

**SIXTH DAY**

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**Wednesday 11 October 2023**

**DRAFT HANSARD**

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## SIXTH DAY

Wednesday 11 October 2023

The Deputy Speaker, (**Mr Koni Iguan**) took the Chair at 10 a.m.

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

Sitting suspended.

The Speaker, **Mr Job Pomat** again took the Chair at 11.16 a.m., and invited the Member for Aitape-Lumi, **Honourable Anderson Mise** to say Prayers;

‘Tenk yu Papa God, Pikinini God na Holy Spirit. Papa mi prea long dispela moning taim yumi bung long dispela Haus, lusim rong bilong mipela olgeta long hia statim long Praim Minista na kamdaun long mipela olgeta. Wanem kain sin mipela iwokim long dispela wik na deis, Papa mi askim yu long lusim rong bilong mipela.

Father, I pray, as we gather in this House, mipela laik bung long toktok long ol hevi bilong kantri bilong yumi long gutpela bilong mipela ol pipol. Papa mi prea olsem yu mas go pas, stap sait sait na lukautim na lidim mipela tru long mipela bai toktok long gutpela bilong ol pipol bilong yumi.

Papa mi prea na putim Praim Minista na Deputi bilong em wantaim ol NEC membas kam long han bilong yu. Mi prea tu long Oposisen Lida na Deputi bilong em tu. Mipela mas tingim ol gutpela samting long tupela sait bilong gavman wantaim. Papa mi prea tu long kantri bilong yumi. Husait ol pipol ipilim pen na hangere stap, husait igat sik na sua long wanem hap bilong dispela kantri, Papa mi prea long bel isi na marimari bilong yu long stap long ol pipol bilong yumi.

Papa mi prea long taim mipela istap long hia, givim mipela gutpela tingting. Lukautim Praim Minista bilong mipela wantaim ol NEC membas. Givim ol gutpela tingting long wokim gutpela disisen long gutpela bilong ol pipol bilong dispela kantri.

Papa mi prea tu long taim mipela go insait long dispela miting long bai yu givim mipela gutpela tingting long bai mipela toktok long tomoro bilong ol pipol. Father, I also pray for those who are hearing and watching live across the country, husait ol lain istap long Pablik Galeri, Papa yu blesim ol.

Papa mi prea na tok tenk yu long givim mipela win na laip. Yu yet yu kamapim mipela ol pipol na kamapim dispela gavaman long kukautim pipol bilong yu.

Papa mi prea long Spika long taim em sindaun long Sia bilong em long kontrolim Haus, yu givim em gutpela tingting na save. Papa mi prea na putim olgeta membas na distrik bilong ol ikam long yu. Papa ol pipol bilong mipela isalim mipela ikam long sevim ol. Papa olsem na wanem wok na disisen mipela iwokim yu ken blesim. Rausim ol nogut plen.

Papa mi prea na putim dispela kantri kambek long Holy Throne bilong yu. Amen.’

## **ACKNOWLEDGEMENT OF VISITORS – STATEMENT BY THE SPEAKER**

**Mr SPEAKER** – Honourable Members, I wish to acknowledge the presence of final year students of the Pacific Adventist University and the Women Ministry of Kiriwina United Church in the Public Gallery.

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

**02/06**

## **QUESTIONS**

**Sir ALLAN MARAT** – Mr Speaker, I have a simple question for the Attorney General and the Minister for Justice. We have heard about the new Court structure –

**Mr Richard Masere** – Point of Order! Sir the Minister is not available, can you re-direct your question?

**Mr SPEAKER** – Your Point of Order, is in order.

**Sir ALLAN MARAT** – I will reserve my question for later.

### **Shortage of Immunization Drugs**

**Mr SAM BASIL JUNIOR** – Thank you, Mr Speaker. Good to see you in your Chair this morning. My question is directed to the Minister for Health, if he is around, if not I would like to re-direct it to the Prime Minister.

On Tuesday’s *Post Courier* newspaper, the front page article reported a shortage of immunization vaccines for children.

A lot of children are in the villages or rural areas. For Bulolo, we have flooding due to rain and our road conditions are not good. How will children, especially infants' access these very important vaccines? These are basic drugs that must always be made available to our people.

Are there any plans in place to look into this shortage of immunization vaccines because the district hospitals need them. And in the case of Bulolo district, we serve Menyamya and Wau-Waria.

Also, I recall that while growing up in the blocks at Kamkumung in Lae, we saw nurses drive into residential areas on their immunization patrols; this practice has however, stopped. Nowadays, we have mothers carrying their babies and walking long distances to access immunization for their babies.

**Mr JAMES MARAPE** – Thank you, Mr Speaker. I appreciate the question from the Member for Bulolo. Before I respond to his question, let me acknowledge our students and mothers from Kiriwina Electorate, thank you for being in Parliament with us.

I have been informed by the health department that they have the supplies in stock and they will be dispatching the supplies to the areas in need. I want to assure the House and the country, that at no time will we compromise the health of our children and our people. Medicine is essential and we will do whatever it takes to ensure the drugs are delivered to respective hospitals.

Mr Speaker, the Health Minister conveys his apology to the Parliament, he is not available because he is attending to his election petition hearing in Wabag.

**Dr BILLY JOSEPH** – My question is directed to the Prime Minister. I understand that the Prime Minister is not the Minister for Works but being the chief minister and the author of the Connect PNG Program; I want to ask through the Chair about why the people of Mount Bosavi are still disconnected.

**03/06**

**Mr Belden Namah** – Point of Order! Mr Speaker, my Point of Order is that if the relevant minister is on the Floor of Parliament then the members should be directing the question to the minister responsible and not the Prime Minister. Unless the minister is absent, then he can direct the question to the Prime Minister.

Thank you, Mr Speaker.

**Mr SPEAKER** – Your Point of Order is in order.

### **Mount Bosavi Road**

**Dr BILLY JOSEPH** – Thank you, Mr Speaker. A brief background to my question; Mount Bosavi LLG is located between Hides, Komo, Kutubu, South-East Mananda, Moran and P’nyang Oil and Gas projects. Mount Bosavi also borders Hela, Western, and Gulf provinces with a population of about 20,000 people.

The distance from Kutubu in Waro to the Muluma Government Station in Mount Bosavi is about 60 kilometres with 17 kilometres of this in Kutubu LLG, before you reach the mighty Tagali River. And here, we have need a 75-meter bridge that needs to be constructed and from Tagali to Muluma Government Station which is about 45 kilometres.

Today, as I speak, the Nipa Kutubu DDA in partnership with the Kutubu President and Mount Bosavi LLG President have contributed about K1.5 million, to start constructing this road for the first time.

My question is; when will the Marape-Rosso Government fund this critical road?

Thank you, Mr Speaker.

**Mr SOLAN MIRISIM** – Thank you, through you Mr Speaker, I take this time this morning to thank the Member for Nipa-Kutubu on his good question regarding the road. That road will be going through Kutubu to Mount Bosavi. Mount Bosavi is one of the places that is isolated and remote. Through this Connect PNG Program, this road is reaching this very isolated area where it can contribute to this country’s economic development.

Mount Bosavi is one of the places that has a lot of quality cocoa, it is like the coastline for the Highlanders. This place has a good population and they share the border with Western Province. Under the Connect PNG, we are putting up the budgets and by next year we will capture Mount Bosavi. The road will go to Mogulu to Nomed and will reach Kuinga. It will also connect Mount Bosavi to Kutubu. So these places are included in the Connect PNG Program.

Also with that, I want to take this time to thank the Member for taking the lead through the DDA in allocating funds to start the construction.

I want to appeal to the members that Connect PNG Program will come, but you must use the money allocated for the roads through the DDA, District Infrastructure Grants and provincial grants to commence the work and Connect PNG will surely come and support you.

I think you have taken the initiative and started the work and I thank you for that. I want to assure the Member for Nipa-Kutubu that the alignment of your road from Bosavi to Western Province is with us, and we will help you as of next year.

Thank you, Mr, Speaker.

**Sir ALLAN MARAT** – Mr Speaker, I want to ask the simple question to the Attorney General and the Minister for Justice. It has been a very long time since we've heard of the new court structure, especially the appeal process.

**04/06**

### **Court System Restructure Update**

Can the Attorney General advise this Parliament and the public if this process has been activated? Or when will the process of appealing to the National Courts, to the Court of Appeals and then to the Supreme Court be launched? We haven't heard anything that's why we are asking.

Thank you Mr Speaker.

**Mr PILA NININGI** – Thank you, Mr Speaker. I thank the Member for Rabaul for a very important question for which the whole country is also awaiting an answer which is the restructuring of the High Court System.

Presently, we have the National Court and Supreme Court and we want to bring the Court of Appeal in. The new process is, the National Court appeals to the Court of Appeal and then to the Supreme Court. The same judge will not preside at the National Court and then to the Appeals Court and then to the Supreme Court, there will be three different judges at the three different courts respectively.

The last Parliament was supposed to finish the legislation but the problem is that when a business is in the Notice Paper for that term of Parliament, it won't be dragged to the next Parliament. That is why we are restarting that process again.

Firstly, we submitted to the NEC and they approved it, and I would like to thank the Prime Minister for approving it, including certain amendments, then to the First Legislative Council to review it and it is now in the Speaker's Office awaiting his noting.

I now ask the Speaker to have the paper noted and we can have the First Reading in November. The judges have initiated the work on this paper and together with the department, we are looking forward to passing this Bill.

With this, I would like to thank the Speaker for giving me the opportunity and the Member for Rabaul for asking a very important question.

**Mr SPEAKER** – I would like to advise that I have received the Bill and have noted it. I have passed it to the Clerk where it will go through the process of being gazzetted now and then it will come back to Parliament to pass the Bill. Thank you

**Mr DOUGLAS TOMURIESA** – Thank you, Mr Speaker, and I am happy to see you back in the Chair. My question goes to the good Minister for Finance and Planning and I ask the Minister for Treasury and the Prime Minister to take note.

#### **Milne Bay and Northern DSG Funds**

Mr Speaker, around 2020, just before the elections, District Support Grant (DSG) Funds for Milne Bay Province and Northern Province were redirected and all paid to Kerema Open.

Mr Speaker, we lost those funds that was supposed to be paid to our districts and so I wrote to the then Secretary for Finance, Dr. Ken Ngangan and he confirmed that all those funds were paid to Kerema Open.

Mr Speaker, I was fortunate enough to bump into the Treasurer yesterday and my question are as follows

**05/06**

(1) If the warrants were issued for the District Support Grant Funds for Milne Bay and Northern, why were the funds redirected and paid to Kerema District?

(2) Is the Minister, aware of this and when can he replace these funds and have them paid to the electorates affected?

**Mr RAINBO PAITA** – Thank you, Mr Speaker. I thank the Deputy Opposition Leader for raising these important questions. And at the same time giving the benefit to me to respond to his questions and also inform this Parliament on the current status of District Support Grant Funds.

Mr Speaker, there are two components; the discretionary and the non-discretionary. The discretionary component is K250,000 and the non-discretionary component is another K250,000 so in total it is K500,000. These funds are administered by the Department of Rural Development.

As to the question of warrants being released for these two particular provinces of Milne Bay and Northern, Mr Speaker, I have not seen any letter concerning this particular issue and it's the first time he is raising this. But from what I know, when funds are released for District Support Grant, it is administered by the Department of Rural Development and not the Department of Finance. But the Department of Rural Development reports to me, so I will instruct the officers to verify his statement on whether the funds were diverted to another district.

Mr Speaker, in the past its always the case where funds appropriated for one or two particular provinces like in this case of Northern and Milne Bay, were diverted to another district. You mentioned Kerema so I am hoping that it's the Kerema District's non-discretionary funds which were paid at that time.

But, I will investigate if that actually happened and whether funds meant for Northern and Milne Bay were actually paid to Kerema District Treasury and why was it paid.

Mr Speaker, in conclusion District Support Grant Funds are held under the Department of Rural Development and upon acquittal reports presented, they normally release the funds.

