



National Gazette

PUBLISHED BY AUTHORITY

(Registered at the General Post Office, Port Moresby, for transmission by post as a Qualified Publication)

No. G82]

PORT MORESBY, MONDAY, 11th SEPTEMBER

[1995

INDEPENDENT STATE OF PAPUA NEW GUINEA

THE CONSTITUTION

ALTERATION TO THE CONSTITUTION.

The Right Honourable the Prime Minister and Member for Namatanai, Sir Julius Chan, GCMG, KBE, MP, proposes to alter the Constitution of Papua New Guinea and pursuant to Section 14 (2) (*Making of alterations to the Constitution and Organic Laws*) of the Constitution, I, Rabbie Namaliu, the Speaker of the National Parliament, hereby publish the proposed Law -

Draft of 09/09/95

INDEPENDENT STATE OF PAPUA NEW GUINEA.

PROPOSED LAW TO ALTER THE CONSTITUTION.

**CONSTITUTIONAL AMENDMENT (FURTHER PROVISIONS
RELATING TO PROVINCIAL GOVERNMENTS AND LOCAL-LEVEL
GOVERNMENTS).**

ARRANGEMENT OF CLAUSES.

1. Constitution, Functions, etc., of Provincial Governments and Local-level Governments (Amendment of Section 187 C).
2. Inter-Governmental Relations (Amendment of Section 187 H).
3. The Salaries and Remuneration Commission (Amendment of Section 216A).

Draft of 09/09/95

INDEPENDENT STATE OF PAPUA NEW GUINEA
PROPOSED LAW TO ALTER THE CONSTITUTION.

entitled

Constitutional Amendment (Further Provisions relating to Provincial Governments and Local-level Governments)

Being a Law to alter the *Constitution*,

MADE by the National Parliament to come into operation-

- (a) in so far as relating to all provinces other than Bougainville Province - to be deemed to have come into operation on 19 July 1995; and
- (b) in so far as relating to Bougainville Province-on the day fixed for the return of the writs for the general election held next after certification of this Law.

1. CONSTITUTION, FUNCTIONS, ETC, OF PROVINCIAL GOVERNMENTS AND LOCAL-LEVEL GOVERNMENTS. (AMENDMENT OF SECTION 187 C).

Section 187 C (2) of the *Constitution* is amended by repealing Paragraph (a) and replacing it with the following -

"(a) a mainly elective (elected directly or indirectly), legislature with such powers as are conferred by law; and"

2. INTER-GOVERNMENTAL RELATIONS (AMENDMENT OF SECTION 187 H).

Section 187 H of the *Constitution* is repealed and is replaced with the following:-

"187 H - NATIONAL ECONOMIC AND FISCAL COMMISSION.

"(1) An Organic Law shall make provision for and in respect of a National Economic and Fiscal Commission.

"(2) The Commission, in addition to any other functions prescribed by an Organic Law, shall -

- (a) assess and monitor the economic and fiscal policies of the National Government, Provincial Governments and Local-level Governments; and
- (b) advise and recommend to the National Executive Council, appropriate policies; and
- (c) make recommendations to the National Executive Council and to the National Parliament of the financial arrangements and allocation of grants -
 - (i) by the National Government to Provincial Governments and Local-level Governments ; and
 - (ii) between Provincial Governments and Local-level Governments."

**3. THE SALARIES AND REMUNERATION COMMISSION
(AMENDMENT OF SECTION 216 A).**

Section 216 A (3) of the Constitution is amended by repealing from Paragraph (b) the words in brackets "(including any Speakers appointed from outside the Assemblies)" and replacing them with the words "and members of Local-level Governments".

THE INDEPENDENT STATE OF PAPUA NEW GUINEA.**THE CONSTITUTION.*****ALTERATIONS TO THE ORGANIC LAW ON PROVINCIAL
GOVERNMENTS AND LOCAL-LEVEL GOVERNMENTS.***

The Right Honourable, The Prime Minister and Member for Namatanai, Sir Julius Chan, GCMG, KBE, MP, proposes to alter the *Organic Law on Provincial Governments and Local-level Governments* and, pursuant to the requirements of Section 14(2) (*making of alterations to the Constitution and Organic Laws*) of the Constitution, I, Rabbie Namaliu, the Speaker of the National Parliament, hereby publish the proposed Law-

Draft of 09/09/95

INDEPENDENT STATE OF PAPUA NEW GUINEA.**PROPOSED LAW TO ALTER THE ORGANIC LAW ON PROVINCIAL
GOVERNMENTS AND LOCAL-LEVEL GOVERNMENTS.****ARRANGEMENT OF CLAUSES:**

