

SIXTH DAY

Wednesday 3 June 2015

DRAFT HANSARD

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SIXTH DAY

Wednesday 3 June 2015

The Speaker, (**Mr Theo 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 am, and invited the Member for Abau, Sir PukaTemu to say prayers.

‘O God our creator, you are the ruler of the world and of this country. Our country, its people and the Parliament belongs to you. Grant that we the Members of the country’s Parliament may fulfil our office with honesty and integrity. And may our first concern be goodness for all our people. The people of today, our children and the future generations of this country. Guide our deliberations this day, bless our decisions so that your divine design for our country may be realised through us, Amen.’

QUESTIONS

Mr WERA MORI – My questions are directed to the Minister for National Planning. This is in relation to an issue that has had a lot of deliberations and questions already asked, but it is only fair that I ask these questions for the benefit of the country.

Briefly, it has become normal for the Electoral Office budget to escalate during elections. This is simply to address law and order situations and to conduct successful and fair elections. There is a sigh of relief when the Government a few months ago begun taking pro- active approach to introduce measures to see that we have fair elections.

We have begun the voter electronic identification system and the National Identity registration.

(1) Can the Minister elaborate on the purposes of the National Identity Registration

and the piloting of voter electronic identification in some parts of the country?

(2) Can he inform the people through Parliament, the costs involved for those two projects?

(3) How soon can we have the voter identification which is being piloted in selected electorates be extended cover the rest of the country?

(4) What method of counting will be used for the coming elections, will it be manual or electronic?

(5) Can the Minister assure the Parliament that there would be other observers to make sure that the counting protocols are followed?

Thank you.

02/06

Mr CHARLES ABEL – Thank you, Mr Speaker and the Member for Chuave for these important questions regarding the election process and series of activities that are underway, supervised both by the National Planning Department and the Electoral Commission.

Mr Speaker, last week I answered a question from the Governor of NCD which is on a similar line to this question and I am not sure if the Member for Chuave was present at that time.

But I took the opportunity to update the Parliament and this country on what is happening to these programmes and also remind us all that the election process and the update of the Common Roll is conducted by the Electoral Commission, they are the only mandated legal authority to take charge of the that particular process.

Whilst we have the NID process underway, which is complementary and support the Electoral Commission in that manner, we have to respect the boundaries and we have to make sure that we are not imposing on or attempting to take the role of the Electoral Commission.

Mr Speaker, as I said that time and I have repeated on the Floor of Parliament, we all have some concerns around the electoral process and we all very much want to improve that process, we want to make sure that it is as transparent and accurate as possible so that all citizens of this country have an opportunity to participate in that process as it is their right.

We have all been expressing our concerns that perhaps in the process there continues to be some issues like the Common Roll not completely up to date so how the elections are conducted lead to election related Court cases and questions around the process.

But, otherwise, we know that the Electoral Commission is doing it's very best to improve that process because there has been funding issues and other ongoing issues.

So, I think the good Member has mentioned to us that the Electoral Commission in updating this Common Roll is conducting its photo ID process or it is running a couple of pilots in regard to that.

You are also aware that the national ID program is underway which is creating a national database which also captures biometric information including photo and fingerprint ID. That process as I reminded the House last week is not only related to election purposes but it also in a broader sense, it is creating and establishing a national database system that will feed to an informant to relation to all range of activities of Government.

It will complement and make the whole process a bit more efficient and feed right down in end to a range of systems to our people including simple things like opening bank accounts and removing fraud around registering of land, one of the benefit also is to remove fraud around the electoral process.

It all comes back to identity fraud and having a proper basis of identification for our people so that when you do access your right such as your voting rights that you are exercising it based on your identification and you are not filling someone else's identification.

So, there is an exercise underway which is the primary mandate of the Electoral Commission and there is a much broader exercise underway by the National Government that will hopefully invest in and compliment exercises like the elections.

We are working closely with the Electoral Commission and compliment them but we do not step in and dictate to them what they can do.

So, being an efficient Government, hopefully, the information that we are collecting and they are collecting be combined together and have a Common Roll that has the national identification number and hopefully the same photo.

So, the photo and the ID card and the photo on the common roll hopefully will be the same thing. And the idea intended is that when you do turn up to vote in the election you will have to produce your card, confirm who you are and then have access to the ballot voting form.

Whilst, acknowledging that is the intention the practical issue of rolling out this idea is a large and ongoing project, it is a large and huge exercise that we have commenced and we have built a national ID Haus. We got the legislation in place and now rolling out all the Provincial fixed offices, we got our mobile teams underway.

03/06

I will go to Mt Hagen on Monday with Governor Wingti to open the fix registration roll-out office and next week, I will be opening the Central Provincial office as well. So, by the end of the year we should have all the fix offices in place. This exercise is rolling out as fast as possible but it remains a challenge and we have to get the whole country registered.

We hope to register as many districts as possible and we hope in conjunction with the Office of the Electoral Commission utilise this data base to improve the processes.

We have obtained a loan from the China Exim Bank at the value of US\$76 million and we also had counterpart funding from the PNG Government. But much of these moneys is yet to be expended because there is still a large process ahead of us and we are partially through this process. So larger part of this funding still remains to be expended.

Mr Speaker, in terms of how soon we are to roll-out this project, I think, I have answered you. We are rolling out as fast as we can every day through the Project Management Unit, the National Statistic Office, the Civil Registry Department, and the Department of Planning.

Mr Speaker, we will be signing the MOU with all the Governors at lunch time today at the State Function Room. This is to establish the very important partnership with the provincial government. So I will be moving around all the provinces to open up the respective offices. In terms of the counting methods, this is a detailed issue for the Electoral Commission and I cannot determine it. But I know that the Electoral Commissioner has been testing it out in the recent by-elections. Therefore, it is for the Electoral Commissioner to determine it. Our role is to support them with funding which has been an issue because like many of the government agencies they all want more money. They have been asking for more money in this process and so the Government is trying to fulfil all the funding requirements. Unfortunately, we cannot accommodate everyone's need.

In terms of the Observers, I think, it is also for the Electoral Commissioner to determine. In relation to the NID project, we will be relying heavily on the Members of Parliament and the bureaucrats to do awareness on this project. We will do as best as we can

when the teams come around. Therefore, we encourage the public to get in and register. This will alleviate the fears and suspicion in terms of that program.

Mr Speaker, the Government is trying to get timely data base so that we are able to respond to the DSIP programs as well as various pension schemes, the free education and free health. This is a very important useful system. Many developed countries already have these systems in place.

Mr Speaker, I hope I have answered all the questions. We will continue to update the public on the National Identity Program.

Mr SAM BASIL – Thank you. Mr Speaker and thank you for the clearance. I wish to continue.

Mr SPEAKER – I kindly remind you of *Standing Order 141* where it says that you should not be mentioning names on the Floor of Parliament or even making a statement that contains such.

04/06

Mr SAM BASIL – Mr Speaker, I want to direct my question to the Prime Minister, many things have happened during the height of the political impact in 2011 and 2012.

Mr Speaker, my association with some of my colleagues from the opposition, I am guilty of some of those things but one of the most unthinkable that I could not have approved nor participated in any manner or form and these are the things that I am going to raise to the Prime Minister.

Mr Speaker, scandalise allegations were levelled against the Chief Justice by three men from Pangia, which I will not name them. Those three men filed their respective affidavit at the Supreme Court matter No.SCR3 of 2011, that they saw the Chief Justice of our country and the former Minister for IPBC at the public car-park at Ela Beach at 2 a.m. on the 4th of November 2011.

Mr Speaker, despite the fact that the Court has dismissed those allegations on what had happened after the case is what has struck me and I believe the Judiciary, this Parliament and the people of PNG are not aware of.

I have concrete evidence to suggest that those three men were paid by the Prime Minister's office for lying under oath that they saw the Chief Justice and the former Minister for IPBC at the car-park at 2 a.m. that morning.

Mr Speaker, one of the men was paid K50 000 to cheques 160397 by the Prime Minister's Department for perpetrated provision of intelligent network services between late 2011 and January 2012.

Mr Speaker, the payment channelled to a Company called CM Niugini Investment Limited of which, Mr Akipe one of the shareholder and director.

My questions are:

(1) Can the Prime Minister confirm knowledge of this payment by his office and I can note that his Chief of Staff signed on the FF3 from authorising those payments?

(2) If so, can the Prime Minister advice this Parliament and the people PNG what sort of special intelligent network services those men provided to his office apart from lying under the oath and scandalising the Chief Justice of PNG?

(3) If the Prime Minister deny knowledge of the payment, can he direct the Attorney General to investigate this perjury at the highest level and bring those perpetrators to justice?

(4) Can the Prime Minister assure this Parliament in his reply to the people of PNG that such scandalise attack on the Judiciary for self-preservation doesn't occur under the watch as the Prime Minister?

Mr Speaker, with your indulgent I seek leave after the Prime Minister's reply to the questions to table evidence to this Parliament of all the payments and documents that I have.

Mr SPEAKER – In relation to your fifth question, I will have to firstly obtain the copy of documents so that I can allow the Chair to do its own assessment before it can allow you to put your question for leave.

Now I will allow the Prime Minister to answer your questions.

Mr PETER O'NEILL – Mr Speaker, I thank the Member for Bulolo and Deputy Opposition Leader for his very interesting questions.

Mr Speaker, these matters have been adequately dealt by the Courts and have been adequately disposed off. But somehow, the Deputy Opposition Leader, continuously want to engage in this kind of -

Mr Sam Basil – Point of Order! We are talking about the misuse of K50 000 of public tax payers money that your office paid.

Mr SPEAKER – Deputy Opposition Leader, please allow the Prime Minister to complete answering the questions and you may eventually get an answer.

Mr PETER O’NEILL – Mr Speaker, I know that he is in a hurry to get some quick reply, but let me take my time to dispose his questions properly so that he is fully satisfied.

Mr Speaker, of all the three gentlemen that he is talking about, I am aware that one of them is from Pangia, but the other two gentlemen, I have never met and don’t know where they are from.

05/06

Mr Speaker, those allegations were made by Papua New Guineans at the time where there were a lot of issues that were addressed through the Courts and this Parliament when our country was going through some uncertain times.

I can assure this Honourable Parliament and our people that, at no time did I encourage, associate or induce anyone to make those complaints.

Mr Speaker, I can also certainly tell you that I was not aware that these gentlemen were making those complaints at that time.

Mr Speaker, as I have said, these matters have been adequately disposed of by the Courts and that is where the matter should rest. With that, I think that we have moved on from the 2011 Political Impasse.

Mr Speaker, regarding the issue of the payments that originated from my Office, I am not aware of those payments but I will have the Chief Secretary to write to the Deputy Leader of the Opposition and inform him why these texts were made. And he will also justify what sort of work this gentleman and his company did for that K50,000 payment.

Mr Speaker, there is no need for me to make assumptions and refer these matters to the Attorney-General but I will certainly get the Chief Secretary to write personally, to him to address this matter.

Regarding the fourth question about making sure that we did not continuously attack the Judiciary, Mr Speaker, for self-preservation, everybody and citizen under the *Constitution*

have rights under the Law. And the only place that they can go for any relieve of any unfairness is through the Courts.

Mr Speaker, that is how it should be dealt with and by addressing the Courts we are not attacking the Judiciary. This is because you have every right as a leader or a citizen to go and make sure that your rights are protected under the Courts and the rule of law.

I just want to remind the Deputy Leader for the Opposition.

Mr Speaker, I do not know if he was the same person who barged into the court room when the Chief Justice was having a court procession.

(Government Members interjecting)

Mr Sam Basil – Point of Order! You are misleading the Parliament because I believe that it was Honourable Francis Awesa and another Member of Parliament. I was never there and I would never walk into the judiciary office and would never do that.

Now, you stick to your questions, Mr Prime Minister.

Mr SPEAKER – Deputy Leader for the Opposition you have to address the Chair.

Mr PETER O'NEILL – Thank you, Mr Speaker.

