I will make a commitment to provide that information including the department's legal position as well as the legal assessment on that issue and on the appropriateness of the actions it should take in such circumstances.

Mr SAM BASIL – I wish to reserve my right to ask questions as the Minister is not available.

Mr SPEAKER – The Chair recognises your right.

Mr ATI WOBIRO – Thank you, Mr Speaker. Firstly, on behalf of myself and the people of Western Province, I wish to congratulate you on your leadership in bringing the godly values and principles to this Parliament and the country. I want to thank you particularly for your strong leadership in bringing a 400 year old King James Version Bible. This will be the centrepiece for the 48 years independence celebrations in Papua New Guinea this year. Congratulations.

Mr Speaker, my questions are now directed to the Minister for Education. An important and a fast growing subsector of education sector in PNG is the FODE. This is an important second chance education strand for many of our young people who have not done well through the formal education system in the country.

Mr Speaker, many of today's professionals have received their education through CODE. It is a proven and a successful subsector of our education system and therefore, it must be supported.

My questions are:

(1) Can the Minister inform this Parliament and the people of Papua New Guinea whether FODE is also covered under the government's TFF program?

(2) If this is so, then can those students attending the FODE program enjoy the same privileges as the students in the formal education sector?

Mr NICK KUMAN – Thank you, Mr Speaker. The government policy on TFF includes Flexible Open Distance Education (FODE) in Papua New Guinea. We have on record 21 centres throughout the country. Since 2012, there were more than 55 students coming through the FODE system and we have paid over K13 million under this program to students who are continuing education from grade 10 into grade 12. Therefore, for each

student who registers in one of the 21 centres, the government pays K100 for each subject. For example: if four subjects are taken, then the government pays K400 to the centre so that the student can benefit out of the TFF program.

03/02

At the same time, we make one-off payment for FODE and inclusive education permitted schools right throughout PNG so they are covered under the TFF program.

Secondly, for record purposes, we had 29 permitted schools in 2013. In 2014 to 2015, we had 44 and we paid almost a million kina to those permitted schools. And for inclusive education, particularly, with the Kalang Services in institutions established by the Catholic Diocese in PNG for students with disabilities we have now 25 centres. The first was in Gaulim Teachers College 15 years ago. I am proud to announce here that we have an agreement that they will extend their service for another five years and will terminate after five years is over.

Whilst I have the opportunity on this Floor of Parliament, let me explain the saga on the TFF program at the beginning of this year. A total of K342 million was warranted and we paid K185 million to all the schools right throughout PNG, which is more than 10 000 schools in the country. There is a total of 13 000 but three of those were paid on levels simply because they failed to comply with census of student enrolment and other requirements such as bank accounts.

Some schools have got domain bank accounts while others have accounts that are held by commercial banks which need further questioning. So, as a result, 3 000 schools were not paid based on the enrolment but paid based on the levels. The K185 000 was paid in January 27, two weeks before the academic starts. The second payment was made at the end of the first term holiday week and that completes the 100 percent that has to be paid to the schools right throughout PNG.

In regard to schools that were paid based on levels, the Government made available K54 million, and we paid K35 million two weeks ago. And that basically covers all the schools that were paid on levels. So in other words, the O'Neill-Dion Government as met its commitment to TFF in this country. Schools fees for all students attending different schools in the country have been fully paid for the first half of the year.

I want to make it clear here to the students and the stakeholders in this country that; the charging of project fees by agency schools is totally unfair. The Government pays school fees yet students are charged K1500 in High Schools and Secondary Schools in this country.

The Government has met its commitment by paying 50 percent which is a total of K42 million and yet those agency schools are complaining about TFF not being paid.

We need to get these things right down to the agency school and you are responsible like every other Government institution in this country. You play your part by educating the students in this country, and I do agree.

04/02

We are partners in development and we are partners in fostering education, but let us work within the framework of the government policy. If we are paying the school fee, we expect you to pick PFF and make sure that you use that money to educate the students in this country.

Thank you.

Mr DON POLYE – Thank you, Mr Speaker.

My questions are directed to the Prime Minister, who loves to answer my questions and I will therefore continue to ask them.

Mr Speaker, we have serious challenges with the aviation safety standard in Papua New Guinea right now. This is especially when we have important events like the South Pacific Games, the FIFA Under 20 Women’s Soccer, the APEC Meeting and other interesting social, trade and business relevance to NSPM own socio-economic growth.

My questions are;

(1) Does the Prime Minister know that Papua New Guinea has had in the last five years during the O’Neill Government’s reign that more aviation accidents have occurred then during the previous 10 years put together?

(2) If the Prime Minister is aware of this, then what is the Government’s position to rectify the situation?

(3) Does the Prime Minister know that the Civil Aviation Safety Authority of Papua New Guinea (CASAPNG) has capacity issues?

(4) Does the Prime Minister know that pilots are paying for their licenses under the table without CASAPNG testing them under the International Civil Aviation Organisation rules and standards?

(5) What will the Government do to address the situation where the AKEO Standards have not been complied with?

Mr James Marape – Point of Order! Mr Speaker, the learned Leader of the Opposition seems to have a habit of directing all his questions to the Prime Minister when relevant portfolio Ministers are present in the Chamber.

Mr SPEAKER – Your Point of Order is in order, and I concur with the Leader of Government Business.

Leader of the Opposition, I think it would be more appropriate if you direct your questions to the Minister for Civil Aviation rather than the Prime Minister. Why don't you redirect your questions to the Minister for Civil Aviation?

Mr DON POLYE – Mr Speaker, I will observe your ruling and I will do that but the Prime Minister is the CEO of this country and these issues are very serious to be only addressed at the Ministerial level. Nevertheless, I will adhere with your ruling.

Mr SPEAKER – It was not a ruling but a recommendation to you. Nevertheless, it is within your powers to ask questions to any Minister of Government, but if you want to ask the Prime Minister then go ahead and ask him.

Mr DON POLYE – Mr Speaker, I think that the Prime Minister should answer because the Minister decided and has already taken his seat. This is an issue that has escalated towards a stage where the Prime Minister should seriously take note because it has been going on for some time now.

(6) Can the Prime Minister deny or confirm that some aircraft operators, without me naming them, own and run aviation businesses especially with only one or two aircrafts amongst a fleet without the knowledge of CASAPNG?

(7) Can the Prime Minister tell the people of this nation as to what is the overall Government policy regarding such illegal practices?

(8) Can the Prime Minister inform the people if his Government will make available aviation crash incidents and accident investigation reports to the nation on the following crashes that have taken place in PNG: the recent Cessna crash in Goroka earlier this month; the helicopter crash in Lae last week; the helicopter crash landing incident in East Sepik; and report of a near collision of Airlines PNG and Mangi Long Ples aircrafts while both were trying to land?

(9) Is there any reports that the government can give as to what would be the cost of these frequent accidents, crashes, crash landings or near misses at this time?

05/02

(10) Can the Prime Minister confirm findings of the preliminary report of the Air Investigations Commission that most plane crashes that we experienced in PNG in recent times is a result of people getting licences via the processes below the aviation standard and without approval from the rightful authority?

(11) Can the Prime Minister assure the nation that the Papua New Guinea's aviation standard is in order? The people of this nation must know whether our (PNG) airspace is safe for aviation industry in this country.