1. GENERAL PRINCIPLES (AMENDMENT OF SECTION 1).
2. SYSTEM OF PROVINCIAL GOVERNMENTS AND LOCAL-LEVEL GOVERNMENTS (AMENDMENT OF SECTION 5).
3. PROVINCIAL GOVERNMENT AND LOCAL-LEVEL GOVERNMENT SYMBOLS AND SEAT OF GOVERNMENTS (AMENDMENT OF SECTION 9).
4. PROVINCIAL GOVERNMENT AND PROVINCIAL LEGISLATURE (AMENDMENT OF SECTION 10).
5. VACATION OF OFFICE (AMENDMENT OF SECTION 13).

6. PROCEDURES OF PROVINCIAL ASSEMBLY (AMENDMENT OF SECTION 15).
7. REPEAL AND REPLACEMENT OF SECTION 16.
"16. REMUNERATION AND ALLOWANCES".
8. NEW SECTION 16A:-
"16A. PROVINCIAL ASSEMBLY COMMITTEES".
9. DEPUTY PROVINCIAL GOVERNOR (AMENDMENT OF SECTION 18).
10. VACATION OF OFFICE OF THE PROVINCIAL GOVERNOR (AMENDMENT OF SECTION 19).
11. REPEAL AND REPLACEMENT OF SECTION 20.
"20. DISMISSAL OF PROVINCIAL GOVERNOR AND DEPUTY PROVINCIAL GOVERNOR".
12. ELECTION OF THE PROVINCIAL GOVERNOR IN THE EVENT OF A VACANCY (AMENDMENT OF SECTION 21).
13. REPEAL AND REPLACEMENT OF SECTION 22.
"22. POLITICAL AND EXECUTIVE RESPONSIBILITIES OF THE PROVINCIAL GOVERNOR AND THE DEPUTY PROVINCIAL GOVERNOR".
14. PROVINCIAL EXECUTIVE COUNCIL (AMENDMENT OF SECTION 23).
15. REPEAL AND REPLACEMENT OF SECTION 25.
"25. PROVINCIAL EXECUTIVE COUNCIL COMMITTEES."
16. LOCAL-LEVEL GOVERNMENT (AMENDMENT OF SECTION 26).

17. ESTABLISHMENT OF LOCAL-LEVEL GOVERNMENTS (AMENDMENT OF SECTION 27).
18. COMPOSITION OF LOCAL-LEVEL GOVERNMENTS (AMENDMENT OF SECTION 29).
19. VACATION OF OFFICE (AMENDMENT OF SECTION 30).
20. QUALIFICATIONS AND DISQUALIFICATIONS (AMENDMENT OF SECTION 31).
21. REPEAL AND REPLACEMENT OF SECTION 32.
"32. PROCEDURES OF LOCAL-LEVEL GOVERNMENTS".
22. NEW SECTION 33A:-
"33A. JOINT DISTRICT PLANNING AND BUDGET PRIORITIES COMMITTEE".
23. REPEAL AND REPLACEMENT OF SECTION 35.
"35. REMUNERATION AND ALLOWANCES".
24. PRINCIPLES OF DISTRIBUTION OF POWERS (AMENDMENT OF SECTION 40).
25. REPEAL AND REPLACEMENT OF SECTION 41.
"41. LAW-MAKING POWERS OF THE NATIONAL PARLIAMENT, ETC".
26. LAW-MAKING POWERS OF THE PROVINCIAL LEGISLATURES (AMENDMENT OF SECTION 42).

27. REPEAL AND REPLACEMENT OF SECTION 43.

"43. PRINCIPAL ADMINISTRATIVE FUNCTIONS OF PROVINCIAL GOVERNMENTS".

28. LAW-MAKING POWERS OF THE LOCAL-LEVEL GOVERNMENTS (AMENDMENT OF SECTION 44).

29. REPEAL AND REPLACEMENT OF SECTION 45.

"45. PRINCIPAL ADMINISTRATIVE FUNCTIONS OF LOCAL-LEVEL GOVERNMENTS".

30. DELEGATION OF POWERS (AMENDMENT OF SECTION 50).

31. NATIONAL INVESTIGATION COMMITTEE (AMENDMENT OF SECTION 61).

32. REPEAL AND REPLACEMENT OF SECTION 67.

"67. EXERCISE OF EXECUTIVE POWERS, ETC., OF SUSPENDED PROVINCIAL GOVERNMENTS".

33. NEW SECTION 67A:-

"67A. EXERCISE OF EXECUTIVE POWERS, ETC., OF SUSPENDED LOCAL-LEVEL GOVERNMENTS".