I know that during those times that you were excited and followed your leader everywhere and I thought that you were one of them who barged into the courts as well. But when we are talking about the preservation of the Judiciary, Mr Speaker, it is such behaviour that undermines the judiciary.

Mr Speaker, was it not the same Deputy Leader of the Opposition at the dying stages of the last term of Parliament who wanted to defer the Elections for another 12 to 24 months.

(Government Members interjecting)

Mr Sam Basil – Point of Order! I have evidence here to support my questions. If the Prime Minister says that I had wanted to defer the Elections then I want him to also provide documents like these. If he doesn't have any evidence then he is just a Prime Minister who runs his mouth off.

(Laughter in the Chamber)

Mr SPEAKER – Deputy Leader for the Opposition, you will have to withdraw your remarks.

Mr Prime Minister, you may continue.

Mr PETER O'NEILL – Mr Speaker, I know that he does not like to hear these things but facts are facts. He can find them in the *Hansard* where he can read through them at his pleasure.

Mr Speaker, let us talk about facts and not be emotional and show childish behaviour. We are all elected Members of Parliament so behave like a leader.

Thank you, Mr Speaker.

Mr SPEAKER – Honourable Members, I will entertain his leave request and put it to the Floor of the Parliament.

Mr SAM BASIL (Bulolo-Deputy Leader of Opposition)-I ask Leave of Parliament to table certain documents in relation to my questions.

Objections being raised, leave not granted.

06/06

Mr SPEAKER – It is an overwhelming no. So I rule as a no to that.

Dr ALLAN MARAT – I seek leave of the Chair to ask my questions.

Mr SPEAKER – Leave granted.

Dr ALLAN MARAT – Mr Speaker, I asked a series of questions last year to the Chair about the old House of Assembly regarding the land and the development on it.

The old House of Assembly is a national heritage and also an important asset located in prime commercial area.

We understand that some officers from Parliament are residing on the land on which the old House of Assembly is located. That House was given to the National Museum to convert into a museum or a national heritage site.

Mr Speaker, you responded that you would provide your response on the questions and to date, this is still pending.

My questions are as follows;

(1) Are you able to table the Report on the subject?

(2) What is the interest of the National Parliament and the State in this important commercial development?

Mr SPEAKER – Thank you Honourable Member, I have sanctioned an independent investigation and it is completed. I think it is also important that we make the copies of that report available to the people concerned including leaders, former Members of this Parliament to give them an opportunity to also know the content of the report and to make a response when they are required to do so.

That is the current stage at the moment so I hope I answered your question.

Mr KERENGA KUA – Mr Speaker, I have attempted to ask these questions since last week to the Deputy Prime Minister who is the Minister for Provincial and Local Government Affairs, but he has not been in the Chamber and I don't know whether he will be attending tomorrow's meeting. So I would like to ask the Prime Minister so that he can discuss this matter with his deputy and get it addressed.

Mr Speaker, in 2013, Cabinet gave approval for village Court magistrates, peace officers, village Court clerks and all the councillors to be on the National Government payroll here in Waigani.

Mr Speaker, when I was still Attorney-General in 2014, I made sure that all the village Court magistrates throughout the country be included in the payroll. Only a few are not yet on the payroll and maybe the Attorney-General can take note of this and conclude it up to ceiling of 12 per village Court.

Mr Speaker, the Councillors have not received pay since the whole of 2014 and we are in the middle of 2015 and this Government owes our councillors more than one and a half years of pay. Our local level Government leaders are still waiting to this day.

(1) When will the Department of Provincial and Local Level Government Affairs go out and get names of our councillors throughout the nation, get their account numbers and give them to the Finance Minister who is sitting right behind the Deputy Prime Minister to start processing the back pay from 2014 to mid of this year?

We have a duty and it is unacceptable to our rural people that this issue has taken over 2 years to complete.

(2) Can the Prime Minister give some kind of assurance that he will direct the Attorney- General his Deputy and Minister for Finance to get our hard working councillors on the payroll in the next two to three months from now?

Mr PETER O'NEILL – Mr Speaker, I thank the Member for Sinasina-Yongomugl for his questions. I am grateful to him that through his hard work we were able to get village Court magistrates and village Court officials on the payroll. He correctly stated that there are a few of them not yet on the payroll but, I am hoping that the Department of Justice and Attorney-General will correct those issues very quickly.

07/06

With regard to the councillors, the Cabinet has approved. We like all our councillors throughout the country because of the leadership they continue to provide in our communities. Many of our communities are able to function in the rule of law as well as there is government presence in our communities. That is why we recognise the work that they do. It is important that they get paid with some amount of allowance or salary which, can cater for the work that they are doing and help them maintain their living standards.

Mr Speaker, I know for a fact that the Deputy Prime Minister has been concerned about the failed LLG elections in maybe three or four provinces. I think last week he issued the writs for those elections to be conducted. But I will certainly talk to him and give directions to his Department about all the other LLGs operating smoothly must not be held back but paid on a timely basis. We will make sure that the councillors are paid well before the next budget comes to Parliament. I will give those directions as soon as we rise from this Parliament session.

Mr NIXON MANGAPE – I direct my supplementary question to Prime Minister. In 2014 we gave K500 000 each to all –

Mr SPEAKER – Honourable Member, I think this is a new question so I will not allow you to ask it as a supplementary question but as a new one.

Mr NIXON MANGAPE – In 2014, we gave K500 000 but this year we gave only K100 000 which, is K400 000 less so can the Prime Minister tell the people of Papua New Guinea and this Parliament why this is so?

Mr PETER O’NEILL – I thank the Member for Laigap-Porgera for his question.

We are a bit tight on the budget so that is why we had to cut down their share of K500 000 back to just K100 000. However, in order to compensate for that we increased the DSIP Funds so that people like the Member for Bulolo can buy more VSATs.

Mr Speaker, I would like to let the Member for Laigap-Porgera know that we have allocated an extra K5 million in all the districts so I am certain that LLG presidents are part of that District Development Authority Board formally the JDPBPC. I am sure we can allocate funds and some of us are doing that. But I want to assure him that we will make sure that we restore this funding in the 2016 Budget.

Mr RONNY KNIGHT – I also want to direct my question to the Minister for Inter-Government Relations but since he is not here, I will direct it to the Prime Minister.

Mr Speaker, Manus is a unique province in this country in the sense that it has one open seat and one regional seat. This is a major handicap in service delivery to our people. The office of the Open Member for Manus is the only one without a dedicated district administrator. We have a new position for director district governor but it is still not enough as we are still facing problems.

Mr Speaker, in land area, Manus is probably the second largest province in the country and my people are scattered all over the archipelago. In the worst of times, service delivery is a nightmare.

Mr Speaker my questions are as follows:

(1) Could the Prime Minister and the Minister responsible include Manus in the boundary commission review as a matter of urgency?

(2) Can they consider Manus’ need for two districts dividing the province north and south to put to rest all these impediments we face and put Manus on the same page as all the other districts?

This is so we can have two Members of Parliament to allow for equitable service delivery. Manus does not want to remain unique.

(3) Can this be done before 2017 for inclusion in the next election?

08/06

Mr PETER O'NEILL – Thank you, Mr Speaker and I thank the Member for Manus for his questions. I want to assure him that I will refer this matter to the Inter-Government Relations Department to address that.

However, I just want to advise him that we have set up the District Development Authority but that does not stop him from setting up a new administrative structure for the Manus District that will be apart from the province.

The Member can liaise with the Public Service Minister and his department for us to create a new structure so that he can be assisted in delivering the basic services to our people in the remote islands as he wants to do.

I think it is timely, the population of Manus is increasing and the demands over the attention of our public servants are increasing and it is important that under the new structure, you set up a mechanism where this can be made possible.

Mr SASSINDRAN MUTHUVEL – Thank you Mr Speaker, I want to direct this question to the Planning Minister and I ask the Minister for Health to take note.

The ADB's Rural Health Infrastructure Development Programme in West New Britain plans to build three community health posts. That project is being delayed because of some stringent regulations of the bank, for example they want to have titles before they start building those community health posts in a very remote area. While the delay is going on people are suffering and some have already died. This programme ends in 2018. By the way that things are going on, this may not be delivered.

Can the Minister ask for some relaxation of these conditions so that the projects can be started and completed before 2018?

Mr CHARLES ABEL – Thank you, Mr Speaker and I thank the Governor of West New Britain Province for his question relating to the ADB Rural Health Programme.

It's a very important programme and we are grateful to our development partners, including the ADB even though it's a concessional loan, for their assistance in such programmes.

I know that the community health posts, which is slightly new concept brought up through the Department of Health but it's a very critical programme that relates to providing health services right down to the ward level. This is fundamental to accessing and delivering health services to our people.

I'll be tabling the MTDP 2 shortly, but in terms of health delivery a community health post is the basis of getting health services down to the ward level because it is a slight upgrade from the aid posts concept that we have. It will mean at least three health workers down at a properly resourced community health post, including housing and medicines and so on. It is fundamental and this programme is very important.

But I take note of the issues that the Governor has raised in relation to West New Britain Province and the titles and so on.

Mr Speaker, I can't give an immediate undertaking right now, but after this session I will look at those particular issues and try my best to raise them with the ADB in terms of how they relate to West New Britain and also in terms of how they relate to the programme generally, particularly the concerns raised that if these issues are not resolved they may affect the rolling out of the programme which will conclude in 2018.

So, I undertake to deal with the Governor and take those issues and take them up with the ADB, thank you.

Mr KILA HAODA – Thank you, Mr Speaker, my question is directed to the Minister for Education, Honourable Nick Kuman.

On Wednesday 27 May 2015, on page seven of *The National* newspaper there was an article on the burning down of a boys' dormitory at a high school following a dispute between two groups of students.

There has also been numerous news articles on school fights, students engaging in drug activities and so forth. These activities have now become a culture in our schools.

Mr Speaker, we send our children to school to be educated, not to be engaged in school fights, drug related activities and so forth.

It appears that the students do not appreciate our efforts and concerns. These activities are now frequent and prevalent in our schools in our country. The O'Neill-Dion Government invested subsequent amount of money under the Free Education Policy for the well-being of our children.

What remedies and action plans if any, does the Government have in place to remedy this type of situations for the students who behave this way in the schools?

Mr Speaker, thank you for allowing me to ask this question, while we have student in the audience.

Mr NICK KUMAN – Thank you Mr Speaker. I thank the Governor of Central for this question. Let me begin by saying this, we have serious problems as far as school management in the country is concerned, in terms of discipline and that boils down to the parents, the management of the school, both the board and the governing councils and also the communities surrounding the schools right through the country.

On May 15, we had a situation in Iyom high school in the middle Ramu. The students, with the help of group of people living around the school, burned three classrooms and a teacher's house. The school is now closed. About seven or eight days after, the Holy Spirit high school had its four-in-one double dormitory which houses 300 students burned down. Both of these were to do with student behaviour and discipline issues. The middle Ramu case was to do with relationship between a boy and a girl, while the Bogia issue was to do with a student sent home as a result of discipline. The student returned to the school and retaliated by burning down of the dormitory.

We have guidance officers in all these provinces. The high schools and secondary schools are schools where the students are matured and we expect some responsibility among the students themselves but that has not been the case. We have policies governing student behaviour management in all the schools as via Secretary circular which goes out to the schools every year.

We expect the school management to ensure that discipline is a priority for the students that come to school. I am not going to say that the school has failed, I am going to say that it goes back to the parents. The parents of this country are supposed to discipline their children in their homes. The discipline must stop them from having immature boyfriend-girlfriend relationships.

10/06

They must be discouraged from using mobile phones and other things that will distract them from concentrating in school.

These are the problems that creep quietly into our societies as a result the behaviour of most school age children in the country is over influenced by modern technology.

Education is everybody's business, from the parents' right down to the school and to the communities that surround the schools. Communities must be responsible and protect the schools' properties, staff and students. Who will repair the damaged classrooms and teachers' houses? We are not going to go back and re-invest in those schools again. The consequence of property damage and school fights and others will fall on our children and all of us.

