



**STATEMENT BY THE PRIME MINISTER, HONORABLE JAMES MARAPE,
MP, ON THE OCCASION OF THE OFFICIAL OPENING OF THE 11th
PARLIAMENT
*'RESTRUCTURING GOVERNANCE FOR REAL DEVELOPMENT
OUTCOMES'***

Tuesday, 30th August 2022

Mr. Speaker,

I rise on this occasion to thank the Governor General, His Excellency Bob Bofeng Dadai for officially opening the 11th National Parliament of Papua New Guinea. I would like to extend my profound gratitude to his Excellency for his kind words of encouragement on how we should conduct ourselves and manage our country in the next five years.

I note the key challenges that His Excellency has pointed this 11th Parliament to including, electoral reforms, building the road to 50 years and beyond, building a stable and transparent government, effective implementation of programs, adherence to law and policy, building a strong economy and making sure that we leave a healthy life.

Mr. Speaker

I want to assure His Excellency and all our people that we are absolutely committed to the National Constitution. Our collective policy and legislative conversations and actions must continue to find their relevance in our guiding

principles and directives enshrined in the preamble to our Constitution. We are also committed to ensuring that we do what is necessary to ensure that our elected leaders are provided with the best care as they embark on fulfilling their roles as elected leaders of this country.

Your Excellency's reminders are timely. We have a great responsibility to carry out our duties with pride and commitment, if we are to achieve our socio-economic development goals and improve the livelihoods of our citizens in the urban, and more particularly the rural settings where the majority of our people reside. Our actions must never leave any of them behind.

Mr. Speaker,

We must apply a more innovative and practical approach to implementing our overarching plans and initiatives to bring about real change that positively impacts on the lives of our people. We must capitalize on the vast natural resources and convert those into real development outcomes which will grow our economy and makes us self-sustaining and more importantly, improve the lives of our people.

Mr. Speaker,

As we approach our 50th Anniversary of our Independence we must work together to achieve our development goals and aspirations to become a middle-income economy by 2050. We must work towards improving our GDP and the Human Development Index (HDI). We must do this in collaboration with all our stakeholders, particularly the private sector.

Mr. Speaker,

To bring about real change we have embarked on important improvements in the NEC focus. We have maintained stability but also moved to ensure that renewed vision of our government is fully captured in the make up of Cabinet. We have merged functions but created the opportunity for Ministers to take to full responsibility for key focus areas in trade and investments and agriculture. We have also built accountability processes into the determinations so that Ministers and bureaucrats alike have an obligation to report progress on major initiatives of the government.

Mr. Speaker,

It is necessary just to reinforce some of the things I said when I was voted as Prime Minister by this Parliament on 09 August 2022. Because my statement reflected the full intentions of the government that I lead and will therefore be reflected in matters which will be conducted through this floor of Parliament over the course of the next five years.

I said then that we will begin our work by strengthening the democratic processes, building a resilient economy, building economic infrastructure, addressing natural resources, address business and investment confidence, addressing law and order, working on education and health, and strengthening the institutions of state. These fundamental components of our focus will assist us in building an economy that will reach K200 billion in the next decade and beyond.

Mr. Speaker,

The electoral reform process is placed at the forefront of our work for the immediate future. We will begin with a clear audit of the 2011 National General Elections and develop and map out the process of improving our processes, including the electoral roll, and the conduct of the elections which will ensure that

we, once and for all improve our voting and counting processes. The fundamental principle of one person one vote must be achieved. We will also move immediately into planning and execution of the National Population Census which will allow the electoral processes to be anchored on the correct population data.

Mr. Speaker,

Apart from securing the budget repair and reconstruction, our government will continue with the building of economic infrastructure through the connect PNG program, through ICT development, through increased power and utility coverage of the country, and through reforms with our State-owned Enterprises. These are the economic development enablers which our government will focus on specifically. Infrastructure development is a key enabler to development and growth in agriculture, fisheries, forestry and in the food and vegetable sector. Enabling infrastructure also provides for services in health, education, and commerce to be supported.

Mr. Speaker,

Our country is blessed with an abundance in natural resources, in mining, oil and gas, in fisheries and forestry and in agriculture. These natural endowments are natural assets which are to be monetized in order to finance development costs, build technical capabilities, and provide wealth to our people who owned these resources. Our government is committed to building a mechanism of benefit sharing that recognizes the need for developers to make a decent profit and reinvest in this market, but also ensure that the Papua New Guinean stakeholder is able to maximise his benefit from resources he owns.

The government will see to it that Porgera, Wafi Golpu, Papua LNG, Pynyang LNG and Pasca A projects all move across the line in terms of the different

milestones that they have in their plans. These projects will contribute significantly to the economic growth of the nation, provincial governments, and the communities.