34. PROVINCIAL AND DISTRICT ADMINISTRATORS (AMENDMENT OF SECTION 73).

35. FUNCTIONS OF PROVINCIAL AND DISTRICT ADMINISTRATORS (AMENDMENT OF SECTION 74).

36. FUNCTIONS OF THE ASSIGNED, ETC., PERSONNEL (AMENDMENT OF SECTION 79).

37. REPEAL AND REPLACEMENT OF SECTION 81.

"81. PROVINCIAL GOVERNMENT AND LOCAL-LEVEL GOVERNMENT SUPPORT SERVICES."

38. GOVERNMENT EXEMPTIONS (AMENDMENT OF SECTION 84).

39. REPEAL AND REPLACEMENT OF SECTION 91.

"91. TYPES OF PROVINCIAL AND LOCAL-LEVEL GRANTS".

40. ADMINISTRATION SUPPORT GRANTS (AMENDMENT OF SECTION 92).

41. DERIVATION GRANTS (AMENDMENT OF SECTION 97).

42. BENEFITS DERIVED FROM NATURAL RESOURCES (AMENDMENT OF SECTION 98).

43. REPEAL AND REPLACEMENT OF SUBDIVISION IV.3.L.

"Division 4. Planning and Data System".

"106. PROVINCIAL PLANNING AND DATA SYSTEM".

44. ESTABLISHMENT OF PROVINCIAL AND LOCAL-LEVEL SERVICE MONITORING AUTHORITY (AMENDMENT OF SECTION 110).

45. ESTABLISHMENT OF PROVINCIAL AND DISTRICT TREASURY (AMENDMENT OF SECTION 112).

46. SUBMISSION OF PROVINCIAL ACCOUNTS (AMENDMENT OF SECTION 114).

47. NATIONAL ECONOMIC AND FISCAL COMMISSION (AMENDMENT OF SECTION 117).

48. REPORTS ON THE AFFAIRS OF PROVINCIAL GOVERNMENTS AND LOCAL-LEVEL GOVERNMENTS (AMENDMENT OF SECTION 119).
49. INTERPRETATION (AMENDMENT OF SECTION 121).
50. COMPOSITION OF INTERIM PROVINCIAL GOVERNMENTS (AMENDMENT OF SECTION 125).
51. INTERIM PROVINCIAL EXECUTIVE COUNCIL (AMENDMENT OF SECTION 128).
52. NEW SECTIONS 128A AND 128B:-
 - "128A. SYSTEM OF COMMITTEES FOR INTERIM PROVINCIAL EXECUTIVE COUNCILS."
 - "128B INTERIM JOINT DISTRICT PLANNING AND BUDGET PRIORITIES COMMITTEE."
53. ADMINISTRATIVE SYSTEM (AMENDMENT OF SECTION 129).
54. PROVINCIAL GOVERNMENT PROPERTIES, ASSETS AND LIABILITY (AMENDMENT OF SECTION 130).
55. CONTINUITY OF GOVERNMENT (AMENDMENT OF SECTION 131).
56. NEW SECTION 136A:-
 - "136A. APPLICATION OF OTHER LAWS".
57. AMENDMENT OF SCHEDULE 1.
58. FURTHER AMENDMENTS.

SCHEDULE

Draft of 09/09/95

INDEPENDENT STATE OF PAPUA NEW GUINEA

**PROPOSED LAW TO ALTER THE ORGANIC LAW ON
PROVINCIAL GOVERNMENTS AND LOCAL-LEVEL
GOVERNMENTS,**

entitled

**ORGANIC LAW ON PROVINCIAL GOVERNMENTS AND LOCAL-
LEVEL GOVERNMENTS AMENDMENT NO.1 LAW,**

Being a Law to alter the *Organic Law on Provincial Governments and
Local-level Governments*, and for related purposes,

MADE by the National Parliament.

1. GENERAL PRINCIPLES (AMENDMENT OF SECTION 1).

Section 1 (2) (a) of the *Organic Law on Provincial Governments and
Local-level Governments* is amended by repealing Sub-paragraph (i) and
replacing it with the following:-

"(i) mainly elective (elected directly or indirectly)
representative and participatory government; and".

**2. SYSTEM OF PROVINCIAL GOVERNMENTS AND LOCAL-
LEVEL GOVERNMENTS (AMENDMENT OF SECTION 5).**

Section 5 (2) of the *Organic Law on Provincial Governments and
Local-level Governments* is amended by repealing the words "this Organic
Law" and replacing them with the words "this Organic Law and an Act of the
Parliament".