Mr Speaker, finally, the aviation industry is very important industry and as such, safety standards are very high, and must remain high but due to this Government's failure in funding in meeting higher standards, the PNG Air Safety Authority cannot be able to implement some of the high standard safety measures.

This is highly due to non-funding by the government.

(12) Can the Prime Minister assure this Parliament that now that we have the proceeds from the LNG Project coming on board, the Government will able to fully meet the shortfall in funding for the Aviation Industry in this country?

Instead of doing this the current Government has so far embezzled and misused public monies.

Mr SPEAKER – Honourable Leader of the Opposition, you are supposed to be asking direct questions and not debating about the issue.

Mr DON POLYE – For whatever reasons the Government has not put money to priority areas for the safety of our people. That is why we continue to face major problems in the PNG Aviation Industry.

Thank you, Mr Speaker.

Mr PETER O'NEILL – Thank you, Mr Speaker, and I thank the Honourable leader of the Opposition for his series of questions. Of course the Opposition Leader and I share the same neighbourhood in our electorates so he loves asking me questions all the time.

(Laughter in the Chamber)

Mr PETER O'NEILL – We enjoy answering his questions too so, it is good to know and it is not surprising to us as well.

The concerns he raised regarding the PNG Aviation Industry are very important but he does need to make false accusations regarding abuse and misuse of funding.

However, Mr Speaker, he knows very well regarding the issue surrounding the aviation industry. In the history of the industry, he has been the longest serving Ministry for the Aviation Industry in this country.

The people of Papua New Guinea now need to ask what he did to improve the standard while he was there.

Mr Don Polye – Point of Order! Like the Minister for Finance has said, the Prime Minister is creating a habit of personally attacking me all the time. While I was there I did manage to maintain the safety standard and I know what I am talking about.

During his time as the Prime Minister the safety of our people is at risk because of the decline in the safety standard, so I have a position and solid ground to speak.

I am speaking for the nation so he must stop playing politics with me.

Mr PETER O'NEILL – I am speaking from the facts that he understands as well and he knows that very well. I will ask the Minister responsible for the industry to make a statement outlining all the issues that he had alluded to so that he will be fully informed of this.

06/02

I will get the Minister for Civil Aviation to make a statement on the Floor of Parliament so that he can be well informed of what we are doing in the industry to make sure it is safe.

Mr Speaker, when he was the Minister, he was responsible for restructuring many of those organisations in there. But those restructuring were not well thought out so what happened was that they separated capacities from institutions. When the NAC and CASA became separate institutions with their separate staff, the need for funding and assets capacity have been building up.

Mr Speaker, he is partly responsible for the mess in this industry. The accidents that are happening have got different reasons. Some are technical and some are human error. We will get CASA to make sure that those reports for the accidents are made public. It is their duty and we know that every time they do an independent review of the accidents, they produce a report and publicly announce it, and he is very well aware of it.

Mr Speaker, he is talking about illegal operators in the country. Can he please give us the details so that we can get the Minister responsible to investigate who is operating illegally in the country? But I must say that our airline standards in the country have not been compromised. In fact, we are investing more money in building more infrastructure in the industry than any other government before. We are building new terminals, extension of airstrips, fencing the security arrangements in all the airstrips throughout the country. We are buying new equipment for safety standards in the airline industry.

Mr Speaker, we are doing more than what he as the Minister for Transport and Civil Aviation has ever done. I will make sure the Minister provides a detailed statement so that everybody can be satisfied once and for all.

Mr PETER IPATAS – I wish to direct my questions to the Minister for Mining.

Mr Speaker, we have just learnt that a mining company in China has bought 49.5 percent share in the Porgera Mine. This transaction is taking place outside the country but obviously this is a very important hazard in PNG.

Mr Speaker, the landowners have raised concerns with the State and Barrick Ltd in the last few years over environmental damage as well as other issues. We are reliably informed that this company does not have an impressive record in China. It has been reported that 22 people were killed and more than 500 houses were destroyed as a result of a tailings dam that collapsed.

My question is: Is the Government going to do anything about it in terms how credible this company is and will it be operating within the laws of Papua New Guinea? The landowners have taken this issue very seriously therefore it is important that these companies that are going to participate in the mine must have credible reputation.

Mr BYRON CHAN – I thank the Governor for Enga for his questions.

I would like to advise the Governor that this morning as we were having caucus, I met with company representatives from Barrick Ltd who official informed me of the sale of 50 per cent of their share by Barrick Niugini Limited.

07/02

It was officially announced on 26 May 2015 that 50 percent of its shares were sold to Zijin Mining.

The credibility of the company I believe was assessed by the company themselves and it is a transaction that is not related to any Government issues. It is an internal prerogative.

Mr Speaker, Barrick Gold sold 50 percent of Barrick Niugini Limited shares which owns 95 percent of Porgera Joint Venture. I believe the landowners also expressed some interests they made known to the company but they never followed up as I was told.

There are also some issues relating to position statement by the landowner which I wrote to the Attorney-General on those matters and I believe the Attorney General has responded by way of a letter dated the 28 October 2014 directly to Honourable Mangape in relation to the claims against the State.

On the issue of the credibility of this company on the Chinese incident where 22 people got killed and 500 destroyed. But from what is issued by the company is that this Gold Mine company has extensive portfolio of gold, copper, lead and zinc, iron and other base metal over the past 20 years with gold being its main focus. Zijin has become a large mining group specializing in gold and mineral resources, exploration and production with subsidiaries in more than 20 provinces across China and in several countries listed in the Shanghai stock exchange and Hong Kong stock exchange. Zijin is rated as 117 on the Forbse listings of the top 500 Chinese companies in 2014. That is just a bit of history and background of that company.

Mr Speaker, I was also advised that the company's General Manager will remain in his position. Only the Board will be shared between the two companies China and Barrick Gold. Operations will be maintained and the responsibility will be by Barrick.

Supplementary Question

Mr NIXON MUNGAPE – My questions are:

(1) What will happen to the environmental damages done by Barrick Gold?

(2) What will happen to the breach of contract claims submitted to the National Government and Barrick?

Mr BYRON CHAN – Mr Speaker, I thank the Member for Porgera/Lagaip. I believe he has received a letter from the Attorney General on these matters and I believe the Attorney General has advised everyone to look at their respective departments in terms of the claims and the responsibilities. But at this stage with most of the claims the State is not obliged to some of these issues.

08/02

Mr GARRY JUFFA – Thank you, Mr Speaker, my questions pertain to the matter of border security and national security and therefore, I direct them to the Defence Minister and I ask that the Prime Minister take note as the National Security portfolio comes under his Ministry and the Minister for Foreign Affairs to take note as well.

Mr Speaker, the Defence Force of any nation is the badge of sovereignty of that nation strong, powerful, effective and efficient Defence Force gives credibility to an organisation, to a nation and satisfies the concern of its people that they are protected.

We have seen the once proud Defence Force of Papua New Guinea reduced to a point where it is almost ineffective in providing those services.

My questions are in relation to frequent border incursions by the Indonesian Military almost at will and whim into Papua New Guinea. In this year alone, three incursion have been recorded in January where 18 soldiers who were in pursuit of OPM Rebels crossed into Papua New Guinea. They threatened, intimidated and harassed our people along the borders. In 16 May Indonesian Jet Fighter planes crossed into Papua New Guinean airspace and Once more causing fear and apprehension along the border. These are only the recorded incidents.