I also want to assure this House that some districts may not have collected their funds because of the issue of reports not presented, but District Support Grants Funds are released only upon receiving reports.

So, if members and governors have not acquitted for previous years, the department has strict policy not to release District Support Grant Funds.

But, I assure the Deputy Opposition Leader that I will investigate this matter today and take further actions on what needs to be done regarding the provinces of Milne Bay and Northern.

Thank you, Mr Speaker.

### **Supplementary Question –**

#### **Release Funds - Ijivitari**

**Mr DAVID ARORE** – My questions to the Minister is that, I have not access my DSG Funds since last year because I cannot acquit for something I didn't get.

(1) When can you release the District Support Grants Funds so we can expand and acquit to get this year and last year's funds?

**Mr RAINBO PAITA** – Thank you Mr Speaker, I take note of the Supplementary Question by the Member for Ijivitari.

I want to reassure him as well because his district is affected as well as the Deputy Opposition Leader, but let me investigate because it's the first time for this matter to be raised on this Floor and it has not come to my attention yet, so I will investigate and report back to them accordingly.

**06/06**

**Mr Douglas Tomuriesa** – Point of Order! Mr Speaker, may I kindly ask through the Chair. If, I can be allowed to table the papers so that the good Minister can receive them.

Thank you, Mr Speaker.

### **Plans for the Special Maritime Industrial Zone**

**Mr MUGUWA DILU** – Thank you, Mr Speaker, my question is intended for the Minister for Fisheries and Marine Resource but since he is not here, I'll redirect it to the Minister for International Trade and Investment. And that's in relation to the Pacific Maritime Industrial Zone. The project proposal that the government has been tossing back and forth for the last 15 years.

That's a very important project because it will create more than 10,000 jobs for this country and it's also located close to the international shipping ground. It's also an attractive destination for investors who are interested in PMIZ. And it will be the largest cold storage facility in the Pacific region and Asia.

That will bring all the fish caught in our waters to PMIZ to process, store, and export to offshore markets. To date, the project has not commenced yet so, I'd like to ask the Minister for International Trade and Investment;

- (1) What is the status of PMIZ, as it is now?
- (2) Do we have a project management team and a plan to execute the project?
- (3) And if not, can he inform the House and the country when the government and his ministry intends to pursue the project?

Thank you, Mr Speaker.

**Mr RICHARD MARU** – Thank you, Mr Speaker, and I thank the Member for Kundiawa-Gembogl for a very important question.

I just want to provide the clarity for Parliament that PMIZ reports to me, under my ministerial determination so the question is directed to the rightfully to me and not the Minister for Fisheries and Marine Resources.

Mr Speaker, the Honourable Member is correct, this project has been lagging in the woodworks for nearly 15 years now. Successive governments have tried to get the PMIZ into operation but they haven't been able to do that. Since I am the Minister responsible, I want to update Parliament on what we are doing to get the PMIZ into operation next year.

Mr Speaker, in terms of the proposals under various governments, were looking at building a wharf and inviting locators to come and locate within PMIZ. I have decided against that because immediately next to the PMIZ area, we share the same boundary with RD Tuna. They already have a wharf and a docking facility where they are able to provide services to maintain all their purse seiners.

So, the Marape Government has now decided to undertake a study to partner with the first fishing company in this country that processes fish RD Tuna. There's a State negotiation team undertaking negotiation right now for us to partner with them and go into a joint venture company. That will allow Papua New Guinea for the first time to own boats and cannery to start the process of getting PMIZ into operation. We don't need to build a new wharf, is too expensive.

There's a wharf next door, they have water and their expertise. So, the Government's plan is to enter into a joint venture agreement with them. Start the fishing and then look at building the first world-class cannery in PMIZ next year using some of the funds that the government has already provided for in the Budget; K70 million for PMIZ and K30 million for the Manus Province to go into fisheries.

So, that's where we are at this stage. We are hoping that the State negotiation team and the other teams will conclude the negotiations over the next four weeks. Then the proposal will come back to the Cabinet through the Ministerial Economic Committee to set up the first joint venture.

## **07/06**

And for the first time this country will be owning fishing boats and our local fishing men and women can learn how to fish.

Right now, we don't own the industry at all but are only rent collectors. It's a very important step and I am happy to inform this Parliament that in the next few weeks, I should be presenting a proposal to Cabinet on how we can go into a joint venture. And by next year we will start building the first fish processing plant.

And if we get the first one up then I have no doubt many other investors will start looking at putting up processing facilities at the cheapest cost possible.

### **Funding for Connect PNG Programs**

**Mr KONI IGUAN** – Thank you, Mr Speaker, I want to direct my questions to the hard-working Minister for Works and Highway.

Mr Speaker, on behalf of my people of Markham, I would like to thank the Marape-Rosso Government for the continuity of the ‘Connect PNG’ program. This program has produced many good results in most parts of the country through the construction of new roads and maintaining old roads as well.

Minister when sitting in the Chair as the Deputy Speaker, I noticed that when questions are asked by the members you answer them well. And you also presented the full report on the progress of the road work in most parts of the country through this program.

My questions are:

(1) Can you confirm to this House how many districts in PNG have been funded already under the ‘Connect PNG’ program?

I am aware that every district has a road project and has to be funded under this program of ‘Connect PNG’.

(2) Can you confirm to the House how many districts have already received the funds and how many are yet to be funded?

(3) When will the funds be released for the ones who have not been funded?

I am asking these questions because my district has received funding for one term under this program in the last five years and not this year.

(4) Are we going to receive the full payment for the years we missed out on?

So that we can extend the good work done through this program. I fully support this program because it actually opened one part of my road by sealing it. Which the road was sealed by using the DSIP funds.

Therefore, I want you to inform this Parliament that you will present a full report of all the districts in the country regarding those funded and those yet to be funded as well in the next sitting.

**Mr SOLAN MIRISIM** – Thank you, Mr Speaker, I thank the Deputy Speaker and Member for Markham for his pertinent questions.

Under the ‘Connect PNG programs we have two phases; (1) national highways to connect all the missing links with all the provinces (2) to connect all the districts.

**08/06**

In our districts and our provinces there are infrastructure funds that go down but then in some districts, we have missing links and economic corridors that have been identified. Those are the districts that do not have proper roads but contribute to the economy of this country, places like Karamui-Nomane, Middle-Ramu to Baiyer, are shortcuts that lead to the Highlands Highway and there are also two or three other districts serviced by these roads.

There are other places like Telefomin, Finschhafen, and many others which connects more than three districts that is an economic corridor because the people from these district will create markets to contribute to the economy of this country.

That is what Connect PNG is concentrating on building roads but that does not mean that Connect PNG will deliver all the roads to the districts and provinces at the same time. Whilst Connect PNG has already started work we are continuing to identify places that do not connect such as Mount Bosavi, Telefomin and others that have been already identified under the Missing Link Project of Connect PNG.

There are also places like Goilala, Finschhafen, Menyamya, Marawaka, Rai Coast, Tewai Siassi, and many others that have no road access. So, it is the priority of this Government under the Connect PNG program. The road from Wutung to East Cape, from Kopiago to Lae, from Kikori to Mount Hagen, all these main Highways that connect to the main road is where Connect PNG is concentrating.

**Mr Johnson Wapunai** – Point of Order! Thank you, Mr Speaker. My Point of Order is that there is a little time left for questions so can the Minister give a direct answer so others can ask their questions?

My questions are very clear, the first is regarding the DSIP fund that the district operates on which is K3 million but the PIP Projects and Connect PNG Programs are two different things so can he answer the question properly.

Thank you.

**Mr SPEAKER** – Thank you, Honourable Member for Ambunti-Drekikir and your Point of Order is in order.

Mr Minister, can you also answer the Member for Markham question, if you can provide a list of the roads that Connect PNG has already funded?

Thank you.

**Mr SOLAN MIRISIM** – Thank you, Mr Speaker. I was just trying to give a background first and then answer the questions. I wanted to define Connect PNG, DSIP and PSIP funds because there are still some confused members.

Connect PNG is for the economic corridors, the main highways, and districts that have no road access. The Government is trying to connect the unconnected and serve the unserved so we are going around the country from province to province to identify the main roads in each province to fund under the Connect PNG Program and the province can fund the smaller roads. We have already started with three or four provinces.

**09/06**

Before the 2024 Budget comes out, we will put out a list of all the roads that are selected for the Connect PNG Program.

So, I want to assure the Member for Markham that in regards to his question about to how many districts have been selected for the Connect PNG Program, a list will be put out for all the districts that are selected. If your district is not on the list, then your district is not selected for the program. Thank you.

### **LLG Elections**

**Mr WILLIAM POWI** – Thank you, Mr Speaker. My questions are directed to the Minister for Provincial and Local Level Government Affairs and Commerce Industry concerning the much talked about Local Level Government (LLG) Elections. My questions are as follows;

(1) Can the Minister inform the country whether the LLG Elections will be conducted or not?

(2) If the elections were to happen, when can we expect it, how much will be the estimated cost of the LLG Elections?

The LLG President Elections are proving to be a challenge for this country. The LLG does not have funding for development and projects, but the elections of the presidents are causing a lot of problems than the elections of open members.

My province has 20 LLGs, including Ialibu Urban LLG and Mendi Urban LLG. For the last LLG Elections, the ward councilors went camping and elected their presidents. This caused a lot of problems and was a challenge for the communities involved. The government provides funding to the DDA, not to the LLGs. The LLG Presidents are a third-tier level of government.

My province has come up with a resolution to that. For the 20 LLGs in my province, I would want my people to elect their LLG Presidents using the Presidential System of Voting because when the ward councilors elected the presidents, it caused a lot of problems, even to the extent of some pursuing legal actions against the election process.

(3) What is the view of the National Government in relation to that? Will the people or the ward councilors elect the LLG Presidents?

I want my people in Southern Highlands Province to elect their LLG Presidents because that is user-friendly. We already have enough election-related issues in the province.

**Mr SOROIEOE** – Thank you, Mr Speaker, and I also thank the Honourable Governor of Southern Highlands Province for asking these important questions.

Concerning the first question on whether or not the LLG Elections will be held, the confirmation is that, the LLG Elections will be held next year from July to August. That answers the second question as well.

In regards to the third question on whether there will be funds made available, this is an important election for the third-level government which is an important part of our government system, and therefore, funds will be made available. I know our government will make funds available to fund this very important election.

**10/06**

I cannot give you the cost of this election, that will be the subject of discussion between my department and the Electoral Commission to come up with a budget to conduct this very important election.

The fourth question is a very important and it was debated last week. The question was whether or not people should elect the presidents of the LLGs or current practice where the ward members would elect the presidents. Since the last week, I have answered that question but in the interest of that question being asked. Also, since last week the Government Caucus has sat down and looked at it, and I have raised it again this week to get the reaction from members of the Government Caucus as to how they want Council Presidents to be elected.

We discussed that and the majority of the Members in the caucus would like to see that the council presidents are elected by the people. That is what I will be taking to the Cabinet and after it has been endorsed then we can present it to the Governor-General for endorsement and approval.

## **National Apprentice Trade Testing Board-ENB**

**Mr EREMAN TOBAINING JUNIOR** – Thank you, Mr Speaker for acknowledging the people of Kokopo. Before I ask my question, I would like to welcome the Speaker back into the Chair in good health.

I wish to also thank the Prime Minister, as in his wisdom, he has appointed a woman to represent women and girls on NEC. This is an appreciation on behalf of the mothers of Kokopo. My question is directed to the Minister for Labour and I would like the Minister for Higher Education, Science and Research to take note. My questions are related to Trade Testing and the roles of the National Trade Testing Board (NTTB).

All through the years, we believed that we had skilled and resourced persons. Today in East New Britain there was a question raised regarding issues of employment and particularly on our government's plan.

I believe through this Government there is a plan in place to create one million jobs in the country by 2027. The focus of my question is about the basic trade skills training such as carpentry, plumbing, mechanics, electrical, and business skills. At the meeting, we discussed the high demand for skilled trades for men and women in the various industries and resources projects.