3. PROVINCIAL GOVERNMENT AND LOCAL-LEVEL GOVERNMENT SYMBOLS AND SEAT OF GOVERNMENT (AMENDMENT OF SECTION 9).

Section 9 of the *Organic Law on Provincial Governments and Local-level Governments* is amended -

(a) in Subsection (1) -

- (i) by repealing the words "A provincial law" and replacing them with the words "An Act of the Parliament"; and
- (ii) by repealing the words "the province" and replacing them with the words "each province".

(b) in Subsection (2) -

- (i) by repealing the words "A local-level law" and replacing them with the words "An Act of the Parliament"; and
- (ii) by repealing the words "the area to which the local-level law applies" and replacing them with the words "each Local-level Government area".

4. PROVINCIAL GOVERNMENT AND PROVINCIAL LEGISLATURE (AMENDMENT OF SECTION 10).

Section 10 of the *Organic Law on Provincial Governments and Local-level Governments* is amended -

(a) in Subsection (3) by -

- (i) repealing Paragraph (c) and replacing it with the following:-

"(c) one representative of the heads of urban Local-level Governments to represent the urban Local-level Governments in the province; and"; and

- (ii) repealing from Paragraph (d) the word "where" and replacing it with the words "subject to Subsection (6) where"; and
- (iii) repealing Paragraph (e) and replacing it with the following:-
 - "(e) one woman representative nominated in accordance with an Act of the Parliament and appointed by the Provincial Executive Council; and"; and
- (iv) by adding after Paragraph (e) the following new paragraph: -
 - "(f) such other members, not exceeding three in number, as the Provincial Assembly may appoint from time to time"; and
- (b) by repealing Subsection (5) and replacing it with the following:-
 - "(5) All members of a Provincial Assembly have full voting powers and shall be counted towards the quorum of a Provincial Assembly."; and
- (c) by adding after Subsection (5) the following new subsection:-
 - "(6) Where there are more than one paramount chiefs in a district only one may be recommended for appointment."

5. VACATION OF OFFICE (AMENDMENT OF SECTION 13).

Section 13 of the *Organic Law on Provincial Governments and Local-level Governments* is amended -

- (a) in Subsection (3), by repealing Paragraph (b) and replacing it with the following:-

"(b) becomes permanently incapable of performing his duties as certified by two medical practitioners appointed for the purpose by the National Authority responsible for the registration or licensing of medical practitioners; or"; and

(b) repealing Paragraph (d) and replacing it with the following:-

"(d) becomes of unsound mind within the meaning of any law relating to the protection of persons and property of persons of unsound mind; or"

**6. PROCEDURES OF THE PROVINCIAL ASSEMBLY
(AMENDMENT OF SECTION 15).**

Section 15 of the *Organic Law on Provincial Governments and Local-level Governments* is amended -

(a) by repealing Subsection (2) and replacing it with the following:-

"(2) Subject to this Organic Law, the privileges and immunities of members of Provincial Assemblies and the procedures and proceedings, including the number of meetings and quorum for meetings of Provincial Assemblies shall be as determined by an Act of the Parliament."; and

(b) by inserting after Subsection (2), the following new subsection:-

"(3) The number of meetings of a Provincial Assembly shall be not less than four in each calendar year and shall not be held at the same time as the meetings of the National Parliament."

7. REPEAL AND REPLACEMENT OF SECTION 16.

Section 16 of the *Organic Law on Provincial Governments and Local-level Governments* is repealed and is replaced with the following:-

"16. REMUNERATION AND ALLOWANCES.

"The salaries, allowances and other terms and conditions of the Provincial Governor, Deputy Provincial Governor, the Chairman and Deputy Chairman of a committee of the Provincial Assembly or the Provincial Executive Council and the other members of the Assembly, shall be as determined by the Salaries and Remuneration Commission."

8. NEW SECTION 16A.

The *Organic Law on Provincial Governments and Local-level Governments* is amended by adding at the end of Section 16 the following new section:-

"16A. PROVINCIAL ASSEMBLY COMMITTEES.

"(1) A Provincial Assembly may, in accordance with an Act of the Parliament -

- (a) establish such number of committees (including permanent committees) as the Assembly considers necessary to carry out its functions; and
- (b) determine all matters relating to such committees.

"(2) The committees of the Assembly shall consist only of members of the Assembly."

9. THE DEPUTY PROVINCIAL GOVERNOR (AMENDMENT OF SECTION 18).

Section 18 of the *Organic Law on Provincial Governments and Local-level Governments* is amended by adding at the end thereof the following subsections:-

"(3) If the Deputy Provincial Governor -

- (a) is dismissed from office in accordance with Section 20; or
- (b) resigns his office by written notice to the Governor; or

- (c) is otherwise disqualified by law or ceases to be-
 - (i) the head of a rural Local-level Government in the province; or
 - (ii) the representative of the urban Local level Governments in the province, he shall be deemed to have vacated the office of Deputy Provincial Governor.

