

Statement by Dame Carol Kidu on the Paga Hill scandal

Monday, 14 May 2012

This is to state that as the elected Member for Moresby South electorate for the last nine years, I oppose the proposed development of Portion 1597 Milinch Granville (Paga Hill) by the Paga Hill Development Company on several grounds.

I do not oppose the development of Paga Hill *per se* and have an alternate development model for this prime land that is an asset belonging to the people of PNG and various State entities.

I also recognise that the settlement at the base of Paga Hill will have to go (and have always said that to them) but bulldozing a community does not solve any problems and has never worked anywhere in the world - it only complicates things and creates a huge human rights issue

The Governor and I and the next MPs are faced with hundreds of displaced families (refugees in their own country) who are now sheltering in tents with candles for lights because their power has been disconnected.

There are babies, elderly, sick people as well as the fit and some very angry young men who were kicked viciously by police and for many families everything was destroyed - they actually have no food so the others are trying to help them.

I watched women being dragged from their homes screaming while bulldozers were ordered to move in until I eventually got the police to stop the demolition because their lawyers were on their way with a Stay Order on humanitarian grounds.

Only a few police maintained a hard line throughout - most started to rethink what they were doing, especially when they realised that their own police legacy land was involved. As they withdrew after the lawyers returned with the Court Order many said "Thanks Mum. I hope you would fight as hard for our families if they were in danger).

Legality of tenure of land

The said land was subject to a Parliamentary Enquiry in 2006 lead by Hon John Hickey and the results of that enquiry are very explicit as to the multiplicities of failures and illegalities on the part of the Lands Department and other government bodies concerning that land portion.

The parliamentary enquiry found that due processes had not been followed in the issuing of a business and commercial lease and that the NCD Physical Planning Board Special Meeting No 2/2000 in March 2000 contravened Section 67 of the Land Act which specifically precludes the grant of a State.

Lease in contravention of the zoning of the land

The original granting of the title to Paga Hill Holdings Ltd was deemed to be fundamentally flawed and the 2000 title issued to Paga Holdings Ltd was cancelled.

Paga Hill Holdings then recreated itself as Paga Hill Development Company Ltd and reapplied for the title. It also requested a reduction in the land rentals owing on the title from K250,000 to K50,000. It is inconceivable that the land rent value of this prime land would decrease between 2000 (issue of first title) and 2009 (issue of second title in spite of the 2006 Public Accounts Report).

I question the ethics of the issuing of the second title.

A change in the PAC Chairperson also resulted in a "review" of the original finds in 2006. The company (Paga Hill Development Company Ltd) has no fundamental rights to this land. Portion 1597 before the issue of what appears to be a fraudulent title obtained by ignoring Section 67 of the Land Act had several "owners", including the people of Papua New Guinea in the portion originally gazetted as National Park; the National Housing Corporation and its tenants (primarily public servants) ; the Police Department (portion allocated to Police Legacy).

A portion is also occupied by a community who were given permission to live there by the customary owners of the land during colonial times. None of the present occupants and/or owners were given the right to be heard before the issuing of the 2009 Title. It involves hundreds of families and thousands of people.

In addition the State made little attempt to protect this prime state asset (other than the Manager of the National Housing Corporation who did a press statement condemning the issue of the title after I raised the matter on the floor and the attempts to evict the public servants a couple of months ago.

The details of money paid to landowners when the land was alienated can be obtained from Dirona Lohia who lives at Konedobu around the back of *Post Courier*. He has documents from his father but I do not have copies of them.

The proposed development has been published as a computer generated concept design with absolutely no details for public scrutiny. I have not been able to source any detailed development plans and when I questioned at NCDC Board level, it appears that full scopes of work/feasibility etc have not been done. I have not seen any documented evidence of the funds that will be provided by the foreign investor.

To my knowledge no approval has been given to the concept design by the NCDC authorities but this is possibly wrong because I believe that Luciano may now be on either Building Board or Physical Planning Board (they need to check it out).

No mention has been made of the fact that the NCD sewerage outlet at Paga Point is defunct (as is the one at Joyce Bay) and incapable of servicing such a large development.

Has an environmental impact study been done? I doubt it.

The President of the Police Legacy Association, Mr Ila Geno (former Police Commissioner and former Chief Ombudsman), has already fought for their land in the past and is willing to fight for it again.

I believe that Paga Hill, like Taurama Hill, may have cultural significance in Motu prehistory and it is a modern history heritage site that needs to be restored (WW2 vandalised remains).

I believe that the Museum has now also joined the opposition to the development from that perspective and a Paga Heritage Association has been formed (lead by Ratoos and Joe from the Paga Community).

This is not a development of national significance. It is purely a commercial venture by a company that has no fundamental rights to this prime real estate.

If a consortium of groups that have legitimate claim to this land were put together then that consortium could undoubtedly attract an investor who would develop the area with sensitivity to the original purposes of the alienated land allocations and to the aspirations of Motu ancestry as the traditional owners of this land.

Such a development could also model a win-win situation for redevelopment of prime land that is occupied by settlements. The so called relocation plan put forward by the company was disgusting.

Relevant question I put to the Floor follows - PM did not answer but assured me that a written answer would be forthcoming - it never has and when I attempted to question the Lands Minister to request the answers I was gagged by Speaker (not being able to ask same question twice).

My question without notice concerns fraudulent and/or improper issuing of land titles. It is a major problem throughout PNG but I will restrict my question to 4 land matters in my own electorate of Moresby South.