Next week the grade tens will sit for their written expression exams but the students in Middle Ramu will miss out because the school there has been closed and all students sent home. The teachers have also been re-assigned to other schools. For students in Bogia, only Grade 10 students were asked to return to classes last Thursday, to allow them to prepare for the written expression exam.

This shows that we all have a responsibility towards our children, to ensure that they are looked after in school, in order for them to become good citizens of this country in the future. But we cannot tolerate senior students who want to behave like criminals in the country.

Schools are established to educate for the future welfare of students, their families and the country. Do not sit around and expect to be spoon fed. Parents of this country must take some responsibility to ensure that their children are safe and learning in school. They must first be disciplined at home. It is a serious issue in the country and as leaders of this Government that is investing a lot in the education sector, we want to see good results, both academically and through good discipline.

Mr James Gau – Point of Order! The question was very simple and straight to the point. What is the Government doing or going to do to remedy the situation?

Mr NICK KUMAN – I believe I have answered the question.

Supplementary Question

Mr JIM KAS – (1) Can the Minister, propose a legislation to ban mobile phone usage for students in the country.

(2) Can the Minister also bring a legislation into Parliament to ban school fights?

In relation to what the Minister has mentioned, I travelled last week to all schools in Madang to talk to students; telling them the possibility of PEC introducing decision on banning mobile phone usage and school fights in Madang Province.

Mr NICK KUMAN – Thank you, Governor. Let me put it this way; the technology is both good and bad for the students. It is how you use the technology or the gadget that defines its character and usefulness. A smartphone is handy for students to research on assignments and homework and other activities as required academically by the school or teacher concerned. But it also has a bad influence of students using it to access obscene subjects online.

In the Education Secretary's circular that goes out to schools in the beginning of each academic year. Schools are reminded of what to do and what not to do and while the mobile phones are seen to be the cause of some of our school problems it is also good for students academically. The responsibility is on the schools and their board to come up with stringent rules to control and manage the policies to ensure safety of the students and the schools. The circulars provide directives to all schools in the country.

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Secondly, we all know that all education systems from the elementary level to secondary level are the responsibility of each province in the country so we need to take some leadership at the provincial level.

There are provincial education boards, provincial education advisors and the officers in the province and then you have standard officers in all the districts and you have the teachers and head masters in each district. We make sure that we play our path in managing the students that we have in the school.

Fights occurring in the school comes out of discipline issues, or from cult issues and these are manageable issues. Let's not go into a system where we will legislate it and then control the students in the country, we will imprint into the *Constitution*.

So, those are the issues that as leaders we have to be careful but I think it is all to do with management issues with students in the country.

We have policies in the country and we are aware of one or two schools in the country or even ten schools in the country who have continuous fights in the schools. We have to make sure that we follow up so that we have a constant dialogue between the Government and each of the schools in the provinces and there are one or two provinces that have serious problems like this and that is the same thing that applies to the tertiary institutes as well.

We have students issue every year, they go into boycott and close down the schools so we must take responsibility in terms of students. They are there to get themselves educated, not to get into policies like this.

I suggest that we will not ban the mobile phones in the schools but we have to manage those mobile phones in the school system.

Thank you.

**DEPARTMENT OF NATIONAL PLANNING AND MONITORING-
MEDIUM TERM DEVELOPMENT PLAN 2, 2016-2017 –
PAPER AND STATEMENT –
MOTION TO TAKE NOTE OF PAPER**

Mr CHARLES ABEL (Alotau-Minister for National Planning and Monitoring) – I present the following Paper:

*Department of National Planning and Monitoring –
Medium term Development Plan2, 2016-2017*

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

Leave granted with the paper.

Mr Speaker, you will note that we are tabling the relevant document which is the *MTDP 22016-2017* but there should be also a supporting document called the NSRSD which is the National Strategically Responsible Sustainable Development which of course was endorsed by Cabinet and launched by the Prime Minister in April, last year.

Mr Speaker, what we are doing now is continuing a series of activities that has been conducted by the Department of National Planning and Monitoring that is leading ultimately to a *Planning Act* that will be tabled in the next session of Parliament.

Mr Speaker, following the elections in July 2012, the leaders of the Coalition Government already outlined 78 key national priorities in the *Alotau Accord*. One of these priorities was the review of the Development Strategically Plan 2010-2030 and reviewing also the Subsequent MTDP 2010-2015 with the view to ensuring g that they were truly strategic and aligned with the Vision 2050.

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Mr Speaker, on 2 October 2013, the National Executive Council Policy Submission N0. 243/2013 approved the adoption and use of the Sustainable Development Paradigm as the guiding principle for the review and update of our long term development plans DSP 2010-2030 and MTDP 2011-2015.

The revision of the DSP 2030 led to the framing of the National Strategy for Responsible Sustainable Development, referred to now as the StaRS, which was formally launched by the Prime Minister in Alotau on 2April, 2014.

The review of both the DSP 2030 and the MTDP were undertaken against the backdrop of the awareness that PNG would be turning 40 years old as an independent nation this year 2015, and that such reviews needed to re-examine our development progress as a nation and the objectives and path it has chosen to achieve these objectives.

Mr Speaker, this reality check is a wake-up call because despite an abundance of natural resources and a relatively low population PNG today finds itself off track on all the Millennium Development Goals and ranking poorly on global indicators relating to corruption and human development.

Mr Speaker, the O'Neill-Dion Government was cognizant of these realities when it took office. Together with the knowledge that global circumstances have changed in terms of the consciousness around sustainable development and how it relates to population, the environment and climate change, it posed these questions the Alotau Accord.

- Are we pursuing development plans that are truly strategic in the long term?
- How can we improve on our development performance, position PNG for the long term, and deliver broad based socio-economic improvements to the lives of our people at a faster rate?

- What are our guiding principles as a people and are we being true to them?
- Given our natural environmental and cultural assets how can we build a modern economy that sustains us, provides solutions to the world and is responsible?

Mr Speaker, the Vision 2050 sets the long-term goal for PNG to be in the top 50 countries in the world in terms of the Human Development Index by 2050. This vision is ambitious but is achievable if we disciplined ourselves as a country to be smart and responsible in our development endeavours.

However, Mr Speaker, the Development Strategic Plan 2010-2030, Medium Term Development Plan 2011-2015 (MTDP1), and the body language of successive governments through annual budgets had placed too much reliance on maximizing economic growth based on extractive industries and primary resource exportation.

Mr Speaker, such growth strategy, based on the model of the industrialised countries, is partially necessary in short term but if continued and too much focus on natural development path will inevitably lead to the further exhaustion of our overdrawn environmental / natural resources account to be affordable into the future without bankrupting the account.

Mr Speaker, the StaRS document is being circulated at the moment. It will show profits on our present day national balance sheet but our children will inherit the losses in the future, and ultimately it will not be a responsible strategy.

Mr Speaker, against this background and the directions from the Alotau Accord, the National Strategy for Responsible Sustainable Development offers a new development paradigm, one that is based on the principles of greater responsibility and prudent stewardship of our naturally endowed wealth. It prescribes new guiding principles for development that recognize and elevate the National Goals and Directive Principles of the *National Constitution* and attempts to align our development actions with them.

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StaRS also called for individual and collective action based on the new paradigm and the 'PNG Ways', and further explains that such approach to national development places PNG much better economically in the long term as well.

Mr Speaker, building on the responsible development prescriptions of the StaRS, the Department of National Planning and Monitoring reviewed and framed the Medium Term Development Plan2 2016 to 2017 (MTDP2). We know their five-year development plans but

in this particular case part of the objectives which will be explained further is to align the development plan with the political cycle. So bring in line with the five-year parliamentary cycle as well to give the development plans so that's why you will see that this MTDP2 is only for two years, so it makes it concurrent with the political and electoral cycle.

The overarching goals of the MTDP2 are:

- Increasing the countries Human Development Index (HDI) rating in 2016 to 2017 towards PNG becoming one of the top 50 countries on the HDI by 2050; and
- Achieving this by and through becoming a world leader in responsible, sustainable development.

Mr Speaker, this MTDP2 will be in place for two years only and describes the priorities and actions of the O'Neill-Dion Government with a five-year outlook from 2013. This timeline will allow the development planning process to begin to align with the five-year parliamentary cycle.

The previous MTDP1 concludes in 2015, this obviously comes in the middle of a political cycle and may have developed by previous Parliaments and it may therefore, not have the political drive that one would hope and accept and it is only appropriate that the five-year plans align with the political cycle. And any new incoming Government has the opportunity through the Department of Planning and the other agencies to construct a five-year plan but those plans of course are linked to the higher level of overarching vision 2050 and this strategy called the StaRS, as I will show you through the document in detail. There is a planning framework that is also established by this MTDP2 that links all these things right down to the annual Budget process through this *Planning Act*.

The MTDP2 will also begin the shift toward a more sustainable economy through the introduction of necessary indicators and targets aimed at creating the enabling environment to grow the economy while ensuring proper management and use of PNG strategies assets. Strategic assets that are of global significant and if we manage them properly they are the basis for the future PNG and they also provide solution to some of the issues that the world crying about at the moment.

Mr Speaker, to achieve this, the Government continues to focus on the sixteen critical activities identified under its critical activity matrix. These activities will deliver expenditure and revenue reforms; and innovate implementation and procurement practices. This allows the Government to maximise investment in critical nation building activities and grow the future of PNG.

Mr Speaker, under the current development paradigm natural assets such as forestry, bio diversity and eco-cultural tourism, fisheries and tuna, agriculture, water resources and clean renewal energy are considered to have exploitation value only. But these assets, in particular forestry, tuna, water and biodiversity are globally significant and expected to grow economic value and as such are classified as strategic assets.

Not just assets in a normal sense but they are globally significant and therefore, they are considered as such in our development plans. We have to make sure that by following the traditional development path we don't undermine those particular assets but we give special attention to them and that's what this MTDP2 does.

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Therefore, under this MTDP2 the investment will begin to focus on developing these strategic assets to meet the needs of the current generation as well as the future generation of Papua New Guineans.

Mr Speaker, in the new economy, these strategic assets will act as the pillars of equitable and sustainable growth together with the current growth drivers such as our mineral and petroleum assets. But under a new fiscal regime which our government is pushing and that is why the Sovereign Wealth Fund is so important. In terms of a sustainable future, how do we convert these non-renewable assets such as petroleum and mineral wealth into and through a mechanism that leaves some of the funding for the future. This will also create a constant perpetual income stream for Papua New Guinea which basically should run forever.

When these mineral assets are gone we would have converted them into assets that continue to give Papua New Guinea forever because they have such a significant and huge value.

Minerals and petroleum are only one form of strategic assets.

(Mr Sam Basil interjecting)

Mr CHARLES ABEL –I would like to remind the Deputy Leader for the Opposition that there are other strategic assets as well. And I will show you in this MTDP that this Government is serious in terms of how it's addressing logging, fishing and agriculture. These are underlying factors and we can feed the world and energise the world.

Mr Speaker, other critical area that we have been talking about and we have already launched the Population Policy which is Population. The population growth rate of a country is also a very critical development variable that we cannot just ignore and treat is as it is given. We need to recognise it as an underlying development variable at a macro level as well as at the micro level in terms of how we empower families and women.

The annual growth rate of Papua New Guinea is simply too high at 3.1 per cent. Whilst we would love to have as many children as possible and that they are a blessing from God but from a development standard we just have to do it in a manner where we have to be responsible. This is so that we can make sure that every Papua New Guinean has access to all the fundamental rights like health and so on.

If we are having a population that is outgrowing the economic growth it will be always difficult to provide for them. Therefore, we will enter into this vicious cycle of poverty and so this MTDP2 also elevates and recognises as you can see written that the number two goal apart from the Human Development Index, you will see that population is number two. And we have got clear objectives and targets in this MTDP that makes families to have reasonable access to education and family planning. This is so that they can make informed choices and decide how many children they want to have and hopefully make responsible decisions and look after the children that they have.