"(4) If the Deputy Provincial Governor vacates his office in accordance with Subsection (3), the Provincial Assembly shall elect another member referred to in Section 10(3) (b) or (c) to be the Deputy Governor."

**10. VACATION OF OFFICE OF THE PROVINCIAL GOVERNOR
(AMENDMENT OF SECTION 19).**

Section 19 of the *Organic Law on Provincial Governments and Local-level Governments* is amended -

(a) in Subsection (1) -

- (i) by repealing Paragraph (c) and replacing it with the following:-

"(c) resigns his office by written notice to the Minister responsible for provincial government and local-level government matters; or"; and

- (ii) by adding after Paragraph (c) the following new paragraphs:-

"(d) is, in the opinion of two medical practitioners appointed for the purpose by the National Authority responsible for the registration or licensing of medical practitioners, unfit, by reasons of physical or mental incapacity, to carry out the duties of his office; or

"(e) is otherwise disqualified by law or ceases to be a member of the Provincial Assembly or of the National Parliament,"; and

(b) by repealing Subsections (2) and (3), and replacing them with the following:-

"(2) Where the Provincial Governor is a Member of the National Parliament, other than the Member of the Parliament representing the province, he shall be deemed to have vacated the office of the Governor, if he -

(a) is dismissed from office in accordance with Section 20; or

(b) resigns his office in accordance with Subsection 1(c); or

(c) is, in the opinion of two medical practitioners appointed for the purpose by the National Authority responsible for the registration or licensing of medical practitioners, unfit, by reason of physical or mental incapacity, to carry out the duties of his office; or

(d) is appointed to any of the offices referred to in Subsection (1) (b); or

(e) is otherwise disqualified by law or ceases to be a member of the Provincial Assembly or of the National Parliament.

"(3) Where the Provincial Governor vacates his office in accordance with Subsection (1) (b) or (c), or Subsection (2) (a), (b), (c) or (d), he shall continue to hold office as a member of the Assembly, and is eligible to be re-appointed as, but does not automatically become, the Provincial Governor during the balance of his term of office in the Assembly."

11. REPEAL AND REPLACEMENT OF SECTION 20.

Section 20 of the *Organic Law on Provincial Governments and Local-level Governments* is repealed and is replaced with the following:-

"20. DISMISSAL OF PROVINCIAL GOVERNOR AND DEPUTY PROVINCIAL GOVERNOR.

"(1) Subject to this section, if the Provincial Governor or Deputy Provincial Governor -

- (a) deliberately and persistently frustrates or fails to comply with the resolutions of the Provincial Assembly; or
- (b) deliberately and persistently disobeys applicable laws, including the Constitution, an Organic Law (including this Organic Law) or any national legislation applying in the province; or
- (c) is negligent in exercising his powers or performing his functions, duties and responsibilities; or
- (d) does an act that is or is likely to bring into disrepute or call into question the integrity of his office,

the Provincial Assembly may, by a two-thirds absolute majority vote, dismiss the Provincial Governor or Deputy Provincial Governor.

"(2) The dismissal of the Provincial Governor or the Deputy Provincial Governor shall be by motion -

- (a) which shall be expressed to be a motion to dismiss the Provincial Governor or the Deputy Provincial Governor, as the case may be; and
- (b) of which not less than one week's notice signed by the number of members of the Provincial Assembly, being not less than one-quarter of the total number of seats in the Assembly, has been given in accordance with the procedures of the Assembly."

12. ELECTION OF THE PROVINCIAL GOVERNOR IN THE EVENT OF A VACANCY (AMENDMENT OF SECTION 21).

Section 21 (3) of the *Organic Law on Provincial Governments and Local-level Governments* is amended by repealing Paragraph (b) and replacing it with the following:-

- "(b) all of the Members of the Parliament -
- (i) are appointed to any of the offices referred to Section 19(1) (b); or
 - (ii) are otherwise disqualified by law, "

13. REPEAL AND REPLACEMENT OF SECTION 22.

Section 22 of the *Organic Law on Provincial Governments and Local-level Governments* is repealed and is replaced with the following:-

"22. POLITICAL AND EXECUTIVE RESPONSIBILITIES OF THE PROVINCIAL GOVERNOR AND THE DEPUTY PROVINCIAL GOVERNOR.