There have been many incidents of intrusions into Papua New Guinean territory by Indonesian Military and the Beaurea Inteligens Nacionalia, the intelligence services of Indonesia whose operatives operate with impunity along the border and within Papua New Guinea.

My questions are these:

(1)What is the Defence Force doing about this?

(2)Do they have the capacity to do anything about ensuring that there is significant border security to protect our people from such intimidation and harassment?

(3)A White Paper was produced but where it is now?

(4)What is the outcome?

(5)What are our plans to revamp the Defence Force and rebuild it so that it is a modern army, equipped to protect the interest of Papua New Guinea?

(6)Prior to the Bougainville Crisis there were military patrols from the north and south of the 760 kilometre border. These patrols were constant and continuous and they gave an assurance to our people that our borders were protected. But they were terminated. Do we have any plans to reintroduce those patrols?

(7)What is our air capability?

(8)Do we have any plans to modernise our air capability so that we can at least be able to protect our airspace?

Thank you very much, Mr Speaker, those are my questions.

Mr FABIAN POK – Thank you, Mr Speaker, I wish to thank the Governor of Oro for his good questions.

On question number one on our borders, this needs a total government approach. This means that most of our people on the border are trading with our neighbours in Indonesia because we don't have government services along the border, especially in the Western Province and many other places in between.

We don't have services like health, education, customs and many other services along the border and a lot of our people are going across the border to trade.

So, this is something that is happening continuously and if you go to some of the border areas you will see that people are trading in Rupiahs more than in kina.

It is because of these things that it needs a total government approach for us to go and set up services in those areas.

On border patrols we do have a base in Weam in the Western Province and another one up in the Sandaun Province They are regularly patrolling these areas but we know that the Defence Force has been left to depreciate over the years because the authorities wrongly advised.

09/02

During the time of Sir Mekere Government, we reduced manpower from 5000 to about 2000. The weapons were disposed and many of the engineers left the force because of the retrenchment exercise that took place. That is why we cannot have regular patrols on the border because of shortage of manpower. Under this Government, we are now recruiting every six months, and every six months, I am at Goldie River attending to graduations. This is to build up manpower to 5000 by 2017, and over 10,000 beyond that. We are setting up two to three recruitment every year to build manpower so that they can manage our border and other activities. The last White Paper was produced in 1999, and this Government for the first time in 2014 produced a Defence White Paper. All over the world, the Defence White Paper is produced every year but Papua New Guinea failed to do that. This White Paper will guide us into identifying the type of platforms needed to patrol our borders effectively. Without the White Paper, these things cannot be done that is why it was produced and launched last year by the Prime Minister. The Government is now working towards injecting funds to effectively implement the White Paper. The White Paper covers issues like transport for effective border patrols like boats and aircrafts.

On this note, I would like to thank the Australian Government because they have committed to give us four new patrol boats which will be built to our specifications to patrol the sea area. We have asked them to build the boat to our specification and they have agreed to do so which we will use to patrol the sea. We are also working with companies on the chopper arrangement to see how effectively we can manage our borders and that also involves looking at vast the sea areas where a lot of illegal fishing is going on that we are aware of. Lastly, I want to say that, we have been led to fear the Indonesians, but the Indonesians are good people. I have dealt with them and had discussions with them so many times on different levels and I realised that they are very understanding. They have over 200 million people in their rural areas and I don't think Papua New Guinea is a problem. Thankyou.

Supplementary Question

Mr KERENGA KUA – Thank you, Mr Speaker.

I think the Defence Minister is on the right track in terms of his intentions to rebuilding the Defence Force and I think that is the correct way to going forward. However, what defines and distinguishes the Defence Force from every other mere mortal is their discipline, by virtue of the training they receive.

10/02

The six months that he mentions to the Floor of Parliament, I think is inadequate because as most of us were growing up, the members of the Defence Force we used to see were very well trained, disciplined and the training they received stayed with them their entire life.

This is not the case anymore, and I do not know what the problem is but there should be an extended program of training beyond six months to maybe a year, should be seen as appropriate. This is a factor that even the Minister for Police, also needs to take note of.

Because even the police undergo a six months training and once they are released into the workforce to perform their duties, they do not seem to understand the basic steps in policing. They become quite ineffective and most of the arrests become unprosecuted. We have an issue with the Defence and Police departments in terms of the duration, quality and content of their training.

Can both Ministers look into their training regime and put in more content, so that officers graduate with more discipline, and become effective members of the Defence Force or Police Constabulary?

Dr FABIAN POK – I want to answer the Member's question by saying that if the employees are sheltered and looked after well, they will perform well. Over the years, Defence Force housing has deteriorated to a stage where, officers and their families live like animals. How do we expect them to perform when their families are not well protected? This is a problem that this Government is trying to address now. We are now looking into maintenance programs in barracks throughout the country, with K30 million that is been given annually.

We are looking into maintaining living quarters before moving onto discipline. You cannot have people living in poor conditions to discipline themselves and become effective officers. This same principle applies to all including public and private sector employees. I thank this government for giving K30 million so that we are now engaged in providing adequate housing and improve the infrastructure for our personnel from the lowest rank to the highest, in the country.

The next thing that we will look into after the maintenance and rehabilitation of the infrastructures will be the uniforms. This is the pride of the Force. Once these are all taken care of, we can start work on instilling discipline and then we will bring in training. Training is not a big problem; it is how this institution's moral has been made to be depleted over the years.

This is the same problem that we have with public servants where most of them do not have proper homes and therefore lack discipline to perform.

I want to thank the Prime Minister for assisting the Defence Force by providing K30 million annually to assist in our cause to help the force. I want to say that starting next week, we will be giving new set of white goods to all households in the barracks nationwide. This has never been done in almost 30 years of the force. These are small initiatives that we are doing to instil some form of discipline in the force.

Mr SPEAKER – The Chair has reserved the right for the Deputy Opposition Leader to ask his question.

11/02

Mr SAM BASIL – Thank you, Mr Speaker.

I direct my question to the Treasurer. The 2015 Budget has relied heavy on the revenue as we know from the statement made by the Finance Minister yesterday that the LNG Project and many other non-renewable resource projects are contributing up to about 50 per cent of the National Budget where the oil prices have reached as high as US\$ 115 per barrel in 2014 and as low as \$US 60 after the Budget was announced in November 2014.

Mr Speaker, my question to the Treasurer Honourable Patrick Pruaitch is that yesterday, Honourable James Marape, Minister for Finance made a statement in reply to the Honourable Governor of Southern Highlands. In his statement, he said that there are no

liquidity issues in the Government and also admitted that the revenue has been affected by the down-turn of the oil prices abroad.

I know that he will be issuing a statement very soon regarding the state of the economy. But with this statement yesterday, I find it very contradicting and that is why I would like the Treasury Minister to state clearly to Parliament on how the Finance Minister has come up with the statement when records actually show that the rapid fall in the current oil prices by 40 per cent from the prices in 2014, has had a 30 per cent or more impact on the Budget?

Mr PATRICK PRUAITCH – Thank you, Mr Speaker. Before I take the liberty in answering the Deputy Opposition Leader’s question, I would like to take this opportunity to thank him for visiting my village last week.

Mr Speaker, in answer to the question raised by the Deputy Opposition Leader, I will be making a detailed statement in relation to the state of the economy particularly in relation to the current situation we have.