Mr Speaker, on that note, the country's fertility rate of 3.8 births per female at the moment is difficult to sustain in terms of responsible development. Our government has already begun to address this issue. We have the Population Policy and we are already investing with some of our development partners and with the Department of Health to address this issue immediately. And I have already mentioned during Question Time the Community Health Policy which is an important part of delivering these services right down to the community level.

You will see in the MTDP that there is a National Service Delivery framework that prescribes the minimum level of services at the regional, provincial, district, LLG, zone and ward levels. Under health for example, you will see that we are prescribing that every ward should have a community one health post.

This MTDP talks about population but it also brings specific targets in terms of the growth rate and it also brings how we are also going to actually action it through the DSIP, clear service delivery framework, the funding that our government is providing and through minimum services. At each of those levels this MTDP will provide the additional clarity not

all from a planning framework but a National Service Delivery framework, and I will show you some of these pages if time permits as we go through.

Mr Speaker, securing a stable, robust and resilient socio-economic future for the country as is the intention of StARS and MTDP2 will be distinct in that enabling law.

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The Planning legislation is proposed to bring greater discipline into the whole process of aligning resource planning, budget framing and fiscal policy with development policies and plans.

In this way the integrity of the process of development plans and policies directly influencing the architecture of fiscal policies is realised and maintained.

Mr Speaker, the proposed Planning Bill will give effect to the Planning and Monitoring processes. It will establish the National Planning Framework, the National Service Delivery Framework and the National Monitoring and Evaluation Framework and it will link the National Budget to the MTDP through the Annual Budget Framework Paper.

Mr Speaker, for the first time with a very specific target in this MTDP2, they will actually be linked to the budgeting process through this proposed Planning Act, so that our long term plans will be linked quite clearly through a process which is the Annual Budget Framework Paper to the Annual Budget.

Mr Speaker, the National Delivery Framework in describing and as explained will establish minimum basic core service requirements for all levels of Government and will introduce a service delivery centre network that will be based on population distribution and geography.

Mr Speaker, this framework is a big step forward in the delivery of front line services. It provides a vehicle for greater access to goods and services for our people, delivered in an efficient transparent way. It also aligns our planning processes with the Government's sub-national empowerment policy of devolved responsibility of service delivery from national departments to provincial, district and local governments and administrators.

Mr Speaker, I don't have to say too much more on that. You know the emphasis this Government is providing in terms of Sub-National Empowerment, District Development Authorities, the funding that is going down. The amendments to the *Public Finance Management Act* and so on. At that level it is all about clarity, resource and capacity building. That is where services are delivered.

Mr Speaker, for this Medium-Term planning approach to yield the desired result, it must be properly resourced and effectively implemented. The MTDP2, will be supported by important reforms by public resourcing implementation and procurement which are already contributing to the necessary enabling environment.

Mr Speaker, key Government reforms supporting this new development paradigm include;

Sending debt and deficit targets under the Medium Term Fiscal Strategy to provide ongoing private sector confidence in the Governments fiscal position and return the National Budget to balance or a close to by 2017;

- Moving forward with a Sub National Empowerment Policy increased in provinces, districts and local level government funding under the PIP, DSIP and LLG programs.
- Very importantly, aligning donor partner funding to the Government Operational Strategy and Development Planning.

Mr Speaker, we will be launching the Foreign Aid Policy in a couple of weeks to add to that.

- Facilitating innovative procurement strategies including private partnership to improve access to goods and services at the local level.
- Very importantly in this MTDP2 is our efforts to improve procurement of goods and services not only to the Government process but through partnerships that we have been doing for example like the YWAM, the Government and Church Partnership, health and education partnership with our churches, with MAF through the new rural Airstrip Authority through the Government launched by our good Civil Aviation Minister.
- Reforming State-Owned Enterprises to improve revenue returns and enhance competition.
- Increasing transparency and accountability of a National Budget Process to provide better value, budget allocations, for operational capital projects and as I have explained,
- Establishing the Sovereign Wealth Fund to manage mineral sector revenue and to insulate the PNG economy in the National Budget from commodity volatility.

Mr Speaker all these reforms are already beginning to yield positive results.

The MTDP2, is designed as a useful tool for governments and administrations to guide them in their preparations in the sector plans, resource planning and budget submissions.

It identifies these strategic directions and priority sectors for Government investment and the main indicators and target needed to meet these objectives and provides agencies with assistance in meeting new service delivery standards.

Mr Speaker, under the National Monitoring Evaluation Framework, lead agencies will continue to be responsible for monitoring and reporting on the progress of their programs and activities.

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Mr Speaker, understanding the objectives of the MTDP2 and using it to guide all our development endeavours will make the difference between its success and its failures.

As national leaders, you all know that development plans are only as good as the commitment accorded to them by the citizens of this nation individually and collectively, and in particular leaders.

Accordingly, as Minister for National Planning and Monitoring, I commend this plan to the nation and its leadership and urge the lead agencies and sectors to truly respond to the challenge of integrating the principles of StaRS in sector growth plans as well as meeting the growth targets prescribed by the MTDP2

Mr Speaker, I am coming to the end and I call on all the Members of Parliament to embrace the new paradigm prescribed by the StaRS and the MTDP2 by internalizing the principles in our *Constitution* and trying to make sure that we are truly responding to those principles and not trying to follow the West. We are trying not to be somebody else when the principles that are coming through this StaRS and the MTDP2 are already in the *Constitution*. It is nothing new in the Vision 2050.

We hope to internalize these principles and not only bring them through our development plans but the idea is that we collectively or individually live those principles of responsible development.

Mr Speaker, by allowing ourselves to submit to the discipline of being guided by the strategic plans we adopt such as the MTDP2 and the principles of responsible development espoused by StaRS we will be able to realise the true meaning of ‘PNG Ways’ and be truly strategic in our understanding of the context of historical experience and the strategic in our understanding of the context of historical experience and strategic positioning of our country in the new world consciousness and order.

Mr Speaker, accordingly, it is with great pleasure that I commend the MTDP2 to the nation and the people of Papua New Guinea.

In closing, I want to thank my Cabinet colleagues who have been involved in this process in bring this forward. I also thank the Prime Minister for launching StARS and his support for this MTDP2. The directions from Cabinet include that a public service committee be formed and the leadership of the Treasurer and the Public Service Minister will take this process through the CACC to ensure that our sectoral agencies begin to align to the specific goals that sit at the back of this book.

We are not going to be getting down to detailed sectoral plans. We are only setting the overall target. It is the sectors themselves that will come up with the action plan to achieve those targets and planning will sit back and monitor and keep the alignment there.

Mr Speaker, you will see in this book that there are 3 main frameworks that it introduces. One is the planning framework that I have described. I do not want to take up too much time but if you look at the way this document is set out you will see that it is quite simple for you to understand.

For example, if you look at the diagram on page 16, it sets out our simple paths to our development plans to hit the Vision 2050 target. It sets out the planning and monitoring cycle on page 17. If you look at page 18, you will see the basic planning framework there which is the *Constitution* and Directive Principles and StaRS which are the two pillars.

You will notice that the 20 year plan which is the DSP 2030 is putting the checkers there because we are stating it out. What we are going to be concentrating more on is the 5 year MTDP with the detail operational plan to just make sure that they prescribe to the underlying principles. We will try not to be too specific things like 20 years and 25 years plan.

We are going to concentrate on 5-year plans that align with the political cycle but they are forced to stick to the underlying principles of responsible development through the *Planning Act*. Incoming governments through the Department of Planning should publish their 5 year MTDPs. In other words, we have aligned them together.

You can also see that we have got our service delivery framework which, I should have earmarked the particular pages. If you look at page 28, you will see an example of the national service delivery framework using health as the example.

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For example, I mentioned the community health posts, right at the bottom. You will see council ward headquarters, and there's a community health post. It is linked by communications and transportation networks to the next level which is the zones headquarters.

Still on page 28, the zone headquarters which has a rural health centre is linked to the local level government headquarters. It has an urban health centre linked to the district headquarters and has a district hospital. Provincial headquarters has a provincial hospital and the regional headquarters has the referral hospital.

The simple structure is given there with a simple example but in this document is a table with the details of the minimum services that we are prescribing. If you look at page 41 you'll see the minimum services that are prescribed there, and you'll see at the bottom there, 'council headquarters'. So each ward council should have a minimum of an elementary school, a community health post, a village court magistrate, a peace officer, water and sanitation. And then we have got different levels of responsibility.

As you go over to the priority sectors, you'll see the 16 critical activities on page 47 and when you look at those critical activities you'll see that critical activity number one is planning and monitoring.

So this Government is saying that under Planning and Monitoring, let's get the plans right first. And this is this process that I am bringing here today, including the Planning Act.

Number two is the resourcing and financing of those plans and this is the budget process that we've been going through, deficit budget financing and then coming back to balanced budgets.

Number three is Implementation Procurement, getting procurement right and one of these is the DDA, getting the sub national empowerment in place.

Number four is Priority Infrastructure, we've listed the Highlands Highway and ports and all the main infrastructure.

So, I will bring the Critical Activity Matrix Report next and I will bring the PIP Report after that.

In the Planning Act the Department of Planning is obliged with the annual budget process to bring the human development index report, to bring the Critical Activity Matrix Report, to bring the PIP Report, to bring the scorecard that shows how we are achieving our targets. At the back of the MTDP2 you will see all the targets that are set there.

Many of these targets are nothing new, they are just the traditional education and health targets but they include the minimum infrastructure levels in the services delivery framework.

So, Mr Speaker, this is what this is introducing.

I want to also say in closing, Mr Speaker, we've got some fairly responsible developments agenda. When I talk about responsible development you will see here in our targets, for example, under forestry this Government is committed to banning the export of round logs. It is quite clearly shown here, we are going to bring in a policy and by 2020 we want to phase out the export of round logs and we want the industry to come onshore.

You will see also on tuna that we are committed to the banning of the transshipping of tuna from this country. We will create onshore industry, create employment and we can feed the world as well as feed ourselves.

Things like water, we want to begin selling water into North Queensland and generate hydroelectricity. These are things which can really position ourselves going forward in the world.

So, Mr Speaker, I think I've taken up enough time but I commend this document to the Parliament and I thank this Government, this Cabinet and all the Members of Parliament for their support and I encourage us all to take a little bit of time to have a look at it.

It's not just about the high level responses to development but it's also about the detailed activities that this Government is already doing towards changing Papua New Guinea.

Mr Speaker, I look forward to bringing in some of the implementation reports that we want to table on this Floor of Parliament to show how this Government is turning around some of these underlying development indicators for the benefit of the citizens of Papua New Guinea.

Mr DON POLYE (Kandep - Leader of the Opposition) – I move –

That the Parliament take note of the paper.

The Opposition would like to debate on these policies.

Mr Speaker, I look on these policies and see that the cover pages of both documents are so beautiful and the inside content also looks also beautiful with all the pictures of young Papua New Guinea children being depicted. And it looks like the Bird of Paradise.

18/06

Mr Speaker, it is a beautiful document just like the Bird of Paradise, but I would like to remind us, or probably some of us might have had the experience of coming across the Bird of Paradise, that when the bird fly and perches on trees, you will love it because it looks so beautiful and mesmerizing. You want to touch it and experience it. The people of Kandep have hunted down Birds of Paradise many times to use as head dress. I have seen the bird. With due respect to the Bird of Paradise, our national bird, when you take out all the feathers or the wings which is all the beauty surrounding that bird, the actual bird itself is bones. You cannot even make a feast out of it. I would like to say that the Government's policy that was handed down today is full of bones. There is nothing in it.

(Members interjecting)

Mr DON POLYE –You watch and I will prove it to you. I will debate it.

Mr SPEAKER – Please address the Chair.

Mr DON POLYE – Mr Speaker, the title, National Strategy for Responsible Sustainable Development or StaRS, is a very flowery fancy word there. It has been carefully chosen by the intellect of the Minister for National Planning, I know him. I have a lot of confidence and respect for him, but under this Government, the papers that he has presented are like the birds of paradise with no flesh in them, only bones.

