

Policy Statement 2020-2027 Putting People First

PILLAR 5

IDENTIFY, IMPROVE AND DEVELOP LAND, AGRICULTURE, LIVESTOCK, FISHERIES, FORESTRY, TOURISM, EXTRACTIVE INDUSTRIES, SME AND INFORMAL SECTOR.

Policy Pillar 5.1: Land Registration and Security

Our people own around 80% of our land in Papua New Guinea and that must be maintained. People's Party wants to see that locals are given title to their own land and they are meaningfully participating in any economic activity that is happening on their land.

5.1.1 Customary Lands

People's Party will fight to protect customary land and landowners. Customary lands will be properly registered and leased out to prospective business partners.

Key Strategic Areas PILLAR 5.1.1: CUSTOMARY LANDS

- 1. Ensure all customary land is registered and title given to landowners for future developments.
- 2. Establish laws and policies that any developments on customary land must involve landowners as shareholders.
- 3. Establish laws to eliminate sale of customary land.
- 4. Review, restrict and buy back customary lands sold to expatriates and foreign companies.
- 5. Facilitate and make sure that due process is being followed when Land in Papua New Guinea are given out to any foreigner to lease.
- 6. Facilitate establishment of a Vetting Office with support from Department of Lands and Physical Planning.

5.1.2 State Land

All state-owned land will be reserved for developmental purposes only. No one individual or foreigner must be given land title to do any business or settlement.

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Key Strategic Areas PILLAR 5.1.2 - STATE LAND

- 1. Stop completely sale of land to foreign individuals and businesses.
- 2. Locals to own and develop land for commercial purposes to grow local economy.
- 3. Big impact projects on state land must be on lease basis. The state must be shareholder to the project.
- 4. All government-leased land, which are expired, must go back to landowners for renegotiation and partnership involving landowners.
- 5. Revise laws to ensure that Papua New Guineans only will own lands.

Policy Pillar 5.2: Identify, Promote & Develop Agriculture and Livestock Sector

The agriculture sector in Papua New Guinea has great potential for investment which we have not really fully utilised. The majority of our population in the rural areas maintain their livelihood based on agriculture. As a consequence of not utilising our comparative advantage which is agriculture, our citizens are suffering economically and are poor in their own country.

The agriculture sector is a renewable sector. It is anticipated that as soon as all the non-renewable resources such as the mineral and petroleum products decline and become depleted, the agriculture sector will support the economy of PNG and its citizens. All the agriculture commodities which are exported currently are in raw materials.

At this juncture the Peoples Party will implement policies which are directly tailored toward developing the agriculture sector in PNG.

5.2.1 Identify and Develop Specialised Agriculture Produce in each Province.

Agriculture is an important sector therefore People's Party key policy is to inject adequate funding into the agriculture sector to improve the local economy. We believe that the local economy will become stable with agriculture.

The People's Party's strong agenda in the industry is to rehabilitate all run down large plantations. The National Government takeover all major run-down commodity production facilities under the 'Compulsory Acquisition Program' through a Private Public Partnership arrangement to rehabilitate and bring back the plantations, coffee, tea, copra, cocoa, rubber and oil



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Key Strategic Areas

PILLAR 5.2.1: IDENTIFY AND DEVELOP SPECIFIC AGRICULTURE PRODUCE IN EACH PROVINCE

- 1. Identify specific agricultural potentials of each province and increased resources to realise full productivity.
- 2. Embark on major improvements in the agriculture sector.
- 3. Revitalise all the export commodities in the country. The major cash crops such a coffee, tea, cocoa, vanilla, rubber, oil palm, copra wheat and pyrethrum and other tree crops must be properly managed through the injection of required funding through the Department of Agriculture and Livestock and the revitalisation of the Agriculture Bank.
- 4. Subsidise cost for local farmers to access markets on fresh produces/fruits and vegetables.
- 5. Support downstream processing or production of fruits and vegetables and other perishable goods.
- 6. All agricultural products must have a proper ware house and storage facilities.
- 7. Look into sanitary and quality control issues so that the agriculture sector must be export oriented.
- 8. Facilitate National Agriculture and Quarantine Inspection Authority (NAQIA) and National Institute of Technology and Standards to assist in standards of agricultural products that is to be exported so that we export more.
- 9. Subsidise cost to province and districts that have comparative advantage on agricultural projects.

5.2.2 Agriculture College

All major agriculture colleges in the country must be improved to accommodate graduates in various agricultural fields, equipping them with the necessary skills and knowledge to promote the agriculture sector in the country.

People's Party will introduce a first ever Agriculture Cadetship Program. Therefore, it is important that we put more funds into our existing colleges to increase student in-take to provide the sector with technical support for agriculture programs nationwide.

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Key Strategic Areas PILLAR 5.2.2: AGRICULTURE COLLEGE

- 1. Rehabilitation of all existing Agriculture Colleges and Institutions in the country.
- 2. Support the implementation of Agricultural Learning Skills and Curriculum in all Primary, Secondary and Tertiary Institutions.
- 3. Develop new specialised Agricultural colleges and institutions which are demand driven.
- 4. Provide more support and funding to further develop the sector through established Provincial and District Centres.
- 5. Introduce Agriculture Cadetship Program in all colleges.
- 6. Provide specialist Agriculture Extension officers in each District and LLGs.

5.2.3 Improve Development of Livestock

The livestock industry in PNG is minimal and is focused around cattle, poultry, pigs, apiculture (honey bee) and aquaculture. The Government has not seriously funded the livestock industry over recent years and due to population growth, the meat market has seen a sharp demand curve against a plateauing local supply chain.