"(1) The Provincial Governor, or in his absence the Deputy Provincial Governor, shall -

- (a) be politically responsible to the Provincial Assembly for the overall development and good government of the province ; and
- (b) be constitutionally responsible to the Minister responsible for provincial government and local-level government matters.

"(2) Subsection (1) does not affect the exercise, by a Member of the Parliament, of his functions, powers, duties and responsibilities as a Member of the Parliament."

14. PROVINCIAL EXECUTIVE COUNCIL (AMENDMENT OF SECTION 23).

Section 23 of the *Organic Law on Provincial Governments and Local-level Governments* is amended -

(a) in Subsection (2) -

(i) by repealing Paragraph (b) and replacing it with the following:-

"(b) the Chairman of each of the permanent committees of the Provincial Executive Council appointed by the Governor."; and

(ii) by repealing Paragraph (c); and

(b) by repealing Subsection (4) and replacing it with the following:-

"(4) The total membership of the Provincial Executive Council shall be five or one third (whichever is greater) of the total membership of the Provincial Assembly."

15. REPEAL AND REPLACEMENT OF SECTION 25.

Section 25 of the *Organic Law on Provincial Governments and Local-level Governments* is repealed and is replaced with the following:-

"25. PROVINCIAL EXECUTIVE COUNCIL COMMITTEES.

"(1) A Provincial Executive Council shall, in accordance with an Act of the Parliament -

(a) establish a Joint Provincial Planning and Budget Priorities Committee; and

(b) establish such number of committees (including permanent committees) as it considers necessary to carry out its functions; and

(c) determine all matters relating to such committees.

"(2) The Joint Provincial Planning and Budget Priorities Committee shall consist of -

- (a) a member of the Provincial Executive Council appointed by the Governor, who shall be the Chairman; and
- (b) the Chairman (or his nominee) of each Joint District Planning and Budget Priorities Committee; and
- (c) any other members not exceeding three in number appointed, on an ad hoc basis, by the Provincial Executive Council.

"(3) The Joint Provincial Planning and Budget Priorities Committee shall have the following functions:-

- (a) to oversee, co-ordinate and make recommendations as to the overall planning in the province, including budget priorities, for consideration by the National Government; and
- (b) to determine and control budget allocation priorities for the Province; and
- (c) to approve Provincial Government Budgets for presentation to the Provincial Assembly; and
- (d) to draw up a rolling five-year development plan and annual estimates for the province; and
- (e) to conduct annual reviews of the rolling five-year development plan.

"(4) The Provincial Administrator shall be the Chief Executive Officer of the Committee.

"(5) A Member of National Parliament who occupies an office referred to in Section 19 (1) (b) is not eligible to be a member of a Committee under this section.

"(6) The Governor shall appoint a Chairman for each Committee under this section, but such appointments shall be made so as to ensure fair representation of the various electorates and districts within the province.

"(7) An Act of the Parliament shall make provision for other functions and powers of, and administrative arrangements for, the Committee."

16. LOCAL-LEVEL GOVERNMENT (AMENDMENT OF SECTION 26).

Section 26 of the *Organic Law on Provincial Governments and Local-level Governments* is amended by -

- (a) repealing Subsection (3) and replacing it with the following:-

"(3) A Local-level Government may be -

- (a) an urban Local-level Government; or
- (b) a rural Local-level Government; or
- (c) a traditional form of government structure;
or
- (d) in such other form as is approved by the National Executive Council; or
- (e) a combination of one or more of the forms specified in Paragraphs (a) to (d) inclusive."; and

(b) by repealing Subsection (5) and replacing it with the following:-

"(5) The number of urban Local-level Governments shall not exceed one in each district but where special circumstances exist to justify the establishment of additional urban Local-level Governments, the Minister responsible for provincial government and local-level government matters may make a recommendation to this effect to the National Executive Council, and the National Executive Council may authorise such additional Local-level Government or additional Local-level Governments, as it considers necessary."; and

(c) by adding after Subsection (5) the following subsection:-

"(6) An Act of the Parliament shall make provision in respect of any transitional arrangements necessary in relation to the transition from the system of local-level governments which are replaced by Local-level Governments under this Organic Law."

**17. ESTABLISHMENT OF LOCAL-LEVEL GOVERNMENTS
(AMENDMENT OF SECTION 27).**

Section 27 of the *Organic Law on Provincial Governments and Local-level Governments* is amended by adding at the end of Subsection (6) the following new subsection:-

"(7) If the Minister fails to bring the recommendations to the National Executive Council for consideration within the 90 days required under Subsection (6), the National Executive Council shall proceed with the recommendations as if they had been accepted by the Minister."