Mr Speaker, in East New Britain, on behalf of the Governor, we are now supporting the youths in life skills training. Many people have completed basic trade skills training and are waiting for testing and certification. The only testing facility in East New Britain Province is at Kokopo Business College for training and business skills. The other testing facilities at ia at Rabaul in the Gazelle District, this training center for technical skills have been non-operational for some time. Of course, there are other backlogs of young trainees from level 1, level 2 and level 3 who are waiting for a national certification or NC in the province.

**11/06**

My questions are as follows:

(1) Is the Minister, aware of this issue we are facing in East New Britain?

(2) What plans or actions have been undertaken by the Department to establish the trade testing standard facility and equipment for National Certification, NC Level 1, 2 and 3 in East New Britain and some other provinces?

(3) Assessors are well trained and NATTB certified people to conduct apprentice trade testing. Can the Minister confirm how many NATTB certified assessors we have for various

trades and do we have a national record and are there plans to train more assessors and localise them in the provinces including East New Britain?

Thank you, Mr Speaker.

**Ms KESSY SAWANG** – Mr Speaker, I want to thank the Member for Kokopo for his good question. I think it is a very appropriate question coming from the Kokopo member.

Because, Mr Speaker, East New Britain Province prides itself by producing human resources in the technical areas. And they have an abundance of youth venturing into technical fields as alternate pathways to white collar jobs and they have a handful of TVET institutions so I as a Minister for Labour, commend the East New Britain Government for that.

Mr Speaker, for his questions; firstly, on the backlog of young trainees; the functions, as he said correctly, is for the National Apprenticeship and Trade Testing Board (NATTB). The Rabaul Vocational Training Centre, is a facility that does the trade testing program for skilled people in the local area in East New Britain. I want to respond to that question.

Mr Speaker, I want to advice the Member for Kokopo through you, that the accreditation is granted upon request by the industries, and only to those who meet the NATTB requirements. And the NATTB conducts trade testing at these facilities upon request of paid up candidates using their user pay account trust system. So there is no direct funding from the government. It is the industry that request for this and they actually pay up for that to happen.

So, I want to assure our good Member for Kokopo that I will get my department to provide the return response on why industries have not requested for Rabaul to conduct their training. It may be because of Covid-19 pandemic in the past few years that no request has been coming from the industry and no payment has been done for that to happen.

On his second question; Mr Speaker, upon the plans that the government has for the trade testing. I want to advise our member that recently the National Certification system that is NC 1, 2 and 3, has been moved to TVET which comes under DHERST, that's Department of Higher Education Research Science and Technology so our Minister for DHERST can update our member on that.

The Department of Labour and NATTB administers the National Apprenticeship programs in the formal sector and trade testing programs in the informal sector for skilled workers to be recognised as tradesman and woman. So these pathways to becoming trades people are well functional and they have been producing close to around 200 per cent per year in PNG. So one of the things that we are looking at under the Marape-Rosso government, is to review the labour laws.

**12/06**

Mr Speaker, they haven't been reviewed since Independence. In order to address the issues raised by the Member for Kokopo, we have to make the apprenticeship employment mandatory in the industrial sector and that is not covered under the current legislation. So we will be undertaking a review of the labour laws to make that mandatory and also looking at not only teaching our people in trade skills but also in character building to make them good people and some of these components are actually missing in the current laws.

In his third question on the assessors, the NATTB has trained over 900 assessors and at the moment we cannot pin point where exactly these assessors are. They are in industries, in communities, in institutions throughout the country. So I will advise the Member for Kokopo that we will get back to him to inform him on the number of assessors based in East New Britain so they can be engaged on behalf of NATTB to conduct the assessment at the respective institutions.

Thank you, Mr. Speaker and I want to assure the Member for Kokopo that I will provide a written response on this and I will get my department to work on the issues that he has raised.

### **MOTION BY LEAVE**

**Mr RAINBO PAITA** (Finchhafen – Minister for Finance and Planning) – I ask leave of Parliament to move a motion without notice.

Leave granted.

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

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

That so much of the *Standing Orders* be suspended as would prevent Notice No. 60 government business, being called on forthwith.

## CLIMATE CHANGE MANAGEMENT (AMENDMENT) ACT 2015

### First Reading

Bill presented by **Mr Simo Kilepa** and read a first time.

### Second Reading

**Mr SIMO KILEPA** (Lufa – Minister for Environment, Conservation and Climate Change) – I move –

That the Bill be now read a second time.

Mr Speaker, the amendment to the *Climate Change Management Act 2015* aims to make enhanced provisions for the administration of the Climate Change Development Authority. The collection of climate levies and the development of carbon markets in Papua New Guinea. These amendments are intended to be read in conjunction with the prevailing provisions of the *Act* and the *Climate Change Amendment Act 2021*.

Mr Speaker, the *Act* currently establishes the Authority as a statutory body and excludes the application of the *Public Service Management Act 1997* and the *Regulatory Statutory Authority Act 2004*. Given the nature of the authority, the government mandates it and implements the regulatory functions that it performs. The *Act* fails to provide a cohesive and clear administrative framework which is reflective of a government institution that is a statutory authority.

### 13/06

By excluding the application of the RSA and PSMA, the *Act* has created administrative ambiguities in relation to appointment, the status and rights of employees, and other civil service employment-related matters.

The *Climate Change Management (Amendment) Bill 2023* seeks to address these uncertainties by bringing the administration of the authority into conformity with the

applicable laws governing statutory bodies, and by considering the RSA and PSMA frameworks and the structures adopted by similar institutions.

Mr Speaker, the proposed Bill is intended to provide the legal basis for the authority to impose and collect tax revenue in the form of carbon levies (tax applied per carbon content of fuel), nitrogen levy (tax imposed on the import of synthetic nitrogen fertilizers) and activities

which generate carbon emissions, and for non-tax revenue (fees and charges). The imposition of taxation measures is an internationally accepted means by which governments can disincentivize carbon emissions from certain economic sectors.

The Bill also intends to provide for the establishment of trust accounts for the collection of revenue by the authority, and for a transparent revenue generation and collection mechanism.

It only provides for a minimal increase of just 1 toea for certain fuel types. It also provides for the imposition of a fee of K50 as a 'green fee' to foreign passport holders at points of entry. This fee is well below similar fees charged by Palau, New Zealand, Virgin Islands and other jurisdictions.

Mr Speaker, in accordance with Article 6 of the United Nations Paris Agreement 2015, PNG has assessed carbon markets as a potentially effective means to enhance economy-wide mitigation efforts. The proposed insertion of a dedicated Part in this proposed Bill on carbon markets is intended to empower the authority to establish a national carbon market framework and registry, and to provide a basis in the Act for regulations to be developed to make detailed provisions for carbon market implementation in PNG.

Mr Speaker, the carbon market regulation will ensure established administrative processes provide for regulatory guidance and oversight for project developers pursuing the voluntary carbon markets.

The Parliament endorsement of the revised CCMA of which the carbon market regulation is captured will also make way for revenue generation at both the national and subnational levels of government through the sale of quantified carbon credits.

The essential governance frameworks are embedded within the administrative guidance to the revised CCMA and the Carbon Market Regulation. Establishment of the National Climate Change Board is also contingent on the enactment of the CCMA.

Mr Speaker, the revised CCMA went through the CACC vetting process. After vetting, the CACC had endorsed the CCMA on the 1st of June to go to the NEC. The NEC endorsed

the drafting instructions for the CCMA in NEC Decision No.169 of 2023. The First Legislative Counsel has finalised the Bill which I present to you today.

Thank you.

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

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

Bill read a second time.

### **Message from the Governor-General**

A message from His Excellency the Governor-General dated 3rd October 2023 recommending the imposition of taxation insofar as the bill relates to and provides for such imposition.

### **Third Reading**

Leave granted to move the Third Reading forthwith.

Motion (by **Mr Simo Kilepa**) proposed –

That the Bill be now read a third time.

**14/06**

**Mr JOSEHP LELANG** (Kandrian-Gloucester – Opposition Leader) – I move –

That Parliament take note of the Paper.

Mr Speaker, I want to thank the Minister for Environment, Conservation and Climate Change for tabling this legislation in this honourable House. Climate change is a serious matter that has become more visible in the last 50 years in Papua New Guinea. Many of our people and communities will attest to that fact.

Some communities like our atolls have already relocated to the main lands while others are turfing it out. Addressing the effects and impacts of climate change is important to the

future and livelihood of our people and our communities. And this is where our priorities should put in the areas of mitigation and adaptation.

Mr Speaker, Papua New Guinea is not a net contributor to greenhouse gas emission. It has the third largest rainforest in the world. Papua New Guinea has contributed significantly to cleaning up the carbon dioxide that has been emitted by the world's largest polluters.

Papua New Guinea only emits 0.02 per cent of total greenhouse gas emissions. This is very insignificant and it's only a drop in the ocean. When we compare to countries like China that contributes about 10.6 billion metric tons of carbon dioxide which is about 29.1 per cent of total global emissions.

The United State contributed 5 billion metric tons, which is 17 per cent. India 2.5 billion metric tons, which is seven per cent of carbon dioxide. Papua New Guinea is only 0.02 per cent, very insignificant.

Mr Speaker, like all developing countries Papua New Guinea is one of the Non-Annex 1 parties under the United Nation Framework Convention on Climate Change (UNFCCC).

Mr Speaker, this means that they are not obligated to set their targets of restoring greenhouse gas emissions or make commitments to attending such target within an aggregate time period. Like develop industrialize nations who are categorized as annex one parties to the UNFCCC.

All parties, however, the Non-Annex 1 parties and the Annex 1 parties all agree to work together to deal with the effects and impacts of greenhouse emissions. This is about mitigation and adaptation measures. Strategies and policies that we must put in place as a nation within the national sustainable development framework.

Mr Speaker, the issue outlining in this draft bill that is now before us seeks to take Papua New Guinea into developing a carbon market with its stringent and taxing regimes but is not in line with our international obligation under the UNFCCC as a Non-Annex 1 party.

Mr Speaker, so if we agree to such that amendments particularly of *section 38* and *39*. We are now acting as if Papua New Guinea is one of the main emitters. As those in Annex 1 parties of the convention and committing Papua New Guinea to a set of targets of reductions of an emission that we used to attain with in that set timeframe.

Mr Speaker, we are not obligated to take the options that this legislation contains. Furthermore, it should be rejected, we should focus more on mitigation and adaptation matters to assist our communities. Deal with the immediate effects of climate change like sea level rise that affects 60 per cent of our country.

Mr Speaker, we have just seen the ICCC approved increase in fuel prices for petrol, diesel, kerosene and zoom due to increase in crude oil prices worldwide. Petrol has increased by 25.17 toea per litre, diesel has increased by 44.95 toea per litre, kerosene has increased 48.07 toea per litre.

Just recently the National Capital District Commission has set bus fares to K2 per passenger in the city and K20 is the minimum fare for taxis in Port Moresby.

## **15/06**

In this Bill, Mr Speaker, by introducing one toea levy on diesel, petrol, kerosene and zoom on top of what is already an increase in prices announced by the ICCC for trucks. Under this amendment, we are imposing an additional K2 on top of diesel trucks or trucks that have a 200-litre capacity. We are imposing 80 toea extra or K1 on top of taxis sedans according to the fuel tank capacities.

Mr Speaker, not only are we adding 1 toea on top, we are also including a carbon tax on top of the fuel as well. It is K5 per the amount kilogram of carbon that is inside a 1-litre fuel that is also applied including an extra K50 that we impose on international travels.

So this is what we are trying to approve now Mr Speaker, and this is going to add more cost to doing business in Papua New Guinea. This Bill is going to create inflationary impact and it's going to make it frustratingly difficult for ordinary Papua New Guineans to go about the daily activities.

Mr Speaker, we have killed many of our sectors like forestry through bad taxes, inflation continues to remain high while wages have not risen. This has reduced real wages of our families throughout Papua New Guinea.