Mr. Speaker

We must build business and investor confidence by maintaining a stable government, with very focused policies. We have to build transparent processes in business entry, work permits and visa reforms and a stable policy and operating environment. We have to continue to work on establishing business processes improvements, important infrastructure, and energy sustainability. There must be a willingness to engage the private sector on important matters. Taxation reforms and process auditing and improvements are some important initiatives which would build confidence to the economy for investments and businesses.

Mr. Speaker,

Before the 10th Parliament rose, we authorized K611 million in relief assistance to ease burdens on prices brought on by the Russia Ukraine War. It came in four main components, K250 million to remove fuel taxes from 01 May to 30 October, K135 million to lift the tax-free threshold from K12,500 to K17,500 for the remainder of 2022, and K100 million to reduce the prices of key consumer items and another K126 million in other relief. We are proposing in the supplementary budget a further K83.3 million in fuel tax relief, a further increase in tax free threshold to K20,000 from K17,500 which will cost K60 million, and an additional K34 million to fully fund the school project reimbursement program. These are relief to both private sector and government employees. The net effect is that we are putting back money into their pockets to spend on consumer goods.

Mr. Speaker,

We have now combined the RPNGC and the CS under one Ministry called Internal Security. We will also make sure that all offences are prosecuted through the entire judiciary system, and we will support the different levels of the judiciary arm. We must also instill discipline back to our disciplinary forces. We will build prison industries which will enhance the skill sets of the prison population. We must also address corruption head on and conclude the appointments of commissioners of ICAC. We will implement the Proceeds of Crime Act and ensure that undisclosed wealth is investigated. We will implement the findings of Commissions of Inquiry that are outstanding.

Mr. Speaker,

We must not leave any child behind. Every PNG child must be educated to Grade twelve. We have to be innovative in how we maximise current capacities to make sure we educate all our children to year 12. We will use FODE. We have to build capacities in schools and universities. We must use digital technology. We want to create 20, 000 spaces for higher education in this decade. My government recognizes that a small minority of Papua New Guineans are carrying the rest of the country through their taxes. We need to change that. More people must help carry the nation at these difficult times, and education will open up those opportunities.

Mr. Speaker,

In health, our rallying call is that we must have a health facility within one hour walk, one hour by boat, one hour by plane, one hour by truck. Health services must be accessible to our people within one hour reach by our people by 2025. Our people's lives must not be compromised. We want to give the nation assurance that their health and their children's health is secured. This is a major

undertaking. Every village must have health facility closest to them. Every LLG must have a health centre. Every district must have a hospital. Every provincial headquarters must have a provincial hospital. Our regions must have regional hospitals, and our nation must have specialists' hospital.

Mr. Speaker,

We will reform our public service and make it fit for purpose. It means continuing with the work that the Special Parliamentary Committee on Public Sector Reform has started to achieve these reforms. We want to ensure that all public servants are working well, and the leadership is merit based. We will work on making sure that the bloated public service is fully addressed, and that excess capacity is deployed to the provinces.

We must deal with land issues head on. Land is the key component of economic development. Only 3% of total land area is alienated, while 97% is under customary ownership. Developing land reform allows us to ensure that production increases when more land becomes available. Land locked areas of the country must be opened up through infrastructure, but the land tenure system must be looked at again to ensure that it unravels economic opportunity through its access.

Mr. Speaker,

The provinces must be given support to build their revenue base through legislation. It will allow them to talk about autonomy in a more constructive manner. They should be empowered to unravel revenue options for their greater development plans. This government will support in stead of allowing the provinces to figure things out for themselves.

Mr. Speaker

Bougainville must have our attention. The National Government is committed to the consultation process and specifically the Wabag Roadmap. The referendum gave an opportunity for the people of the autonomous region of Bougainville to have a say on their future. The national government also has an opportunity to consult its people on the results of the referendum and the outcome of the consultation process. We will do that and that paves the way for us to then look at how we bring the matter to Parliament.

Mr. Speaker,

I want to assure His Excellency the Governor General, this Parliament, and the people of Papua New Guinea that we are committed to this important work. We have now compelled all the Ministers and the Public Servants to be committed to the process of implementation and reporting back to NEC and then back to Parliament. We are in the process of developing and standardizing reporting protocols, which will ensure that all established targets are implemented and reported on both to the executive government as well as to the legislature.

Mr. Speaker,

Academic Institutions are Think Tanks and are vital sources of institutional and policy advisory support and I recently met with the relevant heads wherein I directed that they pool together resources and create an independent localized real time database to be stationed and managed by the National Research Institute and coordinated by the Department of Prime Minister of NEC. This will enable Government Agencies to access relevant data and statistics crucial for planning and decision making across all sectors. We will be taking a collaborative approach to ensure that appropriate research is undertaken to inform government as to the strategic actions that must be taken.