Mr Speaker, the situation that our country is facing today is a worldwide situation and I ask for the understanding of the Members of Parliament to be cautious about how we make statements. I think it is our responsibility as leaders to give an image that we cannot let our country down. These commodity prices are –

Mr Sam Basil – Point of Order! Mr Speaker, it is very important that all the Members of Parliament have every right to know the truth and task the Executive Government to do the right thing.

On this Floor we have the freedom to do so, we cannot be advised to fear our Parliament.

Mr PATRICK PRUAITCH – The Deputy Opposition Leader has the right to ask that question, no doubt all the Members of Parliament have the right to ask that question but I think in asking those questions we must be responsible in framing them.

So, Mr Speaker, a detailed statement will capture the state of the economy but I want to say that what happen in the world today in terms of our revenue projection as captured in 2015 Budget will no doubt has affect our revenue.

But as a responsible Government we are monitoring the situation and that I can give that undertaking to Members of Parliament and of course our country that our Government is very responsible.

When it requires us to take corrective measures, we will work towards resolving these issues and I want to also assure the Parliament that the Government is in control.

12/02

Mr Speaker, when there are measures to be taken, we will come back to Parliament to seek its guidance and what actions are to be taken to correct the economy. I want to also clarify that the revenue estimates that were used to frame the Budget is no longer there because the prices have dropped and therefore, the revenue has also decreased.

Mr Speaker, the Government is watching the situation and when it thinks appropriate and corrective measures are to be taken, then we will do that.

Thank you.

Mr SPEAKER – Question Time has lapsed.

(Members interjecting)

Mr Patrick Pruaitch – Mr Speaker, according to the *Standing Orders*, no Member of Parliament should argue with the Chair.

Mr SPEAKER – Deputy Leader of the Opposition, I have reserved your right to ask questions and you did ask the questions after the Question Time had lapsed. You should be thankful that you were given an opportunity.

**OMBUDSMAN COMMISSION OF PAPUA NEW GUINEA – FINAL
REPORT ON THE INVESTIGATION INTO THE DEPARTMENT OF
LANDS AND PHYSICAL PLANNING ON ALLEGED IMPROPER
LAND DEAL, NATIONAL CAPITAL DISTRICT, 2014 – PAPER –
MOTION TO TAKE NOTE OF PAPER**

Mr SPEAKER – I present the following paper pursuant to statute:

‘Final Report of the Ombudsman Commission of Papua New Guinea on an Investigation into the Department of Lands and Physical Planning on Alleged Improper Land Deal, State Lease Section 283 Allotment 48 Hohola Volume 12 folio 171, National Capital District 2014.’

Mr JAME MARAPE (Tari-Pori – Minister for Finance) – I move –

That the Parliament take note of the Paper and the report be adopted and the debate be adjourned to a later date.

Debate adjourned.

**DEPARTMENT OF THE PRIME MINISTER AND NATIONAL EXECUTIVE
COUNCIL – ANNUAL REPORT, 2014 – PAPER AND STATEMENT –
MOTION TO TAKE NOTE OF PAPER**

Mr PETER O’NEILL (Ialibu-Pangia) – Mr Speaker, I present the 2014 Annual Report of the Department of the Prime Minister and the National Executive Council.

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

Leave granted.

Mr Speaker, on behalf of the Department of the Prime Minister and NEC, I am pleased to present the annual report which is required by law. This is a requirement for all Ministers responsible for respective departments to report their performances to Parliament.

Mr Speaker, it is important because it allows for and ensures accountability. And there is a demonstration that many of the departments are performing to the expectations of the Parliament and the people of Papua New Guinea.

Mr Speaker, the Department has made a steady progress over the past years in a very coordinated manner and working very much with the workings of other government departments in managing the affairs of the government.

Mr Speaker, the Department of the Prime Minister and NEC has, in line with the objectives set out by the Leaders' Summit in 2013, identified priority areas as part of the core functions of the Department. The Department had the responsibility of providing and developing the National Security Policy, establishment of the Independent Commission Against Corruption Law and of course taking in charge some of the major run-down infrastructures like the Marea Haus, Central Government Building and other infrastructures where government departments are to operate.

Mr Speaker, all these functions have been carried out by the Department. In fact, the National Security Policy was approved by NEC and now, it has been implemented, as I speak.

13/02

Mr Speaker, in 2014, we gazetted the Independent Commission Against Corruption Legislation, which will soon be coming to this Parliament in the next few days or so.

Mr Speaker, work is also done on many of the infrastructures that we have undertaken and I am certain that many Members of Parliament and the public are aware of the work that is going on.

Mr Speaker, these are important achievements that the Department is doing but it has got a very strong working relationship with many of the other departments, especially the core central agencies and departments in managing many of the other affairs of the country. Our role is to try and get back to the basics in making sure that the Government systems are functioning and reporting to the public as to what their functions are and what work they have carried out during that year.

We are of course, in terms of managing our own Department's budget, very much on target and spending is within the means and of course required and approved by the Parliament. Our department has also placed a lot of emphasis on making sure that we roll out the work that is now going on in the districts; developing of district delivery services including the establishment of the District Development Authority. And I know that this Parliament and of course the honourable members have given their support in relation to this.

We are also, Mr Speaker, happy to inform this honourable Parliament that for the first time in many years, our bank accounts are being up-to-date on reconciliations.

Mr Speaker, this has never happened before, and of course, those are being reported on quarterly basis to the Department of Finance so that we have a proper and of course better management of our financial affairs of the department.

Mr Speaker, the Department will continue to work within those plans and activities that it has stated, especially at the Leadership Summit and just recent one at 2014 in February.

Mr Speaker, the Department is working within the limits of the budgets that it has been appropriated. All-in-all, we had a small savings of K5 million in terms of reduction in our payroll expenditure and we want to ensure that many of the other department also take lead of this particular expenditure item payroll over expenditure is becoming a huge concern particularly throughout the provinces and at various national departments, and I am pleased to see that our own department; the Department of Prime Minister and NEC is taking the lead in addressing that.

Mr Speaker, I am pleased to present the 2014 Annual Report for the Department of Prime Minister and NEC to this honourable Parliament.

Thank you, Mr Speaker.

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

That the Parliament take note of the Paper and the statement be made an Order of the Day and be debated at a later date.

Debate adjourned.

**TREATY DOCUMENT – EXTRADITION TREATY BETWEEN THE
INDEPENDENCE STATE OF PAPUA NEW GUINEA AND THE
REPUBLIC OF INDONESIA – PAPER AND STATEMENT –
PAPER NOTED**

Mr ANO PALA (Rigo-Minister for Justice and Attorney-General) – I present the following paper pursuant to statute:

‘Extradition Treaty between the Independence State of Papua New Guinea and the Republic of Indonesia’

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

Leave granted.

14/02

Mr Speaker, extradition is the transfer of an accused person from one country to another country that seeks to place them on trial. Extradition is an important part of prosecuting cross-border crimes.

Today, numerous crimes such as terrorism, money laundering, drug trafficking, arms trafficking and people trafficking have transnational elements cutting across national boundaries. The increase in transnational crimes is influenced by globalisation, emergence of new technologies, the ease on international financial transfers and the growth of international travel. This has made it increasingly common for people to commit crimes and criminal offenses in one country and to fly to another to avoid justice.

Papua New Guinea needs strong international cooperation on criminal matters with the different regions of the world. Currently, Papua New Guinea does not have any cooperation in criminal matters with the Asia Region.