Mr Speaker, since there is a lot of mumbling over there, the best way that I can assess this policy is by way of the Government's past records then there will be no mumbling. I am now changing my tone of approach, I will discuss the records of this Government as compared to responsible sustainable development and fiscal discipline.

The O'Neill-Dion Government is not a responsible economic manager, as seen in this policy. I don't have to go through a lot of examples to prove my argument. The first point, the Treasurer and the national Finance Minister of the Government have very differing views about the economy. The Finance Minister said there is a lot of liquidity in this economy when a question was asked. A day after that, the Minister for Treasury said we had to be careful because the features on the 2015 Budget has changed. So who is right, who is telling the

truth? Because when there is a lot of liquidity in the economy, that means there is cash flow, the foreign reserves are high, there is confidence and hard currency coming into the country to beef up the foreign reserves and there is interests made and business is thriving. We have now run out of money, the Treasury Bills have now been bought by the economies and business and the Treasury Bills interest stocks are being sold and successfully being bought but at the moment that is not what's happening, the Bank of PNG is buying back its own bonds. We have a kina that is being packed temporarily, the foreign reserve is down and the revenue is being affected.

Mr SPEAKER – With due respect, Opposition Leader, we have a paper we are debating on.

Mr DON POLYE – Yes, I am coming to that.

Mr SPEAKER –Well the *Standing Order* does not allow you to digress from the Paper.

Mr DON POLYE – So my first point is, the Government is not responsible because of the very fact shown from the record that there is no responsible economic management. How can it be responsible enough to implement this Bird of Paradise looking paper?

19/06

Let me go to the next point because this is creating some arguments over there.

Fiscal Discipline and the budget short fall; the Government was doing very well but you need money to implement the budget. That is why the Minister for National Planning has on responsible fiscal management. He used the word, sustainable development and that comes from comes from the fiscal aspect of the economy.

And the Budget now has a shortfall of at least of K2.5 billion that the Government is supposed to be raising in terms of assets. But it has not raised it yet and that is the basis of the deficit that leads the Budget to a 30 per cent GDP, but now with the shortfall, it exacerbates the situation. So we are in fiscal discipline dilemma.

With the Prime Minister and announcing and spending things free, without a sense of controlling the fiscal aspects of the Government expenditure; you will never implement the

programs. This is because you have not implemented the fast MTDS. So this bird of paradise has only bones. This budget is going outside the basket and you don't spend outside the basket.

To talk about the future implementation of such a policy, you have got to exercise discipline within the budget now. That is the record with which you prove to Papua New Guineans that this is a responsible Government and therefore, we will see the same tradition but the Government has not shown that discipline and it has failed.

Mr James Marape – Point Of Order! The very learned Opposition Leader, and former Treasurer is banting on from hearsay. We are in the middle of the fiscal year, what fundamental basis does he have to say that we have missed that?

Mr DON POLYE – Mr Speaker, this a debate and I am debating on the paper, with the words they have used and am only defining them. I am talking about the fiscal discipline. And some of the contracts that the Government is awarding are really worth discussing.

Do you think that Papua New Guineans in the village are not aware of these? They do, they know about these things but are illiterate or not interested to bother. There is no discipline by this Government and there is no guarantee that this policy will be implemented.

You are continuously breaking the *Alotau Accord* and cannibalising all the parties on the Floor of Parliament that the Accord talks about. It is a cannibalisation tactic used by the ruling party and cannot be used. What *Alotau Accord* are you referring to? The one you breached, which has no value and meaning to it?

A responsible ruling party would protect the interests and integrity of other coalition parties, you do not break them. You should always protect and support them.

20/06

Mr James Marape – Point of Order! Mr Speaker, the context in which the Medium Term Development Plan and the Strategy that the Minister for Planning has outlined and the reference to another account relates to the Principle Policy Document of this coalition party and nothing to do with politics or the political structure.

Mr DON POLYE – Okay, Mr Speaker, since I am bothering the Minister for Finance I will go to the next point.

But, I made my point, don't consume or cannibalise other parties if you are talking about that kind of Accord. Be disciplined, it goes with your fiscal discipline as well because you cannot represent all of Papua New Guinea. We are a diverse culture of 1000 languages, not one party can run this country. All the parties on the Floor must run this country collectively, not only PNC.

(Laughter in the Chamber)

Mr John Pundari – Point of Order! Mr Speaker, no one cannibalise you. You are a leader, you made your decision and you moved to where you had the confidence in the leadership.

(Laughter in the Chamber)

Mr John Pundari – Mr Speaker, for the Opposition Leader to come and tell us that we are cannibalising leaders on the Floor of this Parliament is too low.

You better ask him to withdraw that childish remark. A lot of Members in his party must have lost confidence in his leadership.

Mr SPEAKER – Minister, I think we are matured enough

Mr DON POLYE – Mr Speaker, knows very well that I am talking about parties.

Mr Speaker, with due respect, I will divert from the *Alotau Accord* and move onto my other point.

The fourth point that I want to raise is about the disparity and the distribution of wealth in Papua New Guinea. You are talking about the Kutubu distribution of wealth.

Mr Speaker, when the Minister for Planning is talking about sustainable development he is talking about equally sharing that wealth throughout Papua New Guinea to improve the per capita income of every citizen, to find employment and share the wealth. Not just a few people will become billionaires while others are very poor living in dejected poverty.

Even that one billion must be shared equally in thousands amongst Papua New Guineans. This Government it is synonymous with disparity of distribution of wealth, it is so clear and obvious. Apparently, it is clear in everyone's mind that the O'Neill-Dion

Government does not stand for equal distribution but it stands to promote a very concentrated distribution of wealth, getting all the wealth of Papua New Guineans concentrating on few people and places.

Mr Speaker, you have reminded me to be factual and I have been factual, pointing out your so called Kumul Flyover that I don't even drive on.

(Laughter in the Chamber)

Mr DON POLYE – Mr Speaker, how can the Prime Minister drive on the flyover and say Papua New Guinea is modernising when the Ramu Highway has four bridges that need the flyover there to serve the thousands and millions of people on that road.

Mr Speaker, come on, this is just a bird of paradise-looking paper, it is all bones no meat is in there.

There is so much infrastructure development, in Port Moresby. What is the economic rate of repair here?

I am not saying it is bad, it is good to put a grand building but you must do it not at the expense of the suffering of other Papua New Guineans.

21/06

Mr Speaker, look at the highlands highway. I heard the Minister for National Planning and Monitoring painting a good flowery picture of the highlands highway and yet he is not giving bonus to the highlands highway.

I drove from Mt Hagen to Goroka and to the Prime Minister's electorate last week and it is in a mess. I am speaking from experience because I did my ground work. I am not like a Bird of Paradise flying about aimlessly.

Mr Speaker, when we talk about sharing wealth to the people of Papua New Guinea, we are talking about SME and yet I see big companies flourishing at the cost of SME when they are not Papua New Guinean-owned companies.

The Opposition welcomes investment into this country, but not at the expense of Papua New Guineans. We should not thoroughly give business to them unless there is a partnership in place but I fail to see because the Government is giving them business all the time.

I will not name but if you want me to be factual then let me give you a fact. Recently, about 180 security personnel in Port Moresby General Hospital were sacked after being employed for over 18 years. They were displaced by the International Security firm called Black Swan. This is not tolerable nor acceptable because 180 people were displaced by a foreign security company and other Papua New Guinea owned Security Company.

Mr Speaker, Black Swans seems to be getting all the security contracts in the hospitals within the city. Is that not an example of disparity of wealth distribution?

I heard the Minister for National Planning and Monitoring say LLG's and sub-national support and the DSIP. Now prove to me that you have taken K400 000 out of the budget from the LLG and allocated K5 million to districts under the MPs. How do you justify taking K400 000 out? You should have added more and allocated K1 million per LLGs as there are only 314 LLGs in Papua New Guinea. What about the issue which was mentioned by the former Attorney General. They are not budgeted and yet you are talking about sub-national support.

You cannot integrate the LLGs leadership and the government at the third level with the national level. The third level must be respected as a standalone independent third level government. So, what the National Planning and Monitoring Minister is saying is not true. It is wishful thinking, lip-service and bird of paradise, only bones for the people and the meat is yours.

Now, that brings me to make my second last point on the delay in some very important organisations which were set up by the O'Neill-Dion Government. These organisations support and promote corporate and good governance. All the good things that the moneys were spent on should be properly accounted for. If somebody was doing illegal activities then these bodies are to re-align them. It is a very important part of the program. You cannot do without them. They must have very strong strategy to ensure that these funds bear fruit at the end.

Mr Speaker, you have heard of the Independent Commission Against Corruption who support and advocate. I was there with the Prime Minister and I gave him the fire to do that and now that I am now with him the fire has gone off.

Mr Peter O'Neill – Point of Order! The Opposition Leader is very excited in debating this particular paper but on ICAC, he knows very well that the papers are before the Parliament Clerk. The Clerk has already gazetted it and the Opposition Leader knows that.

We have to follow process and not to take short cut, like he normally does.

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Mr DON POLYE – The Prime Minister has misinterpreted me, I said delay because it has taken three years and it's a long time. My point was delay in establishing some of these important bodies. I stand on what I have said. The other issue still compromise is the non-appointment of the Chief Ombudsman to the Commission. Why is the Prime Minister, the Chairman? If we are going to implement policy like this, it must work regardless of what they are and doing against us. This is very important and you got to show it.

Mr Peter O'Neill – Point of Order! Mr Speaker, on the Chief Ombudsman, he knows that the Ombudsman Committee that he sits on as well has already engaged in a process where by an independent team are going to assess his request for extension of his time. Now he should respect this process as a leader in a bipartisan committee, which includes other distinguished constitutional office holders. He should not play politics with this office and he has got a serious conflict of interest like everyone else. He is the main complaint about many of these issues and he should allow the process to continue and we will act on the recommendations of an independent committee. He knows the process but why is he trying to play politics and mislead our people. This is the lowest political point scoring exercise, I have ever seen in 13 years in Parliament.

Mr DON POLYE - Thank you Mr Speaker, again, I said delay, so even it was established it was delayed.

Finally the much talked about Sovereign Wealth Fund by the Minister for National Planning, which one is he talking about. Is it the one originally designed by those very competent people under the SANTIO principles or is it the one that has been altered and amended again to suit other interest that is before this Parliament. He should come and tell the people on which Sovereign Wealth Fund his referring to. That's another organisation that is supposed to be established but it has taken too long to establish. It's very important for Parliament to know that proceeds that you get from all those extracted industries, whether mining, gas or petroleum, they must be put into the Sovereign Wealth Fund for sustainable management. It will be used during rainy days and later for investment and also during the budget. It's very important mechanism put in place and it's done by competent people. That's

supposed to be the first thing before we had the first shipment out of PNG for LNG sale. That should have been on the Floor already. Yet, we don't have it here and we are using other agencies like NBCP, Petromin and so forth. You cannot implement it easily.

Mr Ano Pala – Point of Order! Order of the Day No.195 deals with Sovereign Wealth Fund and this debate pre-empts discussion on that matter.

Mr SPEAKER – Your Point of Order is in order. I must remind the Leader of Opposition, that items that are before Parliament must not be debated on because you will be pre-empting discussion on this matter.

Mr DON POLYE – Thank you Mr Speaker, for your ruling.

Mr Speaker, can the Treasurer refrain from saying, shame on you. It is demeaning and not good.

23/06

What is the government's policy to create a sustainable economy? What is it? Is this a policy for creating a sustainable economy?

Mr Speaker, by spending bits and pieces here and there, is it? Is free education a sustainable economic policy? The Opposition on the other hand does not think so. You have got to create industries, agriculture industries. You convert all the most resourceful places in Papua New Guinea and create them into agro-industries.

Mr Tommy Tomscoll – Point of Order!

Mr Speaker, I have observed that after the presentation by the Minister for National Planning that we are talking about policies. In fact, the Minister presented a development plan and there is not much of a difference of the definition of what are his plans, strategies and policies.