Mr Speaker, now we are raising fuel costs, and imposing import taxes on fertilizers, this is going to affect our agriculture sector. Our PMVs are going to pay more on fuel, so we can expect PMVs to charge more as a result of this Bill, including additional

Mr Speaker, for example if you have 1 toea, it may sound little, coming from a maritime province, you are aware that you will need one drum of fuel to travel. One drum of fuel holds 200 litres so you multiply by 1 toea that's a lot of money. Right now we are buying K1200 per drum in many parts of the rural areas when you add 1 toea on top of that, you are going to pay an extra K400. So you are looking at paying K1,600 for a drum of fuel.

Papua New Guinea needs to do everything to remain competitive as a nation, but this Bill which is now before us is not going to do that.

Until now the policy objective of this Bill continues to allude me. It is a confusing Bill, on one hand this government wants to create 100,000 SMEs by 2027, 1 million jobs 2027, it has setup Parliamentary Committees to look into identifying and making recommendations to remove impediments to businesses in progressing the objectives in the MTDP 4. But this Bill Mr Speaker, it's going to derive that, it is going to work in the opposite direction.

Mr Speaker, it is like two blind man sitting on a canoe and facing each other and paddling. We are not going to go anywhere, this Bill is not good for the country's economy and the welfare of our already struggling businesses and families.

The content of this Bill is more appropriate when Annex 1 party, a developed nation can meet their targets. Papua New Guinea does not have any targets in it so why is this Bill here.

European Union has already established a carbon emission trading scheme, Papua New Guinea can identify and participate in that scheme so that this industrialized nation can offset their emissions through this scheme. It does not make sense why we are establishing an emission trading scheme in Papua New Guinea to facilitate what domestic trading carbon should trade internationally using the environmental systems that is already established. The world is not going to come and participate in Papua New Guinea born an environmental trading emission scheme Mr Speaker.

Parliament should reject this Bill and its contents shows this Governments thinking is not in the right place.

Thank you, Mr Speaker.

**16/06**

**Mr LUTHER WENGE** (Morobe) – Mr Speaker, I rise to support the Bill that is being proposed by the Minister for Climate Change.

Mr Speaker, I appreciate the argument presented by the Opposition Leader in response to the Minister's argument. There are always two sides to a coin and what he did is very much appreciated but as a Government, I am I in support of the Bill.

The amendment proposes to make sure firstly that the principle amendment confirms, is consistent and complements other existing Laws that we have about Public Service, Finance, and the other things we have in the country.

Mr Speaker this amendment seeks to marry into those existing acts of Parliament and it makes sure that we are consistent about the administration; whatever administration it may be

in this country. The principal amendment did not do that so the Minister is doing that to make it happen, so I commend the Minister on that.

Secondly, I see that this particular Bill intends to make sure that the authority that is established or already established is given ticks to do other things, particularly in relation to the tax on carbon emissions into this world.

Papua New Guinea is not alone but is part of the international community and whatever emission that is emitted out of Papua New Guinea affects the world and vice-versa because we are all on one planet.

So, whatever development that may be to progress the development enhancement in each country, we must be very mindful of the fact that this planet has an eco-system and there must always be equilibrium in this system.

Now, what has happened is that the international community has produced emissions to this world. There is a bunch of them who are too greedy doing it for their own wealth; they want to have more money which is why they are going into companies and producing whatever they want to produce but in doing so they are producing carbon dioxide to the atmosphere.

Now, if that carbon dioxide emission into the atmosphere is not controlled it will destroy the environment and living things on the land and in the sea so the whole eco-system is going to be affected. The carbon dioxide that has been produced has destroyed our atmosphere which protects the planet. The atmosphere acts like an umbrella so carbon dioxide has destroyed the umbrella and that is why the sun is coming direct to the planet causing change to the globe.

Mr Speaker, that is why Papua New Guinea must be tuned to the views of the international community, as much as we want to promote business and get rich we must also protect the environment, and the eco-system is protected as it was in the beginning when God created heaven and earth. It must get there and there must be equilibrium in the ecosystem but that is not happening.

## **17/06**

In France, the international community gathered there to talk about how they will protect this world and make sure that the ecosystem is working. The former Prime Minister, Mr Peter O'Neill, and the former Minister for Climate Change, Sir John Pundari represented our country in France and made a presentation in the interest of Papua New Guinea.

Papua New Guinea is one of the countries that is making sure that the world is safe for us and for the future. Papua New Guinea is also one of the first countries to pass the principal Bill that we now want to amend. We have to commend the leaders at that time, Mr Peter O'Neill and Sir John Pundari for doing that. The Bill was eventually passed to put into effect our position.

Mr Speaker, the Minister is now making a proposal for the amendment and I support him. We have to take action in this country so that the international community will know that we are serious about the protection of our ecosystem. The planet must not change.

Mr Speaker, Papua New Guinea has taken action already, even though it is a small action, it will bring about a substantial impact. I support the Bill, and I can see that the Minister is proposing to have some things be given authority and to have the jurisdiction to do things.

Carbon emissions in this country are produced by mostly companies. We have to register and monitor these companies. That will be something for us to tell the international community about. We can tell other countries that we have the third largest rainforest but at the same time, we must be in tune with other countries regarding what was proposed and accepted in the Kyoto Protocol and in the Paris Agreement is implemented. I am sure that when we pass this Bill today, we will be applauded by the international community for the good things that we are doing.

I also agree with what was being said by the Opposition Leader that Papua New Guinea after doing this, can ask the international communities; Americans, Chinese, Australians, and Europeans to be serious because they are the countries that produce a lot of carbon dioxide in the atmosphere.

They should know that we are taxing companies operating in PNG that are producing carbon emissions. PNG may be a small country but that is what we are contributing to the fight against climate change. If that is what we are doing, then big countries must also take some action against this.

## **18/06**

The Australian Prime Minister, John Howard refused to sign the Kyoto Protocol. His country is produces the highest quantity of carbon dioxide in the region and he refused to sign, but when the new Prime Minister came in Honourable Rudd, he signed the Kyoto Protocol that gave a different and right position for Australia. In our region, we have to lead by example as our islands are being eaten away, I was there in Manus and noted that the island is eroding and will most probably sink too.

It is not only affecting the islands but also the coastal mainlands are almost being washed away. Once upon a time, we had coconut trees and today 100 meters away from the mainland have all been eaten away by the sea. This is not a fairy tale story; it is happening in the country. We are not doing enough to attend to the destruction of this planet by the actions of a few greedy people.

Mr Minister, thank you for presenting the bill and I am sure we can use this money to resettle people and maybe build seawalls. Climate change is evident everywhere in our region. We are making loans and getting money to build big bridges and roads but our neighbors are getting loans to put up seawalls to protect their islands and here we are not doing enough to protect our people on the islands.

We are not doing enough to protect our coastal mainland people whose lands are eroding due to the rise in sea levels. Thank you, Minister, you have taken the right step but the people who are responsible for discharging the carbon emissions should be taxed. Later on, you should bring a bill to Parliament so that this money collected could be used to build sea walls to protect those islands being washed away by the rising sea levels.

Mr Speaker, I have you in my mind when I am making this remark because you live on the island and I live on the mainland. I am sure these monies will help us to directly do something about protecting our people whose land and islands are being eaten away by the sea.

Many parts of this country including Morobe Province have very thick forests. We are the ones protecting this world from carbon dioxide and we must be compensated. We are making global friendships and talking to a lot of the leaders and our leaders have also addressed UN heads too. As a nation we are protecting the world from carbon dioxide; we must tell them to compensate us now.

## **19/06**

Compensate Papua New Guinea for our trees and our seas. Our seas also play a vital role in reducing the amount of carbon dioxide emissions.

So, Mr Speaker, I humbly request the leadership to demonstrate leadership in the defence of this country.

We are just so much concentrating on minerals; oil and gas. But eventually, all will be exploited any of the day when we are not careful. We must make the best out of the monies that we make from oil and gas and create the best investment avenues for future use. It doesn't

matter when the minerals are depleted we will still have investments that we have made to sustain this country.

If we are not careful, we'll be just like Wau-Bulolo. Our neighbour international community came and exploited the gold and have taken everything and left behind nothing for my people in Wau-Bulolo. And I don't want to see Papua New Guinea like that in the future.

Mr Minister, we must tell the international community to compensate us for the discharge of oxygen into the air. Mr Speaker, our trees absorb carbon dioxide and discharge oxygen that saves the world. Today as we speak, second, minute, and hour, we are saving the world with the discharge of our oxygen and we are not being compensated for that.

Mr Minister, make sure that we come up with regulations by the Act and, take it to the international community so that they must pay us for the carbon absorbent and emissions of oxygen that save the world.

I am sure, you are a very able Minister, you've brought the right bill and proposed amendments to the principal bill and I am here to support you. But I want you to take the word to the international community. I am sure the international community will support us.

Mr Speaker, there is too much talk about carbon trade in this country and many international people are coming here to make sure we get the carbon credit. Many people have been following the developed countries who have come here to negotiate carbon trade but have gained nothing. They got nothing! It is like a cargo cult. But I am sure the Minister and the Prime Minister and others you are going to do well. Your representation of us to the world has been salient and I commend you for that, but let's do the right thing to save this country.

We are contributing to save the world but how do we benefit? As a fair thing the world must compensate us for what we give. And I support this bill because I see it as a stepping stone. I trust your leadership and the next bills you will be bringing in the future. I trust you, the Prime Minister and the government's leadership.

I think we should all support this Bill. Thank you Mr Speaker.

**Mr WILLIAM DUMA** (Hagen – Minister for State Enterprise) – Thank you, Mr Speaker, I rise to support a very important amendment to an existing Act.

Mr Speaker, we as a country have come late in terms of environmental issues made very important strides.

It all started way back in the year 2000 when the Parliament at that time consolidated twelve existing different legislations which dealt with environmental matters and introduced the *Environment Act*. After those amendments were made and that legislation came through our Prime Minister at that time, the late Grand Chief Sir Michael Somare championed our country's status as a country that had large untapped reserves of natural rainforest in the world and he was one of the leading figures in the coalition of rainforest nations.

We have come of age and the second very important piece of legislation that this country introduced was way back in 2015 when the *Climate Change Management Act* was introduced. That was a very important piece of legislation which again demonstrated to the world that Papua New Guinea has become an important player in matters of environment, and what these amendments seek to do is they are just simple in my view they are not designed to collect more revenue. They are just designed to encourage more carbon emissions being introduced in this country. If you look at Mr Speaker, the carbon levy that this amendment seeks to bring into place only leads to a tax that will be applied to the level of carbon that one can find in the fuel that we are importing in this country.

Mr Speaker, the other levy is the nitrogen levy which also seeks to regulate has importers bring in synthetic fertilizer or nitrogen fertilizer. These amendments are designed to make sure that whoever is involved in these sorts of activities is made aware of the environmental impact that it will be causing so we are only seeking to regulate and discourage emissions that are being brought into this country.

Mr Speaker, we have done well in terms of pointing out to the world that environmental issues are very important and we've also read about major lenders and lobby groups, publicly calling for people not to land on big projects our Papua LNG Project for instance, they have said that as long as those projects deal with carbon or fuel they should not be actively financed. We as a country stand a lot to lose if we do not take any steps to do our bit and this although a small amendment to an existing legislation will help manage how efficiently we encourage investment from the national bankers. Everyone is talking about the environment then if we are not seen to be doing our part we stand to lose in a very big way.

Papua New Guinea as we all know, whilst hosting one of the world's last undeveloped timber resources we also on the receiving end of Climate Change, and as all of us know our beautiful islands of Mortlock are living examples of what Climate Change can do to our people. so Mr Speaker we have a lot to gain Mr Speaker by approving these amendments, we have nothing to lose. These are simple mechanisms designed to discourage people from introducing more emissions to the atmosphere so Mr Speaker I want to support the good

minister in this rather straightforward simple amendment that will make everyone in this country gain and nothing to lose and I commend this Bill.

**Mr DOUGLAS TOMURIESA** (Kiriwina-Goodenough) – Thank you, Mr Speaker, I would like to say a few words on this Bill also. I would like to support the Opposition Leader with regard to this Bill that is now presented before us.