Mr. Speaker,

We will further embark on improving our sector performance and management through the creation of new Ministries of Trade and Investment, Oil Palm, Livestock, Coffee, and Agriculture to ensure more focus and equal attention is given to their mandate to strengthen and enhance their capabilities and outputs to grow these vital economic sectors and harness their potential for increased investment and revenue generation and participation by our rural people.

The Ministry of Trade and Investment must implement the National Trade Policy and work in tandem with all relevant Ministries especially Agriculture, Oil Palm, Livestock, Coffee, Mining, Petroleum and Energy in a coherent manner, given these sectors potential to be competitive on global markets and generate revenue streams that will support the National Budget. The immediate to long-term approach is to venture into value-add downstream processing to become self-sustaining, achieve food security, address export opportunity, and import substitution.

This Government realizes the great potential in the renewable sector and the importance of sustaining it to meet our domestic market obligations, food security, import substitution and overall export to neighboring Asian countries and global markets. PNG is strategically located.

Mr. Speaker,

Our agriculture and fishery exports to Indonesia and China in particular will increase our Foreign Exchange earnings as these countries have comparable populations and demand for food consumption.

My government is focused on unlocking customary land for commercial purposes and places great emphasis on sustaining the Agriculture Sector for over 82

percent of the population. The restructure of the Ministries and separation of Livestock, Coffee and Oil Palm is important in that it improves sector coordination, reporting and oversight.

They need to be empowered to be able to generate a disposable house-hold income from appropriate and innovative farming techniques on their land. This Government will harness the Agriculture Sector and implement initiatives so that individual rural families get maximum return for their produce.

Mr. Speaker,

Current figures from Coffee Industry Corporation, Oil Palm Industry Corporation, Kokonas Industri Koporesen as of 2021 show that Coffee brought in K0.385 billion, Oil Palm K2.6 billion and Copra K0.168 billion. For example, if one million families generate K20,000 per annum for these commodities will equate to an additional K20 billion per annum in earnings for Papua New Guinea.

The price support and freight subsidy mechanism has contributed to the increased production and revenue generated for the Agriculture Sector and we maintain and sustain this support facility. In this term of Parliament, we will be doing more not less.

Mr. Speaker,

To complement these initiatives, the amalgamation of Labor and Immigration Ministry is intended to streamline the issuance and processing of Work Permits and Visa's under a "One Stop Shop" arrangement to encourage business, investment and investment, labor mobility and people to people exchange with our development partners

Mr. Speaker,

Moving on, this Government remains fully focused on implementing Micro Small and Medium Enterprises (MSMEs) that will empower our people to become productive and self-sustaining. The number of MSME's continues to expand and business and investors have a major role to assist this sector grow through provision of credit and business literacy skills.

The piloting of Special Economic Zone in Kikori and the Special Economic Region in Manus will add great value to our drive to encourage Foreign Direct Investments which will create employment while adding value to our natural resources.

Mr. Speaker,

We need to continue encouraging value-adding and down-stream processing of our vast timber, fisheries, oil, gas and petroleum and our rich organic agriculture produce for domestic consumption and global export market. We must immediately undertake a foreign policy review and develop a white paper to find solutions on how best we can develop an effective foreign service that is focused with a strategic outlook to attract Foreign Direct Investment and developing international markets for our products.

Mr. Speaker,

I note his Excellency's reminder for Members of this Parliament to take your personal health seriously. I share the same concerns as we commence our work as leaders elected to this highest house in this country. I would encourage Mr. Speaker that in your role as the head of this house you look at how best you could take care of each member of Parliament.

I propose that we reestablish medical services within this house for the convenience of each member of Parliament. I would also propose that you look at different options for medical insurance so that members of Parliament are guided as they start their duties in the 11th Parliament. But over and above all of that, I would urge each of us to take care of ourselves. Be aware of what you eat or drink and visit your doctors if you feel unwell.

Finally, Mr. Speaker,

I want to thank His Excellency the Governor General for gracing this Parliament with his presence and for making sure that we are reminded again of our roles and responsibilities, and how we conduct ourselves in this 11th Parliament. The government is very committed to undertaking the work of leading this Parliament in term of the important legislations and policies as it manages the business of Parliament.

We are called to the offices that we each now hold to exercise responsibilities not for ourselves but for and on behalf of those who elected us. Our ultimate responsibility is to them. We are therefore reminded once again to be prudent. To be forthright in our deliberations and to ensure that their interest is always kept at the forefront. If we have erred in the past, then it is not too late to make the changes. The lessons we have learnt will serve as a steppingstone to restructure and realign our focus in terms of meaningfully and practically implementing our socioeconomic policies and overarching plans and initiatives. That starts today, not tomorrow!

Mr. Speaker - Thank you and GOD bless Papua New Guinea.