**18. COMPOSITION OF LOCAL-LEVEL GOVERNMENTS
(AMENDMENT OF SECTION 29).**

Section 29 (1) of the *Organic Law on Provincial Governments and Local-level Governments* is amended -

(a) by repealing Paragraph (c) and replacing it with the following:-

"(c) in the case of a Local-level Government in an urban area, three members of whom -

- (i) one shall be a representative of workers organisations nominated by the Papua New Guinea Trade Union Congress; and
 - (ii) one shall be a representative of employers organisations nominated by the Employers Federation; and
 - (iii) one shall be a representative of women's organisations nominated in accordance with an Act of the Parliament,
appointed by the Local-level Government; and"; and
- (b) by adding after Paragraph (c) the following new paragraph:-
- "(d) in the case of a Local-level Government in a rural area, two members who shall be representatives of women's organisations nominated in accordance with an Act of the Parliament appointed by the Local-level Government."

19. VACATION OF OFFICE (AMENDMENT OF SECTION 30).

Section 30 of the *Organic Law on Provincial Governments and Local-level Governments* is amended by repealing Subsection (1) and replacing it with the following:-

- "(1) Where a member of a Local-level Government -
- (a) is disqualified under Section 31; or
 - (b) becomes permanently incapable of performing his duties;
or
 - (c) dies or resigns his office; or
 - (d) fails to comply with the provisions of this Organic Law;
or
 - (e) becomes of unsound mind; or

- (f) becomes bankrupt, applies to take the benefits of any law for the relief of bankrupt or insolvent debtors, compounds with creditors, or makes an assignment of his remuneration for their benefit; or
- (g) is convicted of a criminal offence punishable by law for which a term of imprisonment of not less than three months or death are prescribed as a penalty and as the result of that conviction is sentenced to imprisonment or is under sentence of death, or is under bond to appear for sentence if called on; or
- (h) is dismissed from office for misconduct in office; or
- (i) is dismissed from office for neglect of duty in accordance with an Act of the Parliament; or
- (j) is absent without leave of the Local-level Government during the whole of three consecutive meetings of the Local-level government, unless the Local-level Government decides to waive this provision upon satisfactory reasons being given,

the member is deemed to have vacated his office and the Minister, acting with, and in accordance with, the advice of the Provincial Executive Council, shall terminate his membership."

20. QUALIFICATIONS AND DISQUALIFICATIONS (AMENDMENT OF SECTION 31).

Section 31 of the *Organic Law on Provincial Governments and Local-level Governments* is amended by repealing the words, numbers and letters "referred to in Section 29(1) (a) and (b)." and replacing them with the words "of Local-level Governments."

21. REPEAL AND REPLACEMENT OF SECTION 32.

Section 32 of the *Organic Law on Provincial Governments and Local-level Governments* is repealed and is replaced with the following:-

"32 PROCEDURES OF LOCAL-LEVEL GOVERNMENTS.

"(1) The head of a Local-level Government shall preside at all meetings of the Local-level Government at which he is present.

"(2) Subject to this Organic Law, the privileges and immunities of members of Local-level Governments, including the number of meetings and quorums for meetings of Local-level Governments, shall be as determined by an Act of the Parliament, but the number of meetings of a Local-level Government shall be not less than four in each calendar year, and the procedures shall be consistent with the procedures of a Provincial Assembly."

22. NEW SECTION 33A.

The *Organic Law on Provincial Governments and Local-level Governments* is amended by adding after Section 33 the following new section:-

"33A. JOINT DISTRICT PLANNING AND BUDGET PRIORITIES COMMITTEE.

"(1) There shall be established, in each district, a Joint District Planning and Budget Priorities Committee.

"(2) The Committee shall consist of -

- (a) the Member of the Parliament representing the open electorate who shall be the Chairman of the Committee; and
- (b) the Member of the Parliament representing the province; and
- (c) the heads of Local-level Governments in the district or their nominees; and
- (d) any other members not exceeding three in number appointed by the Member of Parliament representing the open electorate in consultation with the heads of the Local-level Governments in the district.

"(3) The Joint District Planning and Budget Priorities Committee shall have the following functions:-

- (a) to oversee, co-ordinate and make recommendations as to the overall district planning, including budget priorities, for consideration by the Provincial Government and the National Government; and
- (b) to determine and control the budget allocation priorities for the Local-level Governments in the district; and
- (c) to approve the Local-level Government budgets for presentation to the Local-level Government and make recommendations concerning them; and
- (d) to draw up a rolling five year development plan and annual estimates for the district; and
- (e) to conduct annual reviews of the rolling five-year development plan.