The signing of the Extradition Treaty between the Republic of Indonesia and the Independent State of Papua New Guinea by the Honourable Prime Minister during his official visit to Indonesia on June 2013 was the establishment of the International Cooperation on Criminal Matters between Papua New Guinea and Indonesia in the Asia Region.

Mr Speaker, however, the signing of the treaty does not legally bind Papua New Guinea to it unless it is ratified through the process stipulated under section 117 of the *Constitution*. The difference between signing and ratifying a treaty is that, signing by a State indicates the intention of the State to consent to the treaty but it is not bound by the treaty until it ratifies it.

Ratification in contrast to signature refers to the act undertaken whereby a State establishes its consent to be bound by a treaty. Usually ratification involves two distinct procedures. The first is related to compliance to the international laws of a contracting State. It involves the international procedures that must be fulfilled before the State can assume the international obligations enshrined in the international agreement. This usually involves approval by the National Parliament. The second element deals with the external international level. It is the process in which the contracting State indicates its consent to be bound to the other parties.

Signing but not ratifying only imposes an international law an obligation to refrain in good faith from acts that would defeat the objectives and purpose of the treaty. Ratification is necessary before the treaty binds the State concerned.

Mr Speaker, under *Section 117*, subsection 3(a) of the *Constitution* states that, ‘the concept of Papua New Guinea bound as a party to a treaty shall not be given unless a treaty document relating to the treaty has been presented to Parliament for at least 10 sitting days, pursuant to *Section 117 (2)(a)*, and be of the *Constitution* after the treaty document is presented to Parliament and it is not disapproved, then consent by the Head of State or a Minister authorised by the Head of State acting with and in accordance with the advice of the NEC may be given for Papua New Guinea to be bound as a party to the treaty’.

Mr Speaker, therefore, I present to Parliament the signed Extradition Treaty between the Republic of Indonesia and the Independent State of Papua New Guinea for consent by Parliament to have it ratified under the ratification process set out under *Section 117(2)(3)(a)* of the *Constitution*.

15/02

The entry into force of the Treaty will have a positive impact on Papua New Guinea’s relationship with Indonesia in many other ways and not only in relation to international crime cooperation.

Mr Speaker, with that, I thank my department for leading the negotiation together with the international technical working group and its government for drafting the Expedition Treaty between the Republic of Indonesia and Independence State of Papua New Guinea

I now commend the Expedition Treaty to this Parliament.

Mr KERENGA KUA (Sinasina-Yongammugal) – I move –

That the Parliament take note of the Paper.

I would like to air my voice in support of Attorney-General's presentation of this Treaty to the Floor of this Parliament for ratification so that it can finally be brought to force.

The Attorney-General must be commended for making a great effort in bringing this Treaty to Parliament when it was first mooted in 2013.

In the last two years, everybody would notice that there has been much improvement in the relationship between Indonesia and Papua New Guinea. And that is very important thing for PNG because that provides for all kinds of interaction towards the relationship between our two countries.

As that relationship begins to develop we can also have problems that can be uncounted. These problems can be in the nature of crimes and if these crimes are by our citizens on Indonesian soil or vice-versa, normally the domestic laws cannot be applied in a foreign land.

So this kind of treaty can allow us to follow our investigation into Indonesia or Indonesians can do the same on our land. That is the approach the international communities are taking now. The global communities become interconnected through such arrangements and treaties like this.

The only problem that was uncounted during the drafting of the Treaty was the issue on Asylum Seekers to be convicted as criminals within the provisions of this Treaty.

I believe that Asylum Seekers or groups of people such as the West Papuans must not be identified and isolated and treated as a common criminal would be. And they must not be confused for an ordinary criminal.

In this case West Papuans running into PNG border or Papua New Guineans doing the same must be treated fairly as applicable under this Expedition Treaty. So that is an assurance that needed to be given to people here and also our West Papuan friends in Indonesia.

The final comment that I need to make is that when we make such a treaty like that, an international treaty affecting two different nations, we are making a public statement in the eyes of the international community.

We are putting our own credibility to test. And so when moments do arise for us to be put to test about whether we are genuine about producing such a document in giving real meaning and effect to what is agreed to in this Treaty, we must demonstrate that we have no other agenda but to be genuine.

16/02

So, in the months going forward once this document is approved by Parliament, is certified and has the force of law then we must be genuine about doing our own stocktake to see whether we already have people amidst us to which this extradition treaty can be applied and that we must be careful not to take any action that will impede the proper implementation of this treaty. The same obligation will be expected of Indonesia for those people committing crimes in this country and taking refuge over there. That expectation runs both ways and so I will be looking forward to the manner in which we are going to implement this particular document. We must be genuine about it so in the months going forward if there are issues we will know about it. We will already be aware of those issues and those issues must be brought under this document and be processed properly.

I support this document and it is high time that we have such a treaty in place and we should try to seek such a treaty with all our neighbouring countries. We should do a stocktake and if we didn't have it with any of the other countries in the neighbourhood or with whom we are trading with already then we should seek to extend the same kind of treaty to them. It operates on a reciprocal basis and so it requires the cooperation of the signatory nations. It is up to us to go out there and show them how we do it and bring them into this network. It will help us and them and the global community to which we are a member.

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

That the question be now put.

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

Sitting suspended from 12 noon to 2p.m..

17/02

**TREATY DOCUMENT – RECIPROCAL ENFORCEMENT OF FOREIGN
JUDGEMENTS BETWEEN THE MEMBERS OF MELANESIAN
SPEARHEAD GROUP – PAPER AND STATEMENT –
MOTION TO TAKE NOTE OF PAPER**

Mr ANO PALA (Rigo –Minister for Justice and Attorney General) – I present the following paper pursuant to statute;

*‘Treaty on the Reciprocal Enforcement of Foreign Judgements
between the Members of the Melanesian Spear Group (MSG).’*

I ask leave of parliament to have a statement in connection with the paper.

Leave granted.

Mr Speaker, Papua New Guinea’s participation in the Melanesian Spearhead Group (MSG) is very important to its political, social and economic development.

There has been significant development among MSG countries in different aspects like trade with PNG recently hosting the Melanesian Spearhead Group Investment Roadshow and Trade Fair in Port Moresby. Such activities contribute towards sound economic and structural reforms that would shape the region to better integrate into the global economy.

Mr Speaker during the MSG Senior Officials Meeting in Goroka 16th – 17th August, a decision was made to have a Treaty on Reciprocal Enforcement of Foreign Judgements between member countries.

After several years of negotiations amongst members in trade, commerce, education, employment, sports and culture.

Furthermore, the increase in business activities has resulted in more business transactions being conducted, particularly under the auspicious of the MSG Trade Agreement (Revised 2005) therefore signifying the need for Legal Enforcement of Foreign Judgements in member countries.

Mr Speaker, the treaty on Reciprocal Enforcement of Foreign Judgements will now allow orders or judgements in the competent court of one member country to be registered and enforced in the territory of another member. The treaty will also ensure courts', avoiding cross border disputes and ensuring Member States have confidence in the operation of the judicial institutions.

For Papua New Guinea we already have the *Reciprocal Enforcement of Judgements Act 1976* that provides for Reciprocal Enforcement of Foreign Judgements. The Treaty has been drafted in accordance with this legislation, stakeholders were also consulted including the District Court Magistrates and the National Court Registry.