Mr Speaker, firstly let me say that I was very fortunate in the past to have attended one of these meetings in Paris CORP 21, and having heard what the Minister has presented before us it worries me a bit.

**21/06**

It worries me that nations who are bigger emitters of carbon dioxide have refused to sign on the dotted line, and while our country emits less than one per cent or even less than 0.5 per cent, we are penalising ourselves and our people to pay for somebody else's wrongdoing.

Mr Speaker, if someone decides to break into your home and you catch this person then obviously you will tell this culprit to fix the damage he caused. You would not turn to your spouse and say, 'someone else caused the damages, but we will meet the costs.'

That's why I stand here to support the opposition leader and our views on the issue of climate change that is affecting the world but more so here in PNG.

I want to emphasize on the Morobe governor's remarks on late Sir Michael Somare realisation of the potential for PNG being the third largest forest cover in the world. That on its own is already a measure of contribution to the greenhouse emissions and if we are already contributing by preserving our forests in making certain that the emissions of CO<sub>2</sub> by industrialised nations are taken care of by our forest then we are already playing our part to save the world. Why do we go ahead and continue to penalize our people by getting more tax from them?

Anyone with some logic would not support this bill on this Floor. We continue to penalise our people time and time again in this House, Mr Speaker. And then Minister should tell us that under United Nations Framework Convention on Climate Change (NFCC)-

**Mr James Marape** – Point of Order! For him to say that we continue to penalise our people time in and time out is a wrong assertion by an honourable leader in this House. This

House is not meant to be penalising our people every time and under *Standing Order 141(2)*, he cannot contest a government policy based on assertion or infringes.

Thank you, Mr Speaker.

**Mr DOUGLAS TOMURIESA** (Kiriwina-Goodenough) – If he thinks that it's an assertion, our people are feeling the pinch of the decisions we made.

Mr Speaker, let me continue by saying that under the United Nations Framework Convention on Climate Change, the Green Party Climate Change continues to announce that there is US\$14 billion sitting there. Why can't under this Bill we put a team together that will access these funds so we can fix our major issues in the country, which were created by the industrialised nations and not by us. Why do we have to penalize ourselves for someone else's doing?

When I look at this Bill it's about domestic trades and not about international trade. It's not about Carbon Trade International but about ourselves here. Why are we trading within ourselves? We simply register and use the trading schemes that are currently available in the international markets and not within us.

Mr Speaker, I want to ask the Minister, Prime Minister and Leader of Government Business that the provision in this Bill should be removed or relooked at and revised.

## **22/06**

The opposition leader has highlighted the figures already, and the effect that will hit our people. The Treasurer knows it very well because currently a can of coke on his island costs K7. Today on Kiriwina island fuel costs K8 per litre and when we pass this bill it will go up to K10 per litre. It will affect our people more severely, therefore, I am asking the Prime Minister, Treasurer and ministers please take this bill back and do a proper analysis for Parliament to support this bill.

Mr Speaker, I'd like to take this opportunity to finally say that boats are transporting people and cargoes at sea. The cost they have incurred is passed back to the end-user and the end-user is our people. We have to consider our people when making such decisions. We have to consult more on this paper; I don't think there is sufficient consultation on this paper.

Mr Speaker, finally, you and I are from islands and a lot of members who are seated here are from remote places. If NCDC has already felt the effect and raised the PMV fare to K2, the taxi minimum rate is K20 despite of the distance you travel but now it has to be more

than that. Why have you come up with these measure? They have come up with this measure to cater for such bills.

And so, Mr Speaker, I ask you through the Chair, to our good Prime Minister, and the ministers that withdraw this bill and do proper consultation to ensure that we pass it.

Thank you, Mr Speaker.

**Mr MUGUWA DILU** (Kundiawa-Gembogl) – Thank you, Mr Speaker. Firstly, I would like to commend the Minister for Environment, Conservation and Climate Change for bringing in this very important bill to Parliament. That was a pending task needed to be done and I commend you and the staffs for that.

I have two issues that I'd like to point out. Firstly, this bill has to be harmonized with the *Forestry Act*. Because yesterday we heard the statement from Minister for Forest that they are also going into the space of carbon trading. So, that's where we need more consultation between forest and Climate Change Authority to factor the bill in.

We also passed this year's budget. We raised K30 million has forestry levy so where are we going to park this fund. So that's one point that I think the bill needs to be consulted with the *Forestry Act*.

And also, the application of the *Non-Tax Revenue Act* on the current bill that is on food. We see that Finance Department is taking back all the money that is being held in the Statutory Authorities trust account. So how does that affect the propose bill that we currently have in the House.

The other point that I'd like to raise is that the bill must prescribe the expenditure, how are we going to spent money that we will raise from these levies. It has to in very concrete terms that we must finance the adaptation and mitigation including conservation efforts in this country. And that as to be prescribe in the bill because if we don't, we raise the money, we keep it in trust account and Finance comes again and sweeps it to consolidate revenue.

And also, it brings more accountability when we have money sitting in trust accounts, so we can be able to spend in environment conservation, adaptation and mitigation. Over the years the government has not been supporting adaptation and mitigation including conservation.

Every year we fund K1 million, K5 million and claim to be third largest rainforest nation in the world but, we have not been making budgetary appropriation to adequately fund our conservation efforts and addressing adaptation and mitigation.

Mr Speaker, I commend the Minister for bringing this bill because that will be a revenue raising initiative.

**23/06**

We must all support the authorities that are undertaking it so they can become financial reserves sustainable. And they can be able to finance, adaptation, mitigation, and conservation efforts in the country.

We can also argue that it's an additional tax, but we must also understand that the biggest emitters are multinational corporations. Their countries have signed up for the Paris Agreement and they are obligated under the Paris Agreement to meet their share of carbon credits that they have to buy from other countries.

So with that Mr Speaker, these are my few remarks, and I commend the bill to the House.

Thank you.

**Sir PUKA TEMU** (Abau) – Thank you, Mr Speaker, I rise to support the Minister's bill. In 2008 while I was sitting on the second chair on the left side of me as the deputy Prime Minister. The late Grand Chief saw in his wisdom the need for Papua New Guinea to raise the issue of climate change. And many of you are very well versed with all the arguments since.

Mr Speaker, I for one strongly believe that as a nation we should push for a green economy. We must as a nation with the recognized volume of forest we have, all our policies must move towards developing a green economy smarter and first in the globe.

When we were pushing for an establishment of the climate change authority, the legislation came and one of the issues that we've been blamed for as a nation is the lack of legislative frameworks. So I stand to support the minister because in this amendment, he is bringing in one missing issue and in this statement and this is why I stand to support it and ask everyone to support it too.

Under this amendment, the authority will be empowered to establish a National Carbon Market framework and registry. That's been missing and so we cannot regulate. Many cowboys will come and go so without this we've been struggling so minister you're doing the right thing and I stand to support you.

Thank you, Mr Speaker.

**Mr PETER O'NEILL** (Ialibu-Pangia) – Thank you, Mr Speaker for giving us this opportunity to make a few comments. I don't know why there is a rush to pass this legislation. Many of us support the minister and I congratulate him for bringing in this bill to this Floor. It is a very important conversation to have in this country.

Mr Speaker, this particular issue on carbon trading and of course climate change in general has a huge potential use in our country. Many leaders who are still here and many who have left us have been participants in many global forums about this issue. But we have been our own worst enemy because we have not organized ourselves. Consequently, few individuals from outside our country have come in and takes advantage of us. And we seem to be giving them the opportunity to make money out of the ignorance of our people. Thus, the legislation that the minister has brought in as got the potential to regulate that and we are supporting it.

If the bill is to have an administrative framework that is going to manage carbon trading on behalf of the people of our country, then that is a good bill. But at the same time we are penalizing the users especially, the fuel taxes and things, just to raise the few revenues to eventuate administrative management of this issue in this country. We are penalizing our people who are already trying to make ends meet.

**24/06**

I think the good minister and his team should relook at the sections on fees and charges. If the fees are going to be charge to people who are emitting carbon into in our air and of course they are not being responsible, then we need to charge them.

Bur for example, when we are fuel dependent in our country for our very survival for our economy, charging more and more levies on fuels and things like that which already our people are paying at a higher price. Just look at the prices that PNG Power, our shipping companies and fuel companies are charging us when our real wages of our people have not increased.

I do not know when was the last time that the Minimum Wages Board set down to adjust minimum wages in this country. So, you and I as leaders of our people in this country sitting in this House know that our people are struggling.

Now, if this Bill is another way of establishing trust accounts, raising more avenue for government and departments to run then please let us not fund their inefficiencies on by charging our people more taxes and fees. We can fund these through our budget, we have a

budget coming up in November. So we can put this particular Bill together with the Budget and we can all support it because as we know, over the past many years we have seen so many carbon cowboys come and go. And, when our managers and public servants are not working these cowboys take over all the international conferences and run around doing deals on our behalf which benefits them. They come and do deals with our landowners giving them nothing virtually. We are reading many articles in the media that is reflecting this so I think that it is responsible for us as the Government and leaders to make sure that we protect our people's rights to their benefits of this big carbon market that is theirs.

Mr Speaker, Papua New Guinea, has fallen well behind the rest of the world when in fact we are represent almost seven or eight per cent of the bio-diversity of our global climate and environment.

So, I think that if we frame this particular Bill properly it will be worth billions to our economy and the Minister needs to be supported. It is in its Third Reading so the Minister needs to get more consultations especially on the charges and fees that we are passing on to our people. There is nothing wrong with introducing bills that will tighten the administration of the carbon markets in our country and especially dealing with our international partners.

Mr Speaker, when I hear of some other smaller Pacific Island countries having access to this big commitment and funds that were made to many developing nations around the world, where is PNG and why are we not organized to access those funds that will go to mitigating some of the issues that our honorable leaders are bringing up like the devastating effects of climate change in the coastal communities. Those funds are available for that purpose but it is just us not accessing it properly; we are not putting the proposals and documents properly to these organizations so that they can fund us.

We just write one letter and attend one meeting and we think that the money will come tomorrow, it doesn't work like that so you need to get your documentation together and in order so that you can access those funds. I think that it is important that we take proper and competent advice from our public servants, they need to do their jobs so it can give us access to this funds that we are trying to access.

Mr Speaker, the other issue that I would like to raise is in relation to leaving us no credibility what so ever is that we keep on supporting projects that are not in our national interests. We keep on dealing with people who have questionable background especially in this industry. Many years ago there was a big rush to go around and lock up all the landowners and everybody around the country.

**25/06**

Some of us in our small electorates, have to try and fend off this kind of behaviour and causing our people to be upset with us and thinking that we are trying to stop them from having access to millions of kinas.

These kinds of cargo cult expectations that we are feeding to our people needs to stop. This law can bring about change and stability and have an orderly approach in managing carbon trade in our country.

Mr Speaker, I think the fees that we are talking about is not that much, but once you establish it by law, it will continuously increase and there will be no stop to it. If we have to introduce these levies to manage climate change issues in the country, then let us reduce the levies that we are charging on fuel and other issues.

For instance, not so long ago, we introduced an additional forestry tax which brought it up to 70 per cent, killing the entire interest rate. I thought that that tax was to manage our climate change issues in the country.

The Member for Kundiawa raised a good point that needs to be appreciated and taken into account. Let us not duplicate issues to a cost that we are just maintaining people in jobs. We need to get the issues right so that the benefits flow down to our people.

Mr Speaker, in conclusion, we are already over-regulated and over charging fees on our people who are struggling to pay. Let us take time to take stock of this and review this, especially section 38, and then reintroduce this particular Bill, together with your Budget papers.

And if the Minister needs support, the Budget will support him to manage the administrative work of this very important department.

Thank you, Mr Speaker.

**Mr JAMES MARAPE** (Tari-Pori – Prime Minister and Minister for Foreign Affairs)  
– Thank you, Mr Speaker for giving me an opportunity to offer a few commentaries in this important Bill that the Minister for Environment, Conservation and Climate Change is proposing.