We seem to be getting our definitions completely incorrect and therefore our arguments are based on definitions and that is not right.

Mr Speaker, I think that you should bring Members in these debates to strictly follow what has been defined. If we are talking about a plan then let us talk about a plan.

Thank you, Mr Speaker.

Mr SPEAKER – Your Point of Order is in order. I have continuously reminded the Opposition Leader that we have a subject that is before us to discuss. So, let him conclude his debate.

Mr DON POLYE – Mr Speaker, I am startled by the interjections that I am getting. They are talking about a plan but it must come out of a policy. These things do not stand alone for they are not standalone papers. They integrate into another policy or another plan and you must have an integrated policy in place to drive them as branch plans. And that is what they do not have.

Mr Speaker, I think that Minister for Agriculture needs to learn a bit more and talk to his National Planning Minister while he is presenting, because he does not understand what he is saying.

Mr Speaker, the Opposition knows very well what we are talking about here. We are clear and we know what we are saying and that is, you do not have a policy and you're barking without a policy. There is no industrialisation policy, manufacturing policy and you do not have a long term or medium term plan or policies to develop industries to employ Papua New Guineans. To develop skills you think that free education is enough but it is not. There must be a skill development programme policy in place and there must be industries that we must develop.

These industries will fuel and grow SMEs, provide employment and et cetera and then this will be implemented. Otherwise, what you are saying is, Oh, Mr Speaker, the Bird of Paradise is as beautiful as it looks but when you remove the feathers there will only be skin and bones and little flesh.

Already the Government is a government of bones and unfair distribution of wealth that does not know what it is saying, that cannibalises other parties, that lacks discipline in managing the economy and is not a fit to run this country.

Thank you, Mr Speaker.

Mr SPEAKER – The Chair would like to give warning to the people in the Public Gallery. In this Chamber of Parliament that applauding is forbidden.

Sir PUKA TEMU (Abau – Minister for Public Service) – Thank you, Mr Speaker.

Firstly, I would like to commend the Honourable Minister for National Planning and monitoring because this is one Minister, since he took Office after the 2012 Elections he has been very clear on what the nation needs. And has always brought to Parliament reports and this is one leader that I know that all of us have on the record admire his contribution on the Floor of Parliament and the way that he is planning forward.

Mr Speaker, I have been on this Floor of Parliament for three terms and I have never met an empty drum in my life. Now, I have got one right in front of me.

(Laughter in the Chamber)

Sir Dr PUKA TEMU – Now I believe the saying that goes; empty drums make a lot of noise. That saying has been proven today.

Mr Speaker, our Leader for the Opposition has been on the Floor of this Parliament for three terms and he does not know what he is talking about.

Mr Speaker, I am afraid, and he is trying to define policies and plans and he is confusing himself.

Mr Speaker, he has got it all wrong.

24/06

Mr Don Polye – Point of Order! Mr Speaker I respect Honourable Sir PukaTemu, and understand that he is saying things for just amusement but is the term ‘empty drum’ a Parliamentary language. I don’t care if he has said that to me, but that language coming from some of our good leaders and is it permissible?

Mr SPEAKER – Your Point of Order is in order. Minister, please withdraw that un-parliamentary language.

Sir PUKA TEMU – Mr Speaker, I remember some of our predecessors using ‘pumkin head’ too.

(Laughter in the Chamber)

Sir PUKA TEMU – Mr Speaker, I have transformed it into empty drum however, I withdraw. Mr Speaker, this is a 2016 – 2017 Medium-Term Plan aligned to the terms of Parliament.

The Minister for Planning and Monitoring has aligned everything which, no Government and no Planning and Monitoring Minister has ever done in the past.

Don Polye – Well I am telling all of you to do it.

Sir PUKA TEMU – Mr Speaker, the Leader of the Opposition has only been on that side for a couple of months. He has always been on this side and he was part of the entire decorum but he is now thinking about something that is out of the blues. That is why I am saying the drum must be really empty

Mr Speaker, this plan is directing all agencies of Government to make sure that we provide 2016 – 2017 Budget aligned to this important strategy.

The task that the Prime Minister has given us is to make sure that all departmental heads, provincial administrators, Chief Executive Officers of District Development Authorities now align their corporate, provincial and district planning to the national direction. That is the National Planning system that the Minister wants to bring to this nation. We do not have to do things on ad-hoc basis. The Minister is bringing everybody to roll in the same tune and move Papua New Guinea forward. That is how simple this is.

Mr Speaker, the Leader of the Opposition is completely confused on the direction where this country is going. He is in the right place to be confused. On this side the Executive Government mandated by the people, under the leadership of the Prime Minister, we are clear focused and strategic on which direction we are taking.

Mr Speaker, the Deputy Opposition Leader is very lucky. He is buying V-SETS everywhere in Bulolo. He is fixing everything because of the equal distribution of DSIP and PSIP.

Mr Speaker, we never had that before. When I came to Parliament I was receiving K1 million Development Fund. It went up to K2 million, then to K3 million, eventually to K10 million but now up to K15 million. When the Treasury and Finance distributed all these funds we all equally got our district shares.

Mr Speaker, this is the road map that the Minister for Planning and Monitoring is taking. As the Public Services Minister my task is to make sure across the Board all the action plans are done during this year before 2016 ready for implementation.

When the O'Neill-Dion Government was formed and the Opposition Leader was Treasurer at that time, the priorities that we prescribed in the *Alotau Accord*, and 75 per cent of them that we prescribed have all been funded.

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Mr Speaker, I know of no government in my time that was committed to the priorities that were prescribed and the funds were aligned accordingly. It is the first time in the short development history of this country that plans are fully supported by the budget. We are taking action and doing what we have always talked about.

Mr Speaker, the Leader of Opposition needs to go back and look at his economic books. He has to read the economic policies of how when you invest in cities throughout the world and it has a direct impact on the GDP of every nation in the world.

Mr Speaker, some of us do not understand the investment of the government in Port Moresby city. The commitment that we made to host the Pacific Games and the 2018 APEC meeting will have a direct impact on our economy. For example, when Sir Julius Chan was building the Poreporena Freeway, many were complaining like what the Opposition Leader is doing now but they are all enjoying that highway. Look at how many millions of kina have been saved in terms of fuel cost, time and business. This is very similar to what is happening right now.

Investing in cities allows the growth of the economy and it brings income to the majority of the people. Infrastructure has been one of our problems over the years and this Government and the Prime Minister are addressing it. All the priorities of transport and works have already been prescribed. We are now going to get the Works Minister and his secretary to make sure that in 2016 and 2017 under this MTDP the programmes and costs will have been finalised so our budget can be aligned accordingly. This is what we are talking about and not just merely mouthing off like some people on the other side of the bay. These are the things that the nation has been waiting for.

Mr Speaker, I remember when I was Secretary for Health, I practically went complaining to the Secretary for Finance about money to provide medicine to the people. If

you don't give us K18 million for drugs then our aid posts will run out of chloroquine, aspirin and penicillin.

The current Minister for Agriculture and Livestock was once my minister for health. But we couldn't even fund the health plan. We could not fund the maintenance of Angau General Hospital or the Port Moresby General Hospital but this Prime Minister and his Treasurer are putting money into doing what we never did. We are acting on what we committed.

If you go to Kupiano in my Abau district you will find a lot of changes. There used to be no power but today, there is power. The roads were falling apart but now they are being fixed. Our people are starting to enjoy benefits like watching *EM TV*. We are not like the deputy Opposition Leader whose going to *EM TV* all the time to grandstand what he is doing. We do not do these things but we deliver.

(Members applauding)

Mr Don Polye – Point of Order! Sir PukaTemu, rather than debating on this policy, sounds like these Pharisees who pray and say, that guy is bad, God, remember me. I think that is what he is saying.

(Laughter in the Chamber)

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Sir PUKA TEMU – Mr Speaker, the Attorney-General has reminded him, he does not know how to read. The notice on Sovereign Wealth Fund is on the Notice Paper. He does not even know how to read today's agenda. Shame on him!

Mr SPEAKER – Can you withdraw that remark, Minister?

Mr Don Polye – Point of Order! Mr Speaker, sorry for interjecting all the time but I feel tired of the Government, the Prime Minister and the Ministers continuously attacking me. You see he looked like a Pharisee praying to you, tell him not to pray to you.

Mr SPEAKER – Your point of order is out of order.

Sir PUKA TEMU – Thank you, Mr Speaker, you know, when you reveal somebody else's sin they will be defensive.

Mr Speaker, I must say, despite how the Leader of the Opposition has described these documents, these are the best that this nation has ever had.

We stand by the Minister for Planning, in terms of clarity, may I refer the other side of the House to the last pages of this important 2015-2017 MTDP document on what we are going to achieve in each sector. That's the clarity that this nation through political leadership never had. Even when I was championing Vision 2050 we didn't have this clarity.

The Minister for Planning has now brought about this clarity. We are now able to do annual plans, we are now also able to cost them.

Mr Speaker, the Opposition Leader was talking about 'no policy'.

Mr Speaker, the true definition of what the Minister has presented today, may I remind the Opposition Leader that these are the Government policies. When you say a plan, it is a policy. It's as simple as that, don't confuse yourself.

Mr Don Polye – What is the meaning of plan?

Sir PUKA TEMU – You have to go back to school. A plan is a policy of government. Mr Speaker, that policy prescribes it. The Minister for Agriculture will then come and develop his agriculture plan, a sectoral direction to this policy.

Mr Don Polye – That's not a plan.

Sir PUKA TEMU – You don't know because you've never written one, so shut up.

Mr Don Polye – Point of Order! Your see, this is the people's house, the Ministers must be affluent on the subject, it is a very important document. The Minister for Agriculture accused me saying, I was calling for a policy when this was a plan. He said it just a few moments ago and now the Minister for Public Service is saying it is a policy.

So the two ministers are in conflict to even basically define what this is, so what is it, Mr Speaker?

Mr SPEAKER – No, I will not entertain your point of order.

Sir Michael Somare – Point of Order! You know that during Grievance Debate, you exhausted the time by talking about this report. All of us want to talk on this report but here we are listening to your petty squabbling. All of you worked in the same team before. You have colluded and came up with these grand ideas but now you come here and accuse yourselves.

You have no shame, thank you, Mr Speaker.

Mr SPEAKER – Prime Minister, you may complete the debate.

(Laughter in the Chamber)

Mr PETER O’NEILL (Ialibu-Pangia – Prime Minister) – Thank you very much Mr Speaker.

Mr Speaker, just a short intervention to thank the honourable Minister for an excellent presentation of the development plans of government, especially covering 2016 and 2017.

Mr Speaker, while it is always good to use colourful language to describe what we are going to do but realities are realities.

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We have not lived up to the expectations of our people for many years. So far, coming into Government, we have tried our best to address many of these chronic problems that we inherited and continue to live with. It’s only fair that we do it in a strategically planned manner, rather than on and ad-hoc arrangement. When these plans are put in place, it helps us to put funding and resources behind it, which will come about as a result of the budget.

Mr Speaker, there is no need to read the entire book, all that needs to be done, is to read the content of this book, especially on page five and identify what it really addresses. It talks about getting all the Plans of the past which, includes the Vision 2050, Medium-Term Strategic Development Plan, all the Medium-Term Development Plans that we have inherited in this Parliament and putting it together in a simple language for us to understand and ensure that we take ownership of it.

Mr Speaker, in chapter three, it clearly outlines the priority areas of this Government such as education, health, infrastructure, law and justice and land mobilization and housing.

These are the key priority areas for this Government over the next two years, as we have done so in the last two and half years.

The Opposition Leader said he does not believe in free education and which brings me to this question; if we don't believe in free education in educating our children, then what do we believe in? If we have an uneducated population, we will not be competitive in the global community or industry. Our children's lives will be worse off because they are not able to find decent employment because of lack of skills.

Mr Speaker, is it fair to say that, we are too lazy to educate our young children that we allow our children to roam around the streets?