Mr Speaker, however, the signing of the Treaty does not legally bind Papua New Guinea to it unless it is ratified through the process stipulated under *Section 117 of the Constitution*.

Mr Speaker, as I explained in the earlier statement, that the difference between signing and ratifying a Treaty is that signing by a State indicates the intention of the State to consent to the Treaty but it is not bound by the Treaty until it is ratified.

Mr Speaker, *Section 117 (3) (a)* of the *Constitution* states that the consent of Papua New Guinea to be bound as a party to a treaty shall not be given unless a treaty document relating to the Party has been presented to Parliament for at least Ten Sitting days.

Mr Speaker, after the Treaty Document is presented to Parliament and it is not disapproved, then consent by the Head of State or a Minister authorized by the Head of State acting with and in accordance with the advice of NEC maybe given for Papua New Guinea to be bound as the party to the treaty.

18/02

Mr Speaker, therefore I present to Parliament the signed *Treaty on Reciprocal Enforcement of Foreign Judgment Between the Members of the Melanesian Spearhead Group* for consent of the Parliament to have it ratified under the *Constitution*.

The entry into force of the treaty will promote clear legal cooperation between PNG and Member States.

Mr Speaker, with that, I also thank my Department for the good work they have done. Mr Speaker, this Treaty will stand tabled on the Floor of Parliament for at least 10 days and then it will be given effect.

Mr Speaker, we do not intend to utilise the provisions of the *Constitution* to waive the operation of the *Constitution* by way of absolute majority votes. We intend to leave it on the Floor of Parliament for 10 Sitting Days to allow the public, interested Members and the general community to have a look at it and during that time, if they disagree, they can make representation to the Parliament through their elected Members. In the meantime, this document will stand tabled on the Floor of Parliament for 10 days.

Mr KERENGA KUA (Sinasin-Yongomugl) – I move –

That the Parliament take note of the paper.

Just before lunch, I rose to lend my support to the Attorney-General's presentation of the Extradition Treaty Between Papua New Guinea and Indonesia for ratification and in the same manner, I also wish to lend my support again, to his efforts to ask for ratification by this Parliament of the *Reciprocal Enforcement of Justice* between these country and members of the MSG group.

This particular treaty, Mr Speaker, is the civil equivalent of the paper he presented just before lunch. The treaty that he presented for ratification before lunch covered criminal matters. It dealt with fugitives who run across borders to escape criminal prosecution.

The treaty that he has presented for ratification this afternoon involves civil matters. It enables the beneficiaries of judgment of member countries and signatories to this Treaty to be able to reach across borders and enforce judgment that they had obtained in one country against people who have escaped into another country to escape the enforcement of the judgment that has been given in that other country.

As this country's economy grows and we begin to do a lot of business with entities from other countries, we will have a lot of situations where businesses fall foul, contracts fell down and the parties would need to go to court and get judgment.

However, when you get judgment it is not in every instance that people who owe monies or are obligated to do things under a court order comply with the court order. Therefore you would have to take the next step to be able to enforce it. But then, when they run away into another country, you lose your ability to enforce your judgment unless there is a treaty such as this one in place between the country to which they had run away to and your country. The Treaty will provide a bridge across which you can cross to enforce and take the benefit of your judgment.

And this is one of the basic building blocks you need to have in place in every country to encourage foreign investment. Investors need to know and be given the assurance that when they invest in a country and that investment falls to pieces nobody will runaway to another jurisdiction and escape the enforceability of any judgment.

So this kind of treaty is very important and it is a good thing that as we build up our relationships with our trading partners in the neighbourhood, we should also be entering into treaties such as this one because in the end, it fosters and gives confidence to growth in business and economy and in their economy as well.

Whilst we are doing this with the MSG, I would encourage the Attorney-General to also look at the disability and the possibility of extending this kind of treaty to members of the APEC countries because in 2018. Those countries will be attending a summit here in this country and we will be the host. This is one of the issues that we would need to start talking about beforehand so that by 2018 when the APEC countries are here, they can make a firm commitment.

19/02

We can tie up all the countries in the neighbourhood under such an arrangement so that we are all linked and we establish for ourselves the ability to enforce our Government. I have asked him to look at that and at the same time, I am not quite too sure whether this reciprocal enforcement of judgment treaty with Indonesia which is also a member of the APEC group. Since we have already dealt with the criminal component of it under the expedition treaty, it's advisable that perhaps we should also push ahead. We should look at the possibility of also negotiating with Indonesia to sign a similar treaty for civil matters, for the enforcement of judgement because the advantage this gives you in addition to the ability to enforce, is that you don't have to go overseas and try to prove your case again in another jurisdiction which duplicates all your cost efforts and resources in your country of origin. So there is all gains for Papua New Guinea.

Yes, I compliment the Attorney-General for having brought us this far in both the criminal and civil context of such matter. What the Attorney-General and this Government should look at doing is to extend it further to as many trading partners of this country as possible. With these few words, I fully support the Attorney-General's proposal for the ratification of this particular treaty.

Mr DON POLYE – Thank you, Mr Speaker, I want to also give my support for these two treaties for the ratification, but I want to raise in brief a perspective and that is to take careful consideration of the human rights issues. Illa Donagi probably related to the points that the Attorney-General has raised, but it comes under other treaties and also MSG for which MSG was established. The treaty between PNG and Indonesia, I want to caution us all that Indonesia might use that treaty to seize the refugees of West Papua living in Papua New Guinea because there are human rights issues across the border. These are Melanesians and we have our relatives that live along the border who are very closely tied culturally and traditionally with the people of Papua New Guinea back thousands of years ago. When the colonisers came, they established the boundaries and divided them and this treaty can affect these genuine issues that exist. We have West Papuans who have been living in Papua New Guinea for many years. They have travelled across the border due to the problems faced on the other side. Therefore, Indonesia might use the treaty as the basis for which they will ask the Papua New Guinea Government to send these West Papuans back for them to be dealt with under that treaty. These people are different in culture, tradition and backgrounds and they're like the Melanesians countries in this region. Therefore, I want to caution us all those in the Government and the Opposition and all the systems of Government in place that we must also take into careful consideration the human rights aspect of the treaty. We must clarify or differentiate between the fugitives and those that come here as refugees.

My second point is about the Melanesian Spearhead Group. I have heard that the treaty is now amongst all the member countries. I recall back when Prime Minister Paias Wingti in the 1980, when he spearheaded the Melanesian countries and said that human rights issues must be addressed. The basic reason why the MSG was established is because we must address some human rights issues and the reason is that the MSG countries were established primarily to establish human rights issues, of West Papua and New Caledonia.

20/02

But over the years the member countries decided to take on board, socio economic and political aspects of the group.

The Melanesian Spearhead Group (MSG) must not deviate from the original focus for forming this group, because if we move away from the original focus of the group and do not address issue we are doing injustice to ourselves. We cannot turn a blind eye to what is

happening in West Papua. I commend the Prime Minister, for making a stand on the human rights issue of the West Papuan people.

If we have to gain the respect of our Melanesian brothers, let us address their human rights issues.

Debate (on motion by **Mr James Marape**) adjourned.

**ELECTORAL COMMISSION OF PAPUA NEW GUINEA – LOCAL-LEVEL
GOVERNMENT ELECTIONS – REPORTER 2013 –
PAPER AND STATEMENT – PAPER NOTED**

Mr LEO DION (East New Britain – Minister for Inter-Government Relations) – I present Report of the Electoral Commission of Papua New Guinea on the 2013 Local-Level Government Elections.