He has taken on board this responsibility that is quite complex and does not only affect us locally, but more importantly, investments and the way we link between global family of nations. Climate change is contemporary and global conversation is a contemporary global issue. I appreciate the fact that this Parliament is mature on conversations in relation to climate change matters.

And I note with specific interest, the issues raised by all speakers, especially matters pertaining to charges that may be passed on to our people. The Opposition Leader raised some very credible and pertinent points. I just want to give assurance to our people, that we are a government trying to alleviate the burdens of our people.

It is shown in the last four years that we have been in government through the Budgets that the Treasurer has passed. We have lifted non-tax paying threshold from people who earn under K20,000 per annum. We have lifted that and they are not paying taxes anymore. We have made an attempt to look at subsidising at the fuel bowser and subsidising at the point of sale of essential household items. That work is still on-going.

We simply need to reconfigure the way IRC has programmed their computers in the calculation of GST in all point of sales. We are being cognation to the fact that times are tough and our people are doing it tougher out there. We do not intend to unnecessarily pass charges to our people, let alone fuel charge which is heavy on our people. And if the unintended consequence of what has been proposed here stares in our faces, then our government will make necessary corrections as the Treasurer brings our Budget papers in November.

I will give assurance to this House, that this Bill has no intention to pass the cost of burden of fuels to our people, especially and I note with special interest, the mentioning of fertiliser and fuel in this Bill.

## **26/06**

I want to give my assurance that we will take a look into the specific provisions of this bill but the whole of the presentation by the Minister is good in a way towards making our country further identified as a green country, sensitive to our global obligations of ensuring that we are living in sync with the obligation to protect our environment.

Mr Speaker, I want to indicate to all of you that global finances are shifting and more corporate boards including ExxonMobil and Total have more green consciousness in their board than ever before. and when a country has a label of green country and that we are conscious to our environmental responsibilities; then we stand to be attractive investors nation as investors try to mobilize funds to finance projects in our country. so, that is the other counter of the debate.

As we grow the economy and as investors come in, and I appreciate the comment made by the by the Member for Ialibu-Pangia; on the importance of this climate conversation. In fact, his government passed the first climate change bill we had. And that was a work in

progress for many governments. The Somare led Government started the process and when the world was not yet talking about climate change matters.

The father of our country, great grand Chief Sir Michael Somare was talking about climate change and forest conservation. And he was talking about earning from our country's authenticity to be a carbon sink. That propensity and potential remains. And what the Minister is doing to harness and try to refine further his organization so that there could be effective organization to be a one stop spot to get out there and mobilize climate change resource and funding.

We have been attending many COP meetings, we have attended from COP 25-27 and I have been asked to attend COP 28 meeting, simply by the fact that we are a big ocean and forest nation. I did protest in a meeting during a forest nation's gathering in Gabon, and I said PNG will not attend COP 28 but we were specially requested to attend COP28 and we will do so; but our conversation will go at the back of PNG and small island nations are climate change and rising sea level victims. Yet we are taking big steps while you who are big carbon emission countries are not contributing to the cause. And despite pledging over \$100 billion every year for the Green Climate Fund, you have not done anything.

Mr Speaker, I want to give an indication to this House; the Treasurer was present at the White House when I informed President Joe Biden straight across the table; that big carbon emitting countries; the industrialized nations and USA being the number one global economy followed by China. You are big carbon emitters, yet you have not adhered to your global duties by taking care of the environment and honoring the mitigation and adaptation methods. That you have pledged since the Paris meeting.

This same message I will share with the President of China when I visit next week. Those conversations are contemporarily global but we are trying our very best to act locally to reorganizing ourselves so that when the Environment Minister, Forest Minister or the Prime Minister or Treasurer for that matter, when we stand out there and engage at the bilateral or multi-lateral levels. We are known as a nation who have moved in the environmental space and the legislation space and work in other areas that will give us a basis to further knock on establish a bigger economies and big carbon foot print holders that they have not acted and we are acting locally in our context.

I want to assist parliament and give support to this bill but I will give commitment to this House to look into the two specific sectors that deals with the fees and levies. Especially on the agriculture, nitrogen and carbon fees. We will look into this so that it is not passed on.

The intention is not to pass it onto our people. But those big carbon holders will come in they work in cognition to the fact that we are a country with the regime and framework.

**27/06**

But contrary to this forcing them to participate in our forest preservation and other mitigation efforts.

So, Mr Speaker, I want to through you, I put my reputation on the line and I want to ask you that this House support. And when the Treasurer brings our budget papers on November we will look into these areas and we will inform the House on what is the value of this passed on to our economy. We hope in November we amplify the fact that this cost that is built into climate change mitigation efforts is not passed on to the everyday users out there in the oceans or in our economy.

With this Mr Speaker I recommend this bill to this House and I give certainty it may be further amendments should come back in the November sitting.

Thank you Mr Speaker.

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

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

The Bill requiring an absolute majority of 60 members, as required by the *Constitution*, the Speaker ordered that the bells be rung.

**28/06**

The Parliament voted (the Speaker, **Mr Job Pomat** in the Chair)

**29/06**

**AYES – 82**

**NOES – 06**

The Bill passed with the concurrence of an absolute two-thirds majority as required by the *Constitution*.

Bill read a third time.

### **MOTION BY LEAVE**

**Mr RAINBO PAITA** (Finchaffan – Minister for Finance and National Planning) – I ask leave of Parliament to move a motion without notice.

Leave granted.

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

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

That so much of the *Standing Orders* be suspended as would prevent Orders of Day No. 18, 19, 20, 25, and 26 of Government Business being called on forthwith.

### **CONSTITUTIONAL (AMENDMENT) LAW 2023**

Second required opportunity for debate and second vote (from 8 June).

### **Third Reading**

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

That in accordance to *Standing Order 222F* I move the third reading forthwith and commence the second required opportunity for debates.

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

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

**Mr Peter O'Neill** – Point of Order! The Prime Minister didn't explain which law we are debating on and which bill are we going to vote on.

Can the Clerk or someone explain to us?

Thank you.

**30/06**

**Mr SPEAKER** – Honourable Members, this is not a new bill. We have been debating on this bill and many members didn't understand the concept of it. When the Prime Minister finishes his speech, members are not allowed to debate. So, I asked the Clerk of the National Parliament to rise and explain the purpose of this bill to the members.

**Mr SPEAKER** – The mover of this Bill, the Honourable Prime Minister will explain to the House.

**Mr JAMES MARAPE** – Mr Speaker, I want to sincerely apologise for the confusion. This is a constitutional amendment to the relevant provisions in the *Organic Law* that deals with the Ombudsman section.

I want to appreciate members who had an earlier vote and we amending the reference in *Section 31* with respect to the dismissal of office for those who hold elected office. We uplifting the threshold from three years to five years.

This is a bill that the Ombudsman Commission did propose and Members of Parliament earlier in the first reading voted in favour. If a leader is found to have breached the leadership code and the tribunal has found him guilty. The term of suspension is not three years but it's uplifted to five years and the constitutional amendment proposed is attached here. We simply replacing the word three with the word five to lift the term of suspension to five years.

The second aspect of the amendment, we delete the words by statute and replacing them with the following; by or under statute and we adding immediately after Clause B, we adding a Clause C. A new clause that says; where as government shares or interests are held by the Prime Minister, Minister, or a number of ministers or by a nominee of the State. That is also inserted into the provision where shares could be held by government ministers, Prime Minister, or nominee of State as Trustees.

So, it's a simple amendment in respect to this and I offer this for clarity.

Thank you, Mr Speaker.

**Mr SPEAKER** – Honourable Members, I think we clearly understand this bill because the 8<sup>th</sup> of June first voting took place and those who voted in support of the bill are 87. The question has been put already.

Bill requiring an absolute two-third majority of 79 members as required by the *Constitution*, Mr Speaker ordered that the bells be rung.

The Parliament voted (the Speaker, **Mr Job Pomat** in the Chair.)

**31/06**

*(Voting in progress).*

**32/06**

**AYES – 90**

**NOES – 0**

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

Bill read a third time.

## **ORGANIC LAW ON THE DUTIES AND RESPONSIBILITIES OF LEADERSHIP (AMENDMENT) LAW 2023**

Second required opportunity for debate and second vote (from 8 June).

**33/06**

### **Third Reading**

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

That in accordance with *Standing Order 222F*, I move the third reading forthwith and commence the second required opportunity for debates.

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

Motion – That the bill be now read third time – put.

The Bill requiring an absolute two-third majority of 79 members as required by the *Constitution*. Mr Speaker ordered that the bells be rung.

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

**34/06**

**AYES – 89**

**NOES – 0**

The proposed Bill passed with an absolute two-third majority as required by the *Constitution*.

Bill read a third time.

**ORGANIC LAW ON OMBUDSMAN COMMISSION  
(AMENDMENT) LAW 2023**

Second required opportunity for debate and second vote (from 8 June).

**Third Reading**

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

That in accordance to *Standing Order 222F*, I move the third reading forthwith and commence the second required opportunity for debates.

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

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

The Bill requiring an absolute two-third majority of 79 members as required by the *Constitution*, Mr Speaker ordered that the bells be rung.

**35/06**

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

**36/06**

**AYES – 89**

**NOES – 0**

The proposed Bill passed with an absolute two-third majority as required by the *Constitution*.

Bill read a third time.

### **CONSTITUTION (AMENDMENT) LAW 2023**

Second required opportunity for debate and Second vote (from 8 June).

#### **Third Reading**

**Mr JAMES MARAPE** (Tari-Pori – Prime Minister and Minister for Foreign Affairs) – Mr Deputy Speaker, I want to appreciate as we have completed the Constitutional amendments, members of Parliament on both sides who stepped up to fulfill their constitutional duties by getting through and passing the three amendments into law and this is historic we are making good amendments in the Ombudsman Commission. I did say earlier we will commit to further reform in that important institution.

Mr Deputy Speaker this is a Bill that comes to us in terms of the proposed amendment to the *Constitution* that I brought in we did allow it to come through Parliament in the first

vote, 88 voted in favor on 8 June 2023. It comes back to us for the second time, this is with respect to amending *Section 144* of the *Constitution* specially in *Subsection 1* by repealing the word thirty-two and replacing it with figure 38 this is in respect to the ceiling of cabinet portfolio that any Prime Minister today or in the future may allocate in as far as space in Cabinet to do work for our country.

Mr Deputy Speaker, some will argue on the rationale of why additional ministries, I put to those who argue against additional ministries, the statistics before us that the population was under 3.5 million.

In 1975 the economy was an economy under K5 billion and the challenges that we have today were not compounded and aggravated to where we are today. The seats and members of Parliament then were 109, today we have gone past 111 when the two new provinces of Hela and Jiwaka came in. We are now also 118 after the additional 7 electorates were brought in and very soon in 2027 we'll be a 123-seated Parliament that will deal with matters relating to our people.

The executive arm of our government is important, we have a country of so much diversity, we are not only a country of one people, one language, and ethnicity; the diversity of our country requires that all parts of our country must be adequately represented in Cabinet.

### **37/06**

Mr Speaker, it's in this context that we want to uplift and change *Section 144* by repelling the 32 ceiling to a 38 ceiling in the Cabinet.

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

That in accordance with *Section 222(f)*, I move that the proposed law that we have before us be now read a third time to commence a second opportunity for debate.

**BELDEN NAMAHA** (Vanim-Green) – I move –

That Parliament take note of Paper.

Thank you, Mr Speaker for being considerate. It's a very important Bill on this Floor of Parliament in relation to increasing six more new ministries.

Mr Speaker, it's literally creating six ministries and departments for which I am totally against this Bill, because we are here creating jobs for ourselves and not for our people and that's not right.

Mr Speaker, we should be worried about creating jobs for our people and improving their living standards and not for ourselves. Our youths, unemployment, and law and order situations in our country are a time bomb and it's getting out of control.

When we create six new ministries then cost comes with it. We already created four new ministries; Ministry of International Trade and Investments, Oil Palm, Coffee, and Livestock. These ministries as we speak don't have the departments for these four new ministries. We have policy markers but where are the drivers?