Is it fair to say that, we can create a society where we can accept the drop-outs and failures? For politics we can scream and yell but let us look at the reality of what is facing us. We are facing a population that is growing very fast. Fifty per cent of our population is under 21 years of age and majority of them have not been educated well over the past 40 years.

Let us talk reality. Let us address these challenges as leaders as we have been tasked to do over the next five years. If the people do not like what we do then they have the opportunity in 2017. I say to everyone, the choice is yours. If we are not doing the right thing then we don't deserve to be in office.

Mr Speaker, we are investing in education, not only in free education but from elementary education all the way up. These young children are the future of our nation.

Right now, we have skills shortage. Yesterday, the Minister for Health mentioned that we had a shortage of doctors and nurses and that is similar in other fields as well. In fact there is a shortage in the entire spectrum of sectors that are supposed to be delivering to our people.

Mr Speaker, this Government has gone further in investing directly in rebuilding many of the colleges, technical colleges, nursing and teachers colleges which, have been neglected over many years. We are investing in the skills training of our country. This particular plan clearly articulates what we are going to achieve.

In the health sector we are doing the same. For the first time we are bypassing the department that used to mismanage all the money that we allocate.

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This particular plan clearly articulates what we are going to achieve. In the health sector we are doing the same; and for the first time we are bypassing the departments that

used to mismanage the moneys that we allocate. And the monies never reach the aid posts, health centres and hospitals at the district level.

Now we are giving money directly to the hospitals and I hope the money that is being put in the DSIP will continue to go into the district hospitals and health centres. It is not for us Members and our officials to go around putting projects. The guidelines are very clear; it is for education, health, infrastructure and law and order.

We have deliberately made sure that those guidelines align with our national goals as a country. And this is what's been articulated in the plan. I give credit to the Minister and his team for an excellent work. They have articulated the key priority areas that we in this Parliament should focus on.

It is about time we rise above ourselves and think beyond. Do not worry about yourself and your own peculiar interests. Think as a nation; where do we want to position our country in 20-30 years' time? I continue to sit here and put up with all the rubbish that my friend the Opposition Leader gives me.

I know that his key phrase is why investing in major towns and not in other communities in the country? What are we doing with the DSIP and PSIP funds? We are trying to spread our resources across the provinces and districts, so that we can address this particular issue about infrastructure and services.

We do not have a formula for distribution where we can base it on population because nobody knows the actual population. Our officials have not been able to give us that figure. But we are able to distribute that money because we know the number of electorates and the number of provinces and that is why we have that simple distribution mechanism.

Once we have better data through the National Identity Program we will distribute the funding according to the data that we will have. It is like investing in Port Moresby, the Opposition said yesterday that we have spent K270 million on the Fly Over.

NCDC, who is in charge of this project, came up with the exact amount of K161 million. And these are the kind of nonsense without solid facts and it is not right. Ask, NCD, they are responsible for managing the project. How did they spend the money that the Government allocate to them on various projects in the city?

It's not that building roads in Port Moresby is a wrong thing to do. Port Moresby is growing and becoming one of the leading Pacific cities, and about one million of our people are living in this city.

That is not an insignificant population, it is a big population. If the roads are full and there is no infrastructure; do you think our one million people will not complain? We have the government bureaucracy, commerce and all major businesses in Port Moresby that is why we need to build that infrastructure to meet that population demand.

Likewise, for Lae; we have been putting up with the complaints for so long and the Leader of Opposition was the Works Minister at one time, longer than any of us. Let us talk with facts, that city became a national disgrace and we have a good population living there. The good Member for Bulolo gets all his services from Lae, but has not shown any appreciation.

If we cannot spend money in Lae where else can we spend the money on because a million of our people also reside there, therefore, we must invest in their infrastructure and other vital services. We are also starting to invest in major infrastructures, like the Highlands Highway.

29/06

When you talk about infrastructure, when you drive from –

(Mr John Pundari interjecting)

Mr SPEAKER – Order! Let's have some order.

Mr PETER O'NEILL – Thank you, Mr Speaker, I am just trying to put the facts out so that we all can appreciate what we are saying. It is no point coming into this Parliament and arguing without facts and then we get ourselves emotionally because it is critically inconvenient.

Mr Speaker, I am good enough to say the political words that will excite everybody and make everybody happy but I know it is not going to achieve anything.

To achieve a good outcome in this country you have to make tough decisions and they may not be popular decisions, they may not be social media friendly but tough decisions.

Mr Speaker, nobody complained about us when we spent K500 million building roads in Kandep.

Did you hear any member of this Parliament complaining for the K500 million ADB project?

Mr Don Polye – Point of Order! The K500 million road from Mendi to Kandep was instigated by myself through the Asian Development Bank and funded through the Government so the Prime Minister must not get credit for that. He should not mix things up.

Mr SPEAKER – Order! Honourable Ministers, order!

Mr PETER O’NEILL – Mr Speaker, I am just making a few comparisons because the Opposition Leader continuously talks about investments we are making around the country in major centres.

So, I am trying to make a comparison when we spent K500 millions of loan which the PNG Government borrowed to building one stretch of road to Kandep, what economic value are we looking at?

Let us put things into perspective, what we are trying to say is –

Mr Sam Basil – Point of Order! Mr Speaker, I was in the Cabinet and the Prime Minister chaired the meeting and passed that but now he is biting back on his own words.

Mr SPEAKER – Honourable Leader, be mindful of how you express yourself in the Chamber.

Mr PETER O’NEILL – Mr Speaker, I think if he would just listen and stop the interjecting he would have heard that nobody complained. I appreciate that our people in Kandep also need the road which we are building but K500 million worth. Besides that –

Mr SPEAKER – Order! Can I have some order in the chamber?

Mr PETER O’NEILL – Besides that, we are spending this kind of money and now we are building all the roads throughout the country.

Mr Speaker, why some of the sections in the Highlands highway is not being attended to quickly is because we are doing regular maintenance.

I can tell you that you can drive very comfortably from Lae all the way up to Waterbung query fields, the road from Waterbung to Kundiawa is passable. The road from

Kundiawa to Hagen is, in fact, in a much better state that it has been in years because we got main maintenance crews permanently there all the time.

The only reason why we have not attended to awarding of a new contract is because we have just gone out to design and construct tender which the Department of Transport and Infrastructure is now working on. And because there has been no design for the entire Highlands Highway for a long time for us to use to rebuild the road.

Mr Speaker, it has been all talk. There have been transport ministers and works minister that have come and gone but nothing was done and we are starting from ground zero, as I speak, so getting these infrastructure attended to will take some time.

But, we are making very good progress and we will start on these roads well before 2017 Elections.

Mr Speaker, just going back to the document from the Minister for Planning and the plans for the Medium Term Development Plan that has been brought forward.

Look at the economy on chapter four that the Minister is looking at; it addresses the key sectors of our economy.

We are not only trying to build the minerals and petroleum assets in the country, we are talking about rebuilding agriculture, fisheries, forestry and small to medium term enterprises including all the other eco-tourism businesses that has great potential of employing thousands of Papua New Guineans.

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We need to inject funding there. We have huge potential in many of these sectors but we have allowed them to be mismanaged and abused.

As you can see from the targets on page 84, what are we trying to achieve two years from now? What is our position today, sector by sector?

Mr Speaker, talking about the rank of human index, we are now ranked 157 but we want to move to 150. We have been ranked 157 out of 80 countries in the world for many years. However, we have not made one single step forward. That is why we are saying; by two years, we will move seven places. So with our on-going messages to the people we are trying to reduce the population growth. It is now growing at 3.1 per cent but by 2017, we are trying to bring it down to 3 per cent.

Mr Speaker, we are trying to set new targets like that every year so that we can be able to allow our people to know that, this is the new government who is setting the target.

The Minister for National Planning and Monitoring said that in his next report he will table what we have achieved in the last two and a half years. So that you can make assessment whether this Government has been working or not.

For instance; the education sector's target. In terms of primary education and teacher to pupil ratio, we are trying to increase that from 74 per cent to 82 per cent. That is one teacher to every 45 students. So in 2017, we want to reduce that to one teacher to every 40 students. This is because it will take time to train new teachers well.

Mr Speaker, the number of graduates will also be increased from 9 000 students to eleven thousand students within two years. We are capable of doing that because our Government is doing direct investments into universities and tertiary institutions in other countries.

I can put in K15 000 to K20 000 but I want to ensure that we are realistic. We do not have to put targets that we cannot achieve. We are not fooling anybody but ourselves. Therefore, we must set targets that are achievable so that we can all work towards achieving them.

Mr Speaker, our lives expectancy is 60 years of age for every Papua New Guinean so in two years' time it should improve to 63. And of course when we talk about death rate in Malaria, for instance a ratio of 40 persons is to 100 000 population. We want to reduce that down to 30 persons is to 100 000 population. We are now setting realistic targets for the respective sectors; health infrastructure, road transport, marine transport and the airports including water, sanitation and electricity.

Mr Speaker, when we talk about law and justice sector; how many police stations can we build including villages courts. Are we achieving well trained police officers? There are approximately 5000 policemen throughout the country but we want to increase that to 7500 in 2017.

We have been talking about all the other sectors and as I said earlier we will have a round log total ban by 2020. The industries are aware and we are also aware of that too.

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That's an achievable target because we want to encourage down-streaming so that people can cut timber and manufacture bi-products and sell them here.

Mr Speaker, it's a very good start and it's not a final document but a living one that we can work to improve on it. And I urge all members to support this because it's nicely done by the Minister and his Department.

We congratulate him for this, thank you Mr Speaker.

Motion (by **Mr James Marabe**) agree to –

That the Parliament take note of the paper and the debate be deferred to a later date.

Debate adjourned.

MOTION BY LEAVE

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

Leave granted.

SUSPENSION OF STANDING ORDERS – REARRANGEMENT OF BUSINESS

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

- (a) That so much of the Standing Order be suspended as would prevent Notice Nos. 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235 and 236 of Government Business being called on forthwith.
- (b) Maritime Zone (Amendment) Bill 2015, Conservation Areas (Amendment) Bill 2015, Customs (Amendment) Bill 2015, Environment (Amendment) Bill 2015, Fauna Protection and Control (Amendment) Bill 2015, Fisheries Management (Amendment) Bill 2015, Interpretation (Amendment) Bill 2015, Land (Amendment) Bill 2015, Marine Pollution - Ballast and Water Control (Amendment) Bill 2015, Marine Pollution – Preparedness and Response (Amendment) Bill 2015, Marine Pollution –

Sea Dumping (Amendment) Bill 2015, Merchant Shipping (Amendment) Bill 2015, Mining (Amendment) Bill 2015, National Cultural Property – Preservation (Amendment) Bill 2015, National Maritime Safety (Amendment) Bill 2015, Oil and Gas (Amendment) Bill 2015, War Surplus Material (Amendment) Bill 2015 being presented together and debated as one.

(c) And separate question being put on the second and third readings.

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MARITIME ZONE (AMENDMENT) BILL 2015;
CONSERVATION AREAS (AMENDMENT) BILL 2015;
CUSTOMS (AMENDMENT) BILL 2015;
ENVIRONMENT (AMENDMENT) BILL 2015;
FAUNA PROTECTION AND CONTROL (AMENDMENT) BILL 2015;
FISHERIES MANAGEMENT (AMENDMENT) BILL 2015;
INTERPRETATION (AMENDMENT) BILL 2015;
LAND (AMENDMENT) BILL 2015;
MARINE POLLUTION – BALLAST AND WATER CONTROL
(AMENDMENT) BILL 2015;
MARINE POLLUTION –PREPAREDNESS AND RESPONSE
(AMENDMENT) BILL 2015;
MARINE POLLUTION – SEA DUMPING (AMENDMENT) BILL 2015;
MERCHANT SHIPPING (AMENDMENT) BILL 2015;
MINING (AMENDMENT) BILL 2015;
NATIONAL CULTURAL PROPERTY –PRESERVATION
(AMENDMENT) BILL 2015;
NATIONAL MARITIME SAFETY (AMENDMENT) BILL 2015
OIL AND GAS (AMENDMENT) BILL 2015;and
WAR SURPLUS MATERIAL (AMENDMENT) BILL 2015;

First reading

Bills Present by **Mr Ano Pala** and read 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 Bills be now read together a second time.