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

Mr Speaker, the 2013 Local-Level Government elections were conducted from June, with the issue of the writs to 6 September 2013, when the writs were returned. This was a major national event that was successful and fully conducted, although there were some hiccups in certain provinces. But we as leaders must play our part to address, for the future democratic processes to be free and fair.

I acknowledge and thank all Members of Parliament for your support in the LLG General elections. The Electoral Commission had initially requested for K80 million to conduct the LLG elections for 2013 but was only appropriated K50 million. With a huge funding shortfall of K30 million, the Commission in its wisdom, sought counter-part funding, logistical support and personnel from the provincial administrations in the form of MOAs.

Though this was done on the eleventh-hour the arrangement was hailed as a huge success. A total of 37 903 candidates nominated to contest the 2013 LLG elections as ward members and council presidents for the 6 190 wards and 319 Local level governments.

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It was the first time all the Local Level Government presidents were directly elected by the people using the Limited Preferential Voting System (LPV System) with nomination fees still at K200 for each intending candidate, president and ward member.

Mr Speaker, both election and awareness were conducted by the Election Commission's Information and Community Awareness Branch. Both print and electronic media as well as face-to-face meetings were conducted through networking with the PNG Electoral Commission's Civil Society Partners nationwide, including the Community Police Unit of the Royal Papua New Guinea Constabulary.

Electoral Roll updates for the 2013 LLG Elections was limited in terms of both available time and funding, and was mainly concentrated on persons who recently reached the 18 years of age, and who were not previously able to enrol. Otherwise, the 2012 Electoral Roll was used.

Security was provided by the respective Provincial Police Commanders (PPC) where their teams were provided on a need to basis in coordination with the local administrations. The Electoral Commission provided polling schedules to assist with coordination of security personnel.

Mr Speaker, 191 million ballot papers at K10 each were printed for both presidents and the ward members excluding ballot papers for the Motu-Koita Assembly Elections in the National Capital District.

Voters were issued with two ballot papers, green edges inside for Local Level Government presidents and white ballot papers for ward members. Voters for the Motu-Koita Elections were issued with three ballot papers, one each for the chairman, member and women's representative.

Mr Speaker, for the acquisition of election logistics, transport, procurement and distribution schedules, budget and personnel requirements, the Electoral Commission implemented this election's logistic plan for the 2013LLg Elections. This required minimal standards for quality and quantity controls for products.

Mr Speaker, campaign periods were for four weeks and polling commenced nationwide on 6th July, 2013. Polling schedules went smoothly for the three regions namely; New Guinea Islands, Southern and Momase. But as for the Highlands Region, it experienced serious breaches of election Laws. The unprecedented levels of illegal election activities, practices, security issues, electoral fault play and wide spread electoral violence resulted in the

Electoral Commission cancelling elections in 27 local-level governments in six Highlands provinces, mainly in Hela, Southern Highlands, Enga, Western Highlands, Jiwaka and in Eastern Highlands.

The counting of ballot boxes were done manually, counting forward members was carried out at the community level in the wards while counting for local-level presidents were done in the district headquarters.

Mr Speaker, declaration of results were show that from the total of 319 local-level Governments, 292 presidents were declared while from the total of 6,190 wards, 5,481 ward members were declared. This leaves a total of 27 failed local-level governments in the Highlands Region and 609 failed wards yet to elect their representatives, local-level Governments and their ward members.

Mr Speaker, the budget for supplementary election is projected at between K26 to K30 million for four provinces. Northern and East New Britain Provinces have made funding available for the conduct of supplementary arrangements for local-level governments and wards to the respective provinces that were current or they were currently in progress. The writs were issued on 15 May, 2014, and have already been returned on 17 July, 2014.

Mr Speaker, in conclusion, a total of 125 local-level government electoral petitions had been expedited and the outcomes have been made known by the Courts.

Thank you, Mr Speaker.

22/02

Mr SAM BASIL (Bulolo – Deputy Leader of the Opposition) – I move –

That the Parliament take note of the paper.

Mr Speaker, firstly, I commend the Deputy Prime Minister, Honourable Leo Dion for presenting the Report on Local Level Government Elections 2013, and at the same time, elaborating on some issues affecting the conduct of the elections of the local level government president seats throughout Papua New Guinea.

Mr Speaker, can the government consider polling both national and local level government elections all at one time? This is because the amount of money and time spent on conducting the two different elections is very costly for Papua New Guinea. We are calling on same people who have voted for the national elections to also vote for the local-level government presidents. I believe that we are wasting time and money unnecessarily.

Mr Speaker, by doing this, we will also allow political parties and candidates to find running mates and policies. This will help do away with the candidates who have lost in the national elections to take advantage of the local level government elections and try to get in as presidents.

We are wasting money unnecessarily, so can the government consider this in the 2017 national elections? Let us make sure that we vote for the Governor, we vote for the Open Member and we vote for the local level government. So that we can spend the same funding and we shoot three birds with one stone.

Mr Speaker, secondly, I would like the Minister to also present another report in terms of vacant positions of local level government presidents. I have lost two of my presidents namely: The President of the Buang Local-Level Government in the Bulolo District and Wau-Bulolo Urban. I lost one of them through accident and the other through illness. But I am sure there are other local level government throughout Papua New Guinea that are still waiting for a by-election.

Mr Speaker, I was surprised with the election of the local level government by-election which concluded in Pomio recently while two of my president seats have been vacant for almost two years now. I understand that I have asked the question to the Prime Minister in the last years sitting. He assured me that there were funding constraints with the Electoral Commission. However, he promised that the money will be allocated for this purpose.

Mr Speaker, this is injustice to the people of my electorate and those local-level governmentst that are still waiting for the elections to be held.

Mr Speaker, I speak on behalf of my two LLGs and I further urge the Deputy Prime Minister for ensure that the by-elections must be held forthwith. We must have proper representatives on the Floor of the Assembly in the respective local level governments.

Mr Speaker, on the same token, I would also like to express another disappointment. I On behalf of the all the councillors in the Morobe Province, I had some time to tour the Pomio District. With respect to the Minister for Treasury and the Member for Aitape-Lumi, I had spent some time too in his electorate campaigning for the Regional Member. I came across some councillors and seriously this is a nation issue and not about opposition nor the government.

I have had the opportunity to listen to the complaints of the councillors in Papua New Guinea generally, that they have not been paid. So I believe, together we should address this

issue. We must ensure that they are adequately paid so that they can go back to the people and serve them in those 6101 wards in the country.

I wish to also urge the Prime Minister in the next budget, the reduction of K500 000 from the LLGs DSIP. I do not know why the Prime Minister reduced that amount.

The Members of Parliament are allocated K10 to K15 million but they are only receiving K500 000.

23/02

They are only getting K500 000 and I don't see any threat in that. We should allow the Local-Level Government to have a direct funding of K800 000 to ensure that they provide service to the people because they are very close to them. I understand that some Members of Parliament are being threatened because their presidents are getting this sort of money and I don't think it is an issue. When you compare K500 000 against K15 million is just peanuts to let's not be bothered about it. I urged the Government to reintroduce K500 000 back into LLG funds in the 2016 Budget.