We need to establish departments by way of policy and legislations. And now we are here asking this Parliament to approve six new ministries.

Mr Speaker, we cannot afford to create more costs that our country is already carrying. We have also created 13 new electorates of which seven have already been voted in the recent general election we had not long ago.

And these 13 new members we are yet to establish their DDAs and offices. Where are the infrastructures? The administrative structure of the CEO for districts and program and finance managers? When we do this, we change the entire public service machinery and that's when cost is involved.

Mr Speaker, we don't need six new ministries or create six more jobs for ourselves but create jobs for our people.

Our government is also embarking on 18 special economic zones when we have alien infrastructures. Our power supply is more or less nonexistent and where are sewerage and sanitation and water supply? We have not fixed all these basic services like constant power outages in our country.

### **38/06**

We have no proper water supply system, and yet we are coming to the Floor creating jobs for ourselves. The pay packets, perks, and privileges of ministers, the new departments and CEOs we going to have, the first secretaries, the FASS, and these are extra cost.

Mr Speaker, we have so many underlying issues. We investing so much in the Connect PNG Programme but we are not fixing the existing roads. We have so much to deliver to our people. We cannot afford

**Mr Solan Mirisim** – Point of Order! Mr Speaker, Connect PNG is investing in new roads and also old roads. So, I appeal to the leader to refrain from this word, we are not maintaining the old roads.

**Mr BELDEN NAMAHA** – Mr Speaker, I am trying to say that all these activities taking place, involve cost. Right now, we cannot generate enough internal revenue to support our Budget. We are going out of our country and negotiating to borrow. We are on an economic life support.

Mr Speaker, we cannot afford to have six more new ministries. We must address our existing problem, that is the point I am trying to debate on. We must address our growing youths, unemployment, law and order situation. We should be worried about how do we address the condition of our Police Force, CIS personnel, Defence Force, teachers, doctors, nurses, and that's what we should be worried about.

There is no medicine in our hospital and only today we know that there are no vaccines for our children. And yet, we are coming to this Floor of Parliament to create jobs and pay ourselves.

Mr Speaker, I will not support this bill.

**Mr Rainbo Paita** – Point of Order! Mr Speaker, I think the debate is fair but saying that we are creating jobs and paying ourselves is out of order.

Mr Speaker, for a senior leader to stand up on this Floor and say that we are creating jobs for ourselves is not right. I think everyone on this Floor has a job already.

So, Mr Speaker, he should refrain from the way he is debating because our people are watching and it doesn't go well.

Thank you, Mr Speaker.

**Mr SPEAKER** – The Honourable Member for Vanimo-Green is still debating so I'll allow him to conclude his debate.

**Mr BELDEN NAMAHA** – Mr Speaker, the good powerful Minister doesn't seem to understand.

**Mr Rainbo Paita** – Point of Order! Mr Speaker, what does he refer to powerful? I think he is elevating me closer to the level of God.

Mr Speaker, he needs to refrain what he is saying.

**Mr SPEAKER** – The Honourable Member for Vanimo-Green, you need to withdraw that statement.

**Mr BELDEN NAMAHAH** – Mr Speaker, what I mean is that he is the powerful Minister for Planning, Finance, DIRD, and everything.

**Mr SPEAKER** – I understand that Honourable Member for Vanimo Green, you need to withdraw the word powerful and just address him as Minister.

**Mr BELDEN NAMAHAH** – I withdraw the word powerful and saying that the minister with all the portfolios. Let me put it that way.

**Mr Rainbo Paita** – Point of Order! Mr Speaker, he needs to retract that I am not as powerful as him walking into the court chamber. I am just a simple Minister doing my duty as a State Minister. He needs to refrain and retract the statement.

Thank you, Mr Speaker.

**Mr SPEAKER** – The Honourable Member for Vanimo Green, you need to withdraw the statement and also the Minister needs to withdraw the statement that he walks into the court chamber. It does not sound good on this Floor.

**Mr BLELDEN NAMAHAH** – Mr Speaker, I withdraw the statement.

**Mr RAINBO PAITA** – Mr Speaker, I withdraw.

**Mr SPEAKER** – Let me allow you to conclude your debate, Honourable Member for Vanimo Green, but please mind your words.

**39/06**

**Mr BELDEN NAMAHAH** – Mr Speaker, what I am basically trying to say is that when you create a ministry, you are actually creating a job and that job comes with a pay where there are perks and privileges involved. I am not saying that we are not paying ourselves, yes we are on member pay but when you create a ministry you will pay it at a different level and that's its cost.

If the good Minister for Planning, Finance, and DIRD doesn't understand what it means by creating cost and then you have the departments that you will have to create so you will have to create new CEOs.

**Mr SPEAKER** – Honourable Member, you giving a Point of Order and this will be the last point of order.

**Mr Jacob Maki** – Point of Order! Thank you, Mr Speaker. The good Member for Vanimo-Green is making a good debate but I personally think that if we have six new ministries we create jobs –

**Mr SPEAKER** – Honourable Member, you state your Point of Order because it seems like you are trying to debate.

**Mr Jacob Maki** – I think that with the creation of these six new ministries, we will create jobs for our people who are unemployed.

Please, you mind your business and mind your language on this Floor.

Thank you.

**Mr SPEAKER** – Honourable Member, thank you for that but your Point of Order is out of order. You want to debate so I will ask the Member for Vanimo-Green to continue to debate but be mindful that other Members of Parliament want to debate on this Bill.

Thank you.

**Mr BELDEN NAMAHA** – Thank you, Mr Speaker. What I am basically saying is that the pay that we are supposed to pay those six ministers, the new departments that we are going to create, and all the public servants that are going to be involved should be diverted towards other areas such as law and order, building hospitals and schools, improving the living standards of our policemen, CIS personnel's, the defense force personnel's and our teachers in the rural areas. That is just so much money to create new ministries and departments which is very costly.

That is what I am saying, why do we have to pay ourselves by creating these six new ministries and six new departmental CEOs, FAS, and ASS when we should be diverting those funds into the areas that are lacking to create jobs for our people.

Mr Speaker, what I see in creating these six new ministries is that we are creating jobs for the Parliamentarians when we should be creating jobs for our people.

**Mr SPEAKER** – The Chair will use its discretion to allow other Members of Parliament who want to debate on this Bill so I will let the Minister for Public Service make his debate.

**Mr JOE SUNGI** (Nuku – Minister for Public Service) – Thank you, Mr Speaker for giving me the opportunity.

Mr Speaker, we will not debate on this Provision because I think that it is straightforward as the Cabinet should be one-third of the Parliament. In the provincial assemblies, the Governors should know this very well because your PEC is made up of that of the Provincial Assembly.

So, if you are a Governor and you are debating here then you have to check yourself because it is one-third of the provincial assembly and therefore the Parliament has increased its electorate numbers therefore it is straightforward and it is supposed to be one-third of the Parliament. The cabinet is one-third of the Parliament so why are we arguing about all these things? It is a straightforward matter and we should pass it. The number of seats has increased and therefore the size of the Parliament has increased and it is straightforward.

Thank you, Mr Speaker.

**40/06**

**Sir PUKA TEMU** (Abau) – Mr Speaker, as you recall in the First Reading, I stood here to oppose the amendments and I am asking my colleague leader honourable Belden Namah, to support the Bill because I am supporting the Bill this time. And my reason is very simple, we have all heard the Prime Minister discussing this very eloquently and the Minister of Public Service just argued the right perspective.

I support the Bill and I strongly recommend it because the Prime Minister has assured us that we do not have to make the appointment in one go but instead we need to build the entities first, structure them well and then make the ministries and the departments to deliver them.

The second reason is that my Party Our Development Party (ODP), has advised me to support this Bill to recommend four areas that the new ministries could look at. My Party is based on three critical areas.

(1) Is to support the churches – The churches have been around for a long time and they have contributed enormously to developing this nation but we buried them under the Department of Community Development so ODP is suggesting to establish a separate ministry for the churches so that the country can apply the ten percent tithing principle and propose for this country to be a Christian country.

(2) The bulk of our people live in villages. We have been arguing about cities and the other day we talked about city development, more land acquirement and more houses in cities but my argument has always been that our people have always built their houses themselves with no government input because there is no real government policy on village development. Somehow, we have skewed away from our people's daily life so we are recommending that we should consider establishing a Ministry of Village Development under the big name of rural development. For example, under the DDA, we create a separate account for Village Development.

(3) ODP believes that there should be a separate ministry of research and development. RND is the way to go and do not park it under Higher Education, Universities and all that but separate it on its own. The Minister for Health has been arguing about the evidence based policies which I fully support. So, the nation going forward must have a ministry of research and development by itself.

(4) The last ministry out of the six I am recommending for new ministries is Ministry of SMEs. We have been talking about this, pumping K200 million in the banks etcetera but it is all over the place so we should let one minister to take charge. Global evidence suggests that when the middle-base of the economy which is middle level businesses is strong then global financial shock will never shake us to collapse.

So, Mr Speaker, I stand to support the Prime Minister, in this amendment.

Thank you.

**Mr JAMES NOMANE** (Chuave) – Thank you, Mr Speaker for recognizing the people of Chuave.

**41/06**

Just to add to the current debate, I commend the Bill put forward by the Prime Minister, basically because of the comments made by other honourable members, especially the points raised by the Public Service Minister. The country has grown and so did the Parliament, so we need to have the right ratio of ministers to members of Parliament.

Mr Speaker, with respect to how the constitution is framed, anybody can stand for elections. Under the democracy, we have the ability whether we are teachers, doctors, engineers or businessmen to stand for elections and become members of Parliament. And that is the beauty of our democracy.

Mr Speaker, when members of Parliament come into Parliament, and as equals, they vote for the prime minister. Amongst the House of equals, we nominate one prime minister. It is incumbent on the Prime Minister to delegate his powers which were given to him by members of Parliament based on meritocracy. You have to get the best people to fill these portfolios because the Prime Minister is only as good as the people around him.

So with the proposal of these six ministries, I fully support the Bill. My only comment and remarks to the House, is that the Prime Minister do not look to create new ministries but split the current ministries that are currently in Cabinet. For instance, finance and planning, petroleum and energy, internal security, higher education and sports. Split these ministries.

Mr Speaker, the biggest word that has to come out from this Bill is efficacy. We have to efficiently allocate and utilise resources and we have to be effective in how we drive public policy for the development of our country. And that means that all ministers have to be put on notice. If you can't deliver in three months, step aside and let other members of Parliament come in and do the job. And that is what Parliament should be about.

Mr Speaker, I have seen that the 11th Parliament has been one of pleasantries, platitudes and pollyanna. We haven't had enough effective debate and disagreements on Parliament. We are leaders of the nation in this House. Not one of us knows it all, but all these opinions count, and this is what I think has been missing in this 11th Parliament.

So with respect to this Bill, I fully support it, but I only ask that the Prime Minister in his wisdom, split up all these ministries and not look to create new ministries, but efficiently and effectively allocate to members of Parliament that are qualified and have the potential to contribute meaningfully to national development.

Mr Speaker, I commend the Bill. Thank you.

**Mr RAINBO PAITA** (Finchhafen – Minister for Finance and Planning) – Thank you, Mr Speaker. I want to contribute –

**Sir Peter Ipatas** – Point of Order! Mr Speaker, in our excitement to pass the Bill, we have forgotten that my committee has a job to do, and that is to present the Constitutional Laws and Acts Committee Report.

So I am just sitting here and waiting for you to call on me.

**Mr SPEAKER** – Honourable Governor, your Point of Order is out of order. We are in the middle of debating this Bill. If the item that you are talking about appears later on, then we will give you the opportunity to speak.

**Mr RAINBO PAITA** – Thank you, Mr Speaker. I want to contribute my thoughts to this debate. I would like to also object some comments made by the Member for Vanimo-Green and support some statements made by some leaders in this House in respect to this legislation.