Case 1 concerns the prime land of Paga Hill and the tenure status of Portion 1597 Milinch Granville. This case has a long history which I cannot give in full detail but the documentation is here for the Minister.

This portion of Paga Hill included a declared national park - to remain for future generations of Papua New Guineans; a portion for the Police Legacy Fund; some institutional government housing on it occupied by long serving public servants of our nation as well as a small section occupied by long term settlers who were given permission to settle there by the customary land owner of the foreshore area in colonial times.

The said land was subject to a Parliamentary Enquiry in 2006 and the results of that enquiry are very explicit as to the multiplicities of failures and illegalities on the part of the Lands Department and other government bodies concerning that land portion.

The parliamentary enquiry found that due processes had not been followed in the issuing of a business and commercial lease and that the NCD Physical Planning Board Special Meeting No 2/2000 in March 2007 contravened Section 67 of the Land Act which specifically precludes the grant of a State Lease in contravention of the zoning of the land.

My questions are:

1. Is the Minister aware that not only one lease was issued in 2000 and was found to be illegal by the Parliamentary Enquiry of 2006 but then in 2009 an application was made for relaxation of the covenants and conditions specified in the earlier improper lease and a second lease was issued again contravening Section 67 of the Land Act?
2. Is the Minister aware that the applicant for the original lease was Paga Hill Land Holding Company (PNG) Ltd (registered in 1997) and then it reinvented itself as the Paga Hill Development Company PNG and now holds State Lease 34 Folio 176 for a term of 99 years from April 2009?
3. Is the Minister aware of the composition of shareholders of this company? (The extract from a company search on 27th February 2012 is attached (1B) - it is noticeably overseas shareholders of land that was zoned as National Park for future generations of Papua New Guineans.
4. Is the Minister aware that this company had not paid the appropriate outstanding land tax to the Government of PNG and yet the Title was issued?
5. Will the Minister protect this land for future generations of PNG? It has cultural significance in Motu prehistory; it has historical significance with war remains.
6. Will the Minister ensure that we do not allow this valuable land asset to leave the custodianship of Papua New Guineans for the commercial benefit of a few?

The follow up question that was gagged is as follows:

These questions expand from my earlier questions relevant to fraudulent Land Titles. Today I want to focus on the impact on people as well as land.

I am glad to see in both newspapers have carried the story today regarding the illegality of the evictions of Public Servants from the NHC flats on Paga Hill. I commend the Managing Director of NHC that investigations are on-going to return the property and land to its rightful owner NHC. However there is no need for investigations. It is very straight forward:

1. Will the PM instruct the Minister for Housing to direct his Acting Manager to take out an injunction against Paga Hill Development Company to cancel their Title over Portion 1597 Milinch to be cancelled as it was fraudulently issued in contravention of Section 67 of the Land Act?

2. Will the PM also instruct the Minister for Police to take out a similar injunction to protect the land set aside for the Police Legacy fund to be developed to provide a fund for the widows of police killed in the line of duty? The President of the Police Legacy Association, Mr Ila Geno, has already fought for this land in the past and will fight for it again.

3. Will the PM direct the Lands Minister to also take out an injunction against Paga Hill Development Company to revoke the Title fraudulently acquired by them because sections of the land had already been deemed National Park under Section 49 of Land Act 1996

4. Will the PM ensure that the National Parks Act is enforced and a Director appointed as a matter of urgency? How can we be sure that what has happened to the Paga Hill National Park will not happen to the Sogeri National Park?

5. Will the PM instruct the Attorney General to ensure that the human rights of our people are protected? Yesterday the lawyer, director, and shareholder for the company, Stanley Liria, went to the Paga settlement with a security company and dogs. Dogs, for law abiding women and children! He gave people 3 options:

Option 1. Dismantle your houses and we will take the materials to 6 Mile for you to reconstruct. You will be given K2,000 hardship allowance and a tent and mosquito nets. So do we simply move a settlement and make a new settlement?? As it is there is no land at six mile purchased by the company and the people at six mile did not allow the Paga people to settle there.

Option 2: Look for your own land to stay on (where on earth would that be!!)and we will give K10, 000 for permanent houses; K5,000 for a semi-permanent houses; and K2,000 for shanties and bunkers.

Option 3: If you do not accept 1 or 2 police will be authorised to carry out an eviction exercise.

6 Is it correct that the company trying to construct the finger container wharf out from Champion Parade (a crazy plan with no backing from the groups I have consulted eg Chamber of Commerce) have access to one and half million cubic metres of land fill available to them? Could the PM confirm or deny that the said fill will come from Paga Hill -a hill that has both cultural and historical significance?

Certain Ministers on the Floor laughed at me saying Paga Hill again and requested that my question be disallowed because it was repeating an earlier question (in fact it was not - they were new questions).

I have never yet received any answers to my questions on Paga Hill and am grateful to anyone who will also demand some answers.

There is much more information. I believe the Court will deliberate on the Stay Order tomorrow [today] at 1.30pm at National Court (I think to deliberate on Stay Order (not sure) I hope it will not be the hearing of the Appeal that the various Parties have lodged.

If the Appeal is lost then we can kiss Paga Hill goodbye for the ordinary future generations.

Have much more to say but must get some sleep.

Sincerely

Carol Kidu

Carol A. Kidu, DBE, Dr (hon), MP
Member for Moresby South Electorate
Papua New Guinea National Parliament
c/: Post Office Parliament House,
Waigani. National Capital District.
Papua New Guinea