Mr PAIAS WINGTI (Western Highlands) – Thank you Mr Speaker, it is good that the Deputy Prime Minister presented the report on the elections. I think at this moment, we really need to think seriously about the election process. Many of the young Members who came into Parliament must have had a clear consensus about what they wanted to do because leadership here must set the standard on how the country should function. It's in our mind and consensus on what is right or wrong and election process is the most important process. when you go out for election, you sell your policies and the electors choose you whether you are a leader or not, and that process is a very important process of democracy in any society. But the mindset is, we want to get into Parliament at all cost and that is a wrong mindset. We say, I want to get into Parliament at all cost and at whatever means and ways, I need to temper and manipulate the system by doing the wrong thing and that is the wrong standards by any person. This is very important because you don't have the morale authority here to stand up and say I am a Member of Parliament. You didn't get in through the right way and you must remember that. How could you rightfully stand up and say you are a leader when you get into Parliament or become a President by using 20 000 ghost names at your polling place?

Prime Minister, the country will get more stable, you just have to make sure that the leaders you work and support you must have this kind of credibility so they don't paint a bad image on the Government. The country is stable and has got its resources and it's going to advance. Mr Speaker, I have been around and lost elections but I knew which honest elections I lost and which people have printed 20 000 ghost papers and made me lose. I am not complaining about that. But that is not right and please I am appealing to all honourable Members that the Government has allocated a lot of money for the district so make sure you deliver and people will elect you. You have no reason to loose election and try not to temper, bribe and manipulate the system and do other silly things to get into Parliament.

Mr Speaker, I care for this country to its, leadership with higher standards is vital for this young country, I hope the Minister for Planning and the Prime Minister that with all the data base you are building on NID, all this is going to help us to get all the things right for our future generations. And what you are doing today is a very important path, and Prime Minister, it's your Government that is doing and going to put this country right with right information.

24/02

(Members interjecting)

Mr Paias Wingti – This is so that we can weed out evil people and make sure that this country is run properly.

Mr Speaker, that is, my contribution to this debate, thank you.

Sir PUKA TEMU (Abau – Minister for Public Service) – I wish to join in the debate regarding the Deputy Prime Minister's 2012-2013 Local Level Government Report.

I would like to refer to the concluding summaries by the Electoral Commissioner that the 2013 Local Level Government Elections in the Highlands Region will go down in history as the worst LLG elections in PNG since independence.

I would like to debate on the presentation of the Report in the light of some of us who had the privy in Cabinet when the Prime Minister was given and will present the Paper from the Constitutional Law Reform Commission on the Review of the Organic Law on Provincial Governments and Local Level Governments. With that, I would like to debate in that perspective.

In my personal opinion, we need to relook at the democratic process called elections, which is a borrowed process from the Western System of democracy. This is a new process where through the election process we are elected to the Floor of Parliament or through the Local Level Governments.

I have sometimes argued on this Floor of Parliament that this process is not bringing out the type of leaders that the nation needs. My argument was that, at the Local Level Government we should relook at the election as a process to bring up ward members, ward councilors or presidents of Local Level Governments. We had actually debated in Cabinet that we should really relook at whether we go for the elections of presidents through the process or whether we maintain the status quo where all the ward members would get together and elect their president in the Local Level Government Assembly.

Therefore, there is a debate still ongoing regarding this issue and when I see a report that states that in one part of our country had the LLG elections failing, then that is the signal that we need to relook at how this entire so-called democratic process of elections is bringing out the type of leader that the nation needs. And so, I would maintain a very firm position.

Mr Speaker, we need to bring in our Melanesian Way of choosing leaders at the lower level. Possibly we could start at the ward level because there is no need to go through an election process at the ward level. Nevertheless, in our Melanesian Way, we have chiefs that are already recognised in the wards and they should automatically be the ward members therefore there is no need to go through elections.

Therefore, we need to depoliticise this so-called vibrant democracy that we are enjoying at this lowest possible level. In light of that, I have read the 10 recommendations that the Constitutional Law Reform Commission has made through the report that the Prime Minister presented to Cabinet this week. Even so, I do not want to preamp the Prime Minister in presenting the report but in reading the 10 recommendations, one of the strongest recommendations that I saw was that we had three levels of legislature.

The Commission is recommending that we have only two levels of legislature in the country. It suggested that we should do away with the Local-Level Government as a legislature but maintain the Provincial Assembly and the National Parliament as legislature. I myself would buy that argument, so in terms of going forward and now that the review of the *Organic Law of Provincial Governments and Local-Level Governments* is out, I will strongly argue that we will do away with the local-level governments as legislators.

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And that will guide us on how to choose and form the lowest form of Government in the country.

I strongly believe that we have the strongest Melanesian way of choosing leaders down at the village level as well as at the local-level government level. So I think we really have to debate this issue. We have not yet borrowed the records of the former Clerk and now Member for Rigo, Mr Ano Pala.

We have inherited the Westminster system of democracy yet we have not acquired the right culture in this as yet. They are many things that you do not have to go through in the election process. There are Conventions of democracies that we as a nation have to observe and abide by. Many things are unwritten but there are conventions there. And maybe we need to bring these conventions incorporate them in the Melanesian way of choosing leaders in our societies.

And also my argument is that when we are looking at the review on Organic Law on Provincial and Local-level governments, I would argue that the provincial assembly level as legislators, we really should be looking at non electoral representation at the Provincial Assembly rather than going through the election process.

So, we and bring the chiefs inside, we can bring the women and youth groups inside along with disability groups so that we can have a higher representation at the provincial level.

Because now that we have the District Development Authority in place and so it will now be the arm of the development agency for the national and provincial governments at the local-level government level.

Let me give you an example. I have got three district levels in Abau Electorate. If we cut out the LLG process then I will have the District Development Authority carrying out all the administrative tasks. And I will turn the three LLGs to three administrative centres. We will then apply minimum standard and use minimum technical staff to work through each LLGs.

The reason why we have not successfully implemented the Organic law on Local-level Governments is because we have over politicise the whole process. We should leave in the hands of our technical people who are Public Servants to do our job.

Mr Speaker, under this review I believe that we now have an opportunity to restructure the entire system. Before the *Organic Law on Provincial Government and Local-Level*

Governments was passed in 1977 the district were to develop at the slow phase but now we will make sure that the districts will be role model centres in the country.

So economically, this Parliament can make sure that it can empower the districts and provinces to grow the economy of this nation.

So far people have died during the election in the LLGs and national elections. This would never have happened at the first place.

I, therefore, strongly recommend that in light of the current LLG elections and in light of the last (2012) Elections it will give us, the government the greatest opportunity to revisit the organic law on Provincial and Local-Level Government Elections.

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This Parliament has the opportunity to relook at *the Organic Law on Provincial and Local-level Governments* and the *Organic Law on the Integrity of Political Parties and Candidates*. This is called a structural adjustment that this nation has to go through in order for us to effectively deliver the goods and services in the country. We are tied with the structural impediments in law and this is why we are struggling as a nation to get even chloroquine to the remotest aid posts. If Seeto Kui Limited can deliver a 777 tinned fish, why can't we deliver medicine to our people? It is because of these legal structural impediments that we have the opportunity to discuss these issues here on the Floor of Parliament and make decisions for the best of our people.

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

That the question be now put.

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

ADJOURNMENT

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

That the Parliament do now adjourn.

The Parliament adjourned at 3.10 p.m..