Department of Agriculture and Livestock has reported that since 2017 PNG has imported around K30m worth of meat and our annual domestic meat production was at 7.5 tonnes. PNG cannot meet our local demand for meat (MTDP III, pg. 13). PNG's local livestock supply is not able to meet our domestic market. Only 13% of the total domestic food production is from the livestock sector. People's Party would like to increase this figure from 13% to over 40%.

Our government must now look at setting in place proper management structures and the right funding support to resurrect large commercial farms and smallholder farms immediately.

Key Strategic Areas PILLAR 5.2.3: IMPROVE DEVELOPMENT OF LIVESTOCK

- 1. Support commercial cattle, piggery and poultry industry.
- 2. Support smallholder commercial cattle, piggery and poultry production.
- 3. Provide initial kit start up resources to local farmers.
- 4. Provide resources to support farmers supply chain and markets of their livestock.



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Policy Pillar 5.3: Empower Local Businesses to Grow the Economy and Create **Employment**

Empowering local businesses to grow the economy and create more businesses in the micro, small and medium enterprises (MSME) and the resource sectors of this country is a key to economic arowth in PNG.

MSMEs are area of enormous potential given the high number of the population engaging in the informal sector. People' Party will support and facilitate the development of this sector, providing bridges and pathways into the formal as a major solution for financial freedom for the people of PNG.

Key Strategic Areas

PILLAR 5.3: EMPOWER LOCAL BUSINESSES TO GROW THE ECONOMY & CREATE EMPLOYMENT

- 1. Promote and reserve businesses for Papua New Guineans.
- 2. Create incubators and business training centres in all the 89 Districts to promote business culture.
- 3. Implement SMEs in all 89 Districts, LLGs and LLG Wards to get local people to participate to grow the economy.
- 4. Invest in innovative agriculture sector in all Provinces and Districts with the participation of local farmers from subsistence farming to semi-commercial and commercial farming.
- 5. Implement compulsory acquisition of all rundown plantations and factories to rehabilitate and increase production for coffee, tea, coca, copra, coconut, rubber, and, support and train small/block holder farmers.
- 6. Subsidise cost for local farmers to access markets on fresh produces/fruits and vegetables.
- 7. Facilitate and support business to trade and carry our businesses in the international market arena.



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POLICY PILLAR NO.5.4: PROVIDE TRAINING AND FUNDING SUPPORT TO INFORMAL SECTOR ECONOMIC ACTIVITIES

The Informal Economic Sector is the key driver of business and economics ahead of the formal economy. This sector directly supports the daily living of the majority of our people who live in towns and cities and those that live in rural and remotest areas.

Banks have provided little to no support for the Informal Economic Sector.

Key Strategic Areas PILLAR 5.4: PROVIDE TRAINING AND FUNDING SUPPORT TO INFORMAL SECTOR ECONOMIC ACTIVITIES

- 1. Review and amend laws and regulations to support Informal Economic Sector.
- 2. Provide relevant training for Informal Sector groups.
- 3. Implement SMEs in all 89 Districts, LLGs and LLG Wards to get local people to participate to grow the economy.
- 4. Subsidise cost and establish access to markets for Informal Sector.

Policy Pillar 5.5: Reduce Personal Income Tax

The government of PNG rate of 35% salary and wages taxes on all employees in the public and private sector is one of the highest in the world. On top of this is the additional 10% GST is imposed on goods and services. As we have seen over the years the prices of basic goods and services have continued to rise.

An average salary/wage earner faces enormous burdens to meet the daily needs with the fortnightly pay packet. This forces employees to live on loans, which causes distress and affects the productivity at their place of work.

To improve lives and living standard of families and help them to save from their pay and even venture into micro-economic activities, People's Party's priority is to ensure that Personal Income Tax (PIT) must be reduced and that employees who are earning below K50, 000 annually do not pay a Personal Income Tax. Employees earning K50, 000 and above have a reduction of 5% on their fortnightly PIT.

In addition, People's Party wants a reduction of salary/wages taxes from 35% to 20%, and ensures that IRC must enforces is strict compliance for all companies and employees in paying taxes to the government.

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Key Strategic Areas PILLAR 5.5: REDUCE PERSONAL INCOME TAX

- 1. Review all laws governing Personal Income Tax.
- 2. Ensure employee-earning K50, 000 and below per annum do not pay Personal Income Tax.
- 3. A 5 % reduction on employee earning K100, 000 annually and below.
- 4. Reduce 35% PIT to 20%.
- 5. Ensure strict compliance on all companies and employees on paying taxes.
- 6. Increase taxes on cigarettes, alcohol, gambling.
- 7. Increase court fines on traffic infringements.
- 8. Revise laws to cease Tax on Retirement Savings Account.

Policy Pillar 5.6: Increase Rates for Minimum Wage Earners

There is a high percentage of low-income wage earners in the workforce in PNG that contribute enormously to the success of businesses and the economics of the country. However, this labour force is not well compensated with bad working conditions and poor pay. These people are not recognised and supported by the government.

These employees are paid a rate of K 3.00 per hourly or less; for a shopkeeper, bar tender, plantation labour, domestic workers, baby-sitters and many others. At the end of each pay period, the most they bring home to their families is K150 to K300 which is not right.

The People's Party will embark on increasing the rate from K3 to K10 hourly for all wage earners in the country to truly compensate for the sweat and labour.

Key Strategic Areas PILLAR 5.4: PROVIDE TRAINING AND FUNDING SUPPORT TO INFORMAL SECTOR ECONOMIC ACTIVITIES

- 1. Review all laws governing the maximum wage earners.
- 2. Amend the current rate and increase to K10 per hour for all labour force.
- 3. Ensure compliance of all companies in implementing the policy.