Mr Speaker, the comments made by the Minister for Public Service, Sir Puka Temu, Honourable Member for Chuave and the Vice Minister for Planning, I appreciate and underline these comments made in respect and support of this legislation.

**42/06**

When we make comments and I refer to some of the comments made by our good Member for Vanimo-Green in respect of new departments. And some of those comments made were not true.

Mr Speaker, if I can object some of those; for example, when we created new districts we have not funded the new DDAs and that is completely incorrect. Most of these districts that we have created by allowing that report to be made. We created six additional districts and they already had sub-districts so those public servants were already on the payroll. The system of government was already there.

We did not create new districts to create new CEO or new public servants we simply had existing staff there.

**Mr Belden Namah** – Point of Order! Let us not mislead Parliament. When you create a new electorate; you are creating a new district and that new district has a new CEO. And here he is saying there is no CEO. How can the Member of Parliament and the District operate without a district CEO and the district finance manager?

So, for the Minister for Planning to allude that the creation of the new electorate already has public servants is misleading.

**Mr SPEAKER** – Member for Ijivitari, please wait while I entertain the point of order from the Member for Vanimo-Green. When he is done than you can raise your point of order.

**Mr Belden Namah** – Mr Speaker, what I am trying to say here is; the good Minister for National Planning is misleading Parliament. When you create a new electorate, it comes with a new Member. You have a new a CEO of the district, new district finance manager and all the program managers. That is implication to public service machinery. There are costs involved where you have to pay the new CEO and everyone else.

**Mr Richard Masere** – Point of Order! I just wanted to remind the good Member that he opposed to the Seven new districts but endorsed a candidate in one of the new districts, and he won.

**Mr SPEAKER** – Your Point of Order is a bit out of context in this matter. It is out of order because it is the Chair that will make the ruling, not you?

*(Laughter in the Chamber!)*

**Mr RAINBO PAITA** – Mr Speaker, as I said most districts that we created, had existing sub districts. Take for example Lagaip and Porgera. They both had CEOs, so we just split the districts and because they already had sub districts. That is the point I am making. We did not create any new CEO or program managers. They had already been there under their sub-districts.

Mr Speaker, on the issue that we are on life support and we are creating jobs, I remember one of my discussions and I think the good Member had a change of heart. One time he approached me and he said we need to create new Ministries. And when he came here his point of view has suddenly changed and he has a different opinion couple of months ago.

I wish to conclude by saying, as Members we are paid to serve our people, apart from earning for ourselves, we need to attend to some requests for school fees, funeral assistance, fundraising and the requests from our people is endless.

**43/06**

We are not members from the Western countries where we'll say we pay ourselves.

Mr Speaker, all of us understand our culture and to say we pay ourselves we must be sensitive. How we use our fortnight own money, resource and time.

So Mr Speaker I would like to underline, bold and italics the comment of the leaders who've support it, we must support this legislation. Ten per cent is the right number. Take for example the comment made by the vice minister; I am the finance minister if a new ministry is created no there is no need to create new department. Finance and DRD are there there's no need to invent the will. Ministers are already there but we are limited by the number 33. That is why we've increased it to 38 so that if a leader is not performing the Prime Minister will simply appoint a new minister.

Thank you, Mr Speaker.

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

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

The Bill requiring an absolute two-third majority of 79 members as required by the *Constitution*, the Speaker ordered that the bells be rung.

The Parliament voted (the Speaker, **Mr Job Pomat** in the Chair)

**44/06**

**AYES – 83**

**NOES – 05**

The Bill passed with an absolute two-third majority as required by the *Constitution*.

Bill read a third time.

**45/06**

**ORGANIC LAW ON THE NUMBER OF MINISTERS  
(AMENDMENT) 2023**

Second required opportunity for debate and second vote (from 8 June).

**PERMANENT PARLIAMENTARY COMMITTEE ON CONSTITUTION AND  
SUBORDINATE LEGISLATION ACTS – ORGANIC LAW ON THE NUMBER  
OF MINISTERS (AMENDMENT) 2023 – PAPER AND STATEMENT**

**Mr SPEAKER** – I present – The Report of the Permanent Parliamentary Committee on Constitutional Laws and Acts and subordinate Legislation relating to the *Organic Law* on the Number of Ministers (Amendment) 2023.

**Sir PETER IPATAS** (Enga – Chairman of the Permanent Committee on Constitutional Laws and Acts and Sub-Ordinate Legislations) – Thank you, Mr Speaker, as I mentioned I our pursuit to pass the law, I wasn't given the opportunity to present our report on the Constitutional Amendments on the Ombudsman. But for the purposes of the information of Parliament and the people of this country.

I just want to inform Parliament that the Committee actually recommended for Parliament to pass the legislation in concurrence with the recommendation of my committee.

Mr Speaker, I present to Parliament the findings and recommendations by the Parliamentary Committee on Constitutional Laws, Acts and Subordinates Legislations on the proposed laws to amend the *Constitution* and the *Organic Laws* on the number of ministries.

The proposed laws are:

- (1) Amendment to *Section 144 (1)* of the *Constitution*;
- (2) Amendment to the *Organic Law* on the number of Ministers.

Mr Speaker, the Permanent Parliamentary Committee on Constitutional Laws, Acts and Subordinates Legislation is a Committee of the National Parliament. The functions of the Committee are to have general responsibilities concerning the Constitutional matters not specifically in the functions of other committees.

And in particular responsibilities concerning proposed laws to alter the *Constitution* or *Organic Laws* and Acts required to be made in the prescribed manner by the *Constitution*.

The Committee shall consider and report to Parliament of any proposed Constitutional Law and any Constitutional Matters referred to it by Parliament. Before there is any opportunity for debate on the proposed law or matter as directed by Parliament.

The Committee may consider and report to Parliament on any Constitutional matter or question as it thinks fit.

Mr Speaker, the proposed laws once passed by Parliament will provide for the number of ministers to increase.

The Committee in its deliberation finds that the Amendment to *Section 144 (1)* of the *Constitution* is not applicable at this time given the economic implications and the increase will have fundings new ministries.

However, this is not the first time the number of ministers has increased. The first increase to the number of ministers was done in 2010, through an amendment to the *Constitution* and the *Organic Law*.

The current number of ministers is 32 excluding the Prime Minister and with these amendments the number of ministers by six new ministries.

Mr Speaker, attempts by the Committee to get views from individuals, groups and the public at large on the proposed laws was unsuccessful.

**46/06**

Even though the committee put out the call for public submission in daily papers and through the Parliamentary *Face Book* page.

Mr Speaker, after consideration of this important amendment to Parliament the committee recommends the proposed laws to amend the *Constitution* and the *Organic Law* on the number of ministers be passed.

I thank the Parliament.

### **Third Reading**

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

That the Bill be now read a third time.

Mr Speaker, thank you, I also want to appreciate the Parliamentary Committee on Law and the Subordinates, Chairman Governor Ipatas who did indicate there was a public advertisement to receive comments from the public inconsistent with the requirement of law.

Today, this one comes back to us after the first successful votes on the 8<sup>th</sup> of June 2023. I just want to inform this House that we are mindful of the fact that the issue of additional cost associated with the creation of new ministries. However, let me inform the House in the context.

One ministry has a cost of about three to five million kina in terms of annual recurrent expenditures. We just heard from Chairman, Governor Ipatas that there was an earlier increase from 28 to 32. This gives an opportunity for any Prime Minister to move from a bottom ceiling of six to a highest ceiling of 39.

Mr Speaker, I want to thank the first constitutional amendment that was passed. This subsequent *Organic Law Amendment* is coming to complement the first constitutional amendment that we passed. The workload increased when the seventh Prime Minister before me appointed the Cabinet.

Consideration does come in terms of regional representation, provincial representation, and of course political representation. Sometimes these representations overlook appointment on merits, credible, and qualified appointments. The workload has increased substantially from what it was from 1975 to today. As I indicated earlier that Parliament, population, and workloads are growing bigger.

We will still be responsible and will not create unnecessary ministries. The three additional ministries created in the Agriculture and Livestock Sector was just to give effect to our policy to improve production in this space. We have not yet created departments, I just want to inform this Parliament and the country.

This is deliberate, we don't want to create massive departments. The ministers are political oversight similar to State-Owned Enterprise today. My Government closed down the department, and we have a secretary who supports the minister in doing his ministerial work. But he just coordinates with the portfolios that he has oversight of.

So, I want to assure this House your Prime Minister is not stupid in this proposal. The workload is big, with one minister having two to four portfolios by the time he does his round it might be already a year. So, splitting the workload amongst qualified ministers to carry the load is important for our country.

The high side benefit of closer political oversight of department that must work or government agencies that must work far out the values of the K6 million that might be required to keep a ministry operational. I want to give full assurance by doing this at the back of a growth economy.

The Honourable Member for Vanimo-Green pointed out that our economy is struggling. It is struggling but we are living in a growth economy. When I took over the economy in 2019, we were living under K80 billion as far as the economy was concerned. Today we are a K113 billion economy established by the IMF, World Bank, and ADB.

**47/06**

Next year when the Treasurer presents the Budget in November, we post K120 billion as far as the economic size is concerned. Our Budget was delivered under tough times in the last three years, and for this year, we are tracking and collecting more revenue than ever before.

You only have to ask the IRC. For instance, you can look at personal income tax as a substantial growth despite us removing tax from over 200,000 low-income earning Papua New Guineans. They do not pay taxes anymore. We have removed tax from there but personal income tax, corporate tax, and GST are growing despite us not increasing GST. That is a reflection that there is a growth in the economy.

Today, we are collecting from IRC and Customs much more than when we collected in 2015. We have now collected K9 billion already, that was the internal revenue in 2015 if I want to refer to it.

Mr Speaker, we are not reckless. The workload is increasing because we are growing the economy. Hopefully, in time, the effect of the structure of government that we are putting will have a residual effect on the growth of our economy and our people will feel the value of the benefit that we are trying to pass on to them.

And so, I want to inform this House that it is not creating job for the boys. All members of Parliament already have a job and are satisfied. None of them are lobbying to be ministers. But knowing the need for ministers to be closer to portfolios and the workload that some of us carry, we felt that an additional few appointments could lift the workload in certain areas.

For instance, Internal Security combines CIS and Police. The cry for Police and CS attention has grown. The cry in the power sector and other sectors as well are increasing. This is an amendment that gives any prime minister of the day, the ability to pick ministers from the pool that the prime minister has before him. And I know that if we get to work it correctly, it will add value to the way that we do business.

In this country, the government remains the biggest employer. We should move past that and let the public sector become the employer. But any creation of a government organisation adds one more employment. When we talk about employment, it adds one more employment into the picture.

So, there is a fair debate on the other side not to create additional ministries, but I would like to fill that compelling argument on closure political oversight in implementing portfolios,

agencies and departments require us to have a little bit of space more, and hopefully, in time, we could infuse quality in those appointments.

Thank you, Mr Speaker.

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

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

The Bill requiring an absolute two-third majority of 79 members as required by the *Constitution*, the Speaker ordered that the bells be rung.

The Parliament voted (the Speaker, **Mr Job Pomat** in the Chair).

*(Voting in progress).*

**48/06**

*(Voting in progress).*

**49/06**

**AYES – 83**

**NOES – 04**

Bill passed with the concurrence of an absolute two-thirds majority of members.

Bill read a third time.

**Mr RAINBO PAITA** – Thank you, Mr Speaker. I would like to thank members, ministers, and governors on both sides of the House, for sitting through this sitting and dealing with the issues, statements, debates, and amendments that we have made to the *Constitution*.

**ANNOUNCEMENT –  
STATEMENT BY THE SPEAKER**

**Mr SPEAKER** – Honourable members, before I adjourn Parliament to tomorrow at 10 a.m, I want to inform everyone that tomorrow we will have the lie-in-state funeral of the Late Honourable Member for the Dei Open, Mr Steven Pim.

I ask that all the members of Parliament be here before 10 a.m., so we can pay our last respects to our late colleague.

**ADJOURNMENT**

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

That the Parliament adjourn to 10 a.m., tomorrow.

Parliament adjourned at 2.35 p.m.