Mr Speaker, it gives me great pleasure to introduce the *Marine Zone Bill 2015* and all the other related Bills. This Bill seeks to repeal and replace the *National Seas Act 1977*.

Mr Speaker, as Members of this Parliament can note from the Notice Paper, there are 16 pieces of legislation that will be affected by this significant law reform and therefore, necessary consequential amendments will have to be made following the introduction of this Bill.

Mr Speaker, I will attend to those Bills in accordance with the procedure that we have just adopted.

Mr Speaker, this speech will also cover all the other consequential amendments that we are now giving notice of. The introduction of this Bill today represents the culmination of a long term project which commenced to correctly define and stake our country's maritime boundaries within the 1982 United Nations Convention on the Law of the Seas.

The existing legislation has a number of defects and deficiencies, which this Bill will now seek to correct and address. For example; there are no other provisions on rights and responsibilities of PNG in the use of its ocean as against other coastal States whom we share our borders with. The existing baselines and maritime zones declared there under are not compliant with the requirements of the 1982 United Nations Convention on the Law of the Sea, which Papua New Guinea is a State party to having ratified it on the 14 January, 1997.

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Mr Speaker, the main reason for this is that the *National Seas Act* which, this Bill now seeks to repeal and replace, predate the Convention and therefore has been out of sorts with the new law of the sea region in the United Nations Convention on the Law of the Seas.

It is therefore, necessary to bring this Bill.

The purpose of introducing this Bill is to get the legislation to address the need of having a sound domestic legal framework to govern oceans as well as airspace which are important for many reasons, for instance maritime boundary negotiations, national sovereignty and security, enforcement border control as well as to encourage off shore economic activities.

The term baseline is defined as the line from which the breast of the respective maritime zones is measured from.

The calculation of the baseline is important for the following matters;

(1) To determine the full extent of the jurisdiction of PNG Boundary and depict in it on maps and charts.

(2) In terms of law it helps to determine the exercise of territorial sovereignty and sovereignty rights in the different maritime zones.

(3) Well defined maritime boundaries are necessary for fisheries enforcement and fisheries trade in terms of preferential market access and to deter illegal unreported unregulated fishing.

Mr Speaker, the term Baseline is defined in the *National Seas Act* as the Territorial Sea Baseline. This conflicts with the Archipelago status claim by PNG in 2002 when it submitted its Archipelago base points to the United Nations Secretary General.

There are also existing errors with the calculation of the current base points which needed correction. All these said, the existing base-points and baselines are only interim in nature that's why are now been corrected and updated and incorporated into this Bill which I now present.

The Department of Justice and Attorney General in consultation with the Commonwealth Secretariat took the lead in drafting the Maritime Zone Bill.

Consultation was held with key stakeholders and agencies such as the Fisheries Authority, Department of Foreign Affairs, National Maritime Safety Authority, Lands, First Legislative Council, Maritime Provinces, namely Morobe, Milne Bay, Manus and NGO's from 2006 -2009.

The Bill will feature number of Oceanic matters. These ranges from;

Delimitation exercise of economic powers for living and no living resources

Protection and preservation of Marine environment

Rights and safety of navigation and corresponding right of over flights

Conduct of marine scientific research and third party rights of other coastal states in the exclusive economic zones.

Mr Speaker, the Base Points and Baselines which have been corrected and updated are the results of comprehensive review will fill surveys to verify the principle Archipelago and outline islands of PNG through calculations and analysis to ensure properly constituted Base points and Baselines in accordance with the requirements under the convention.

All of which have been incorporated as schedules of coordination in the Maritime Zone Bill.

The jurisdiction and territorial space of Papua New Guinea is very important and therefore the Maritime Zone Bill must be in-acted as law to take full advantage of the benefits under the convention.

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It is stated in Vision 2050, particularly in paragraph 20.12 that PNG has not been effectively utilizing the ocean and coastal environment mainly because of the poor understanding of the ocean and new challenges that are offered. A proper legal regime is needed if the ocean and coastal environment is to be effectively utilized and developed. It is therefore important that the Maritime Zone Bill must be enacted as law to take full advantage of the benefits under UNCLOS. For instance the area of the sea floor beyond the 200 nautical mile of territorial limit which PNG is currently seeking to claim, has an abundance of marine and mining opportunities available for sustainable development.

The passing of this Bill as law will give effect to international obligations assumed by PNG given that PNG has a large Exclusive Economic Zone or ocean space which must be managed properly through sound legal framework as part of ocean governance. The Government's reputation in the international and regional settings will be enhanced.

Mr Speaker, as mentioned, there are 16 other legislations which will be introduced to complete this legislation. This is because the legislation will be covering the areas of conservation, customs, environment, fauna, fisheries, land, marine pollution, sea dumping, merchant shipping, mining, national cultural property and national marine safety, oil and gas and water plasma material. This Bill will cover the boundaries that will affect these areas.

Mr Speaker, I therefore present and commend the Maritime Zone Bill, 2015 and all the other associated Bills that I have circulated to Parliament.

Dr ALLAN MARAT (Rabaul) – I move –

That the Parliament take note of the papers.

I take this opportunity to thank the very hardworking public servants in the Department of Justice and Attorney General. Finally this Bill has come to the Floor of Parliament. It has not been an easy task for public officers who have been going to and fro and negotiating with the United Nation to try to settle especially the limitation to our seabed floors.

Secondly, I thank the Minister for Justice and Attorney General for presenting this Bill to the Floor of Parliament. As a former minister I know it was not an easy task. Millions of kina has been spent by both the previous and the current government.

I want to commend the efforts of all governments involved because in the presentation of the Minister for Justice and Attorney General he spelt out very clearly what the purpose of the Marine Zone Bill is and the consequential amendments to the other legislations.

Mr Speaker, on behalf of the Opposition, I want to lend our support to this very important bill. Thank you.

Mr KERENGA KUA (Sinasin-Yonggamugl) – Thank you Mr Speaker, after seeing all the exchanges this morning it is quite heartening to see the Opposition supporting the Government.

This Bill ought to be supported by both sides of Parliament because it is an important bill. Once we pass this bill it is going to be locking Papua New Guinea in to place in its position on the globe. It is going to define our boundaries and lock our position on our globe and we will show the rest of the world where we are.

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As we go through this process, we need to be careful and look at every issue that is attendant to it to make sure that we are satisfied with where are positions are and so lock us into it in perpetuity.

Now I have no problems with our boundaries, in fact the boundaries are defined by these longitudinal and latitudinal coordinates which take up most of the pages in this

particular Bill and we as lay people can't understand it but we accept that those are the proper coordinates.

The only place in our territorial border which, from time to time in my mind, requires some kind of analysis in our border that runs between Australia and Papua New Guinea, between Morehead and Daru.

When I was growing up attending primary school we used to have these maps on the classrooms that used to show the border between those location more towards the south, more in the middle between Cape York Peninsula and Morehead and Daru. But somewhere along the way when the Torres Strait Treaty was negotiated and signed, the border ended up closer to the shoreline of Papua New Guinea between Morehead and Daru.

So, on a good day, maybe when the tide is low you could walk down into Australia, or at high tide, a non-swimmer like me could swim into international waters, maybe into Australian territory.

It may have been done for a good reason, Mr Speaker, but as we pass this Bill now, it gives us an opportunity to relook that treaty. We have to look at it, it's a sensitive issue to Papua New Guinea and Australia but strong relationships are fostered out of confronting the difficult issues.

So we need to dig that agenda up and may be task the Minister for Foreign Affairs and Immigration and our Attorney-General, under the leadership of our Prime Minister, to look at how Papua New Guinea somehow, somewhere along the way forfeited part of its territorial seabed and water and the resources that go with it.

Perhaps now is the time. We have a lot of you educated people here on the Floor of Parliament which we didn't have 30-40 years ago, at the time when these things happened. But now let us look at it and may be decide for ourselves, just between ourselves and our friends in Australia, as to whether we did it for the right reasons. And if not, then how do we address it.

There are options available like creating special economic zones out of which a special regime of laws will regulate on how we approach that particular zone, deal with the resources therein, deal with the people that live in those boundaries etcetera. There are many ways of addressing it.

So, as we confront the issue of defining our borders now maybe we should also look at, after we pass this Bill, because this particular boundary was defined by a treaty, let's go and reopen that and have a look at it.

It might turn up nothing, Mr Speaker, at the end of the day but at least we, as the leaders responsible for these kinds of issue 40 years on, would have satisfied ourselves by a proper study.

So let's pass the Bill today. But I think consequent upon this we should relook that treaty to see exactly how it came to be and whether or not it can be redone.

MARTIME ZONES (AMENDMENT) BILL 2015

Second Reading

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.

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Third Reading

Leave granted to move the third reading forthwith.

Motion – (by **Mr Ano Pala**) proposed –
That the Bill be now read a third time.

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

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

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

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

AYES – 75

NOES – 0

Motion so agreed to.

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

Bill, read a third time.

CONSERVATION (AMENDMENT) ACT BILL 2015

Second Reading

Bill, by leave, read a second time

Third Reading

Bill, by leave, read a third time.

CUSTOMS (AMENDMENT) Bill 2015

Second Reading

Bill, by leave, read a second time.

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Third Reading

Bill, by leave, read a third time.

ENVIRONMENT (AMENDMENT) BILL 2015

Second Reading

Bill, by leave read a second time

Third Reading

Bill, by leave, read a third time.

FAUNA (PROTECTION AND CONTROL)(AMENDMENT) BILL 2015

Second Reading

Bill, by leave, read a second time

Third Reading

Bill, by leave, read a third time.

FISHERIES (MANAGEMENT) (AMENDMENT) BILL 2015

Second Reading

Bill, by leave, read a second time.

Third Reading

Bill, by leave, read a third time.

INTERPRETATION (AMENDMENT) BILL 2015

Second Reading

Bill, by leave read a second time

Third Reading

Bill, by leave read a third time.

LAND (AMENDMENT) BILL 2015

Second Reading

Bill, by leave, read a second time.

Third Reading

Bill, by leave, read a third time.

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**MARINE POLLUTION (BALLAST AND WATER
CONTROL) (AMENDMENT) BILL 2015**

Second Reading

Bill, by leave, read a second time.

Third Reading

Bill, by leave, read a third time.

**MARINE POLLUTION (PREPAREDNESS AND RESPONSE)
(AMENDMENT) BILL 2015**

Second Reading

Bill, by leave, read a second time.

Third Reading

Bill, by leave, read a third time.

MARINE POLLUTION (SEA DUMPTING) (AMENDMENT) BILL 2015

Second Reading

Bill, by leave, read a second time.

Third Reading

Bill, by leave, read a third time.

MERCHANT SHIPPING (AMENDMENT) BILL 2015

Second Reading

Bill, by leave, read a second time.

Third Reading

Bill, by leave, read a third time.

MINING (AMENDMENT) BILL 2015

Second Reading

Bill, by leave, read a second time.

Third Reading

Bill, by leave, read a third time.

**NATIONAL CULTURAL PROPERTY (PRESERVATION)
(AMENDMENT) BILL 2015**

Second Reading

Bill, by leave, read a second time.

Third Reading

Bill, by leave, read a third time.

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NATIONAL MARITIME SAFETY (AMENDMENT) BILL 2015

Second Reading

Bill, by Leave, read a second time.

Third Reading

Bill, by leave, read a third time.

OIL AND GAS (AMENDMENT) BILL 2015

Second Reading

Bill, by leave, read a second time.

Third Reading

Bill, by leave, read a third time.

WAR SURPLUS MATERIAL (AMENDMENT) BILL 2015

Second Reading

Bill, by leave, read a second time.

Third Reading

Bill, by leave, read a third time.

ADJOURNMENT

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

That the Parliament do now adjourn.

The Parliament adjourned at 2.20 p.m..