"(4) The District Administrator shall be the Chief Executive Officer of the Committee.

"(5) An Act of the Parliament shall make provision for other functions and powers of, and the administrative arrangements for, the Committee ".

23. REPEAL AND REPLACEMENT OF SECTION 35.

Section 35 of the *Organic Law on Provincial Governments and Local-level Governments* is repealed and is replaced with the following:-

"35. REMUNERATION AND ALLOWANCES.

"The salaries, allowances and other terms and conditions of the members of Local-level Governments shall be as is determined by the Salaries and Remuneration Commission."

24. PRINCIPLES OF DISTRIBUTION OF POWERS (AMENDMENT OF SECTION 40).

Section 40 of the *Organic Law on Provincial Governments and Local-level Governments* is amended -

- (a) in the heading by repealing the words "DISTRIBUTION OF POWERS" and replacing them with the following:-

"DIVISION OF LAW-MAKING POWERS"; and

- (b) in Subsection (1) -
(i) by repealing the words "The division of powers" and replacing them with the following:-

"The division of law-making powers"; and

- (ii) by repealing Paragraph (a) and replacing it with the following:-

"(a) the National Government, Provincial Governments and Local-level Governments shall respectively have specific powers;"

25. REPEAL AND REPLACEMENT OF SECTION 41.

Section 41 of the *Organic Law on Provincial Governments and Local-level Governments* is repealed and is replaced with the following:-

"41. LAW-MAKING POWERS OF THE NATIONAL PARLIAMENT, ETC.

(1) A law-making power that is not specified in Section 42 or 44 remains with the National Parliament.

"(2) Subject to this section, the National Parliament may make an Act of the Parliament on a matter specified in Section 42 or 44 only where the matter is of national interest.

"(3) Subject to Subsection (4), the National Parliament shall not make an Act to which Subsection (2) applies unless there has been consultation between the Minister responsible for provincial government and local level government matters, and the Provincial Government or the Local Level Government concerned.

"(3) For the purposes of Subsection (2), a question -

- (a) whether or not a law made under Subsection (1) is a law with respect to a matter specified in that subsection; or
- (b) whether or not a law made under Subsection (1) is inconsistent with an Act of the Parliament,
is non-justiciable except at the instance of the National Government or of a Local-level Government."

29. REPEAL AND REPLACEMENT OF SECTION 45.

Section 45 of the *Organic Law on Provincial Governments and Local-level Governments* is repealed and is replaced with the following:-

"45. PRINCIPAL ADMINISTRATIVE FUNCTIONS OF LOCAL-LEVEL GOVERNMENTS.

Subject to the Constitution and this Organic Law, the principal administrative functions of a Local-level Government shall be as provided for in an Act of the Parliament."

30. DELEGATION OF POWERS (AMENDMENT OF SECTION 50).

Section 50(2) of the *Organic Law on Provincial Governments and Local-level Governments* is amended by repealing from Paragraph (b) the words "or a member of the Provincial Executive Council".

31. NATIONAL INVESTIGATION COMMITTEE (AMENDMENT OF SECTION 61).

Section 61 (2) of the *Organic Law on Provincial Governments and Local-level Governments* is amended by adding at the end thereof the following new paragraph -

- "(e) the Departmental Head of the Department responsible for finance matters."

32. REPEAL AND REPLACEMENT OF SECTION 67.

Section 67 of the *Organic Law on Provincial Governments and level Governments* is repealed and is replaced with the following:-

"67. EXERCISE OF EXECUTIVE POWERS, ETC., OF SUSPENDED PROVINCIAL GOVERNMENTS.

"(1) While a Provincial Government is suspended the National Executive Council has and may exercise and perform executive powers, functions, duties and responsibilities of the Provincial Government.

"(2) The power conferred by Subsection (1) is exercised-

- (a) by the Head of State, acting with, and in accordance with, the advice of the Executive Council; or
- (b) subject to Subsection (3), and in the direction of the National Executive Council, by the Minister authorized by the National Executive Council for the purpose, acting on behalf of the Executive Council.

"(3) In performing his functions and responsibilities under Subsection (2) (b), the Minister shall be assisted -

- (a) in the case of a province which is also an electoral district, by a Member of the Parliament of the province concerned appointed by the Executive Council; and
- (b) in any other case, by two Members of the Parliament of the province concerned, appointed by the Members of the Parliament of the province and appointed by the National Executive Council."

35

lev

33.

(v) by inserting after Paragraph (h) the following paragraphs:-

"(i) shall liaise and consult with the Provincial Treasurer on budget and treasury matters and"; and

"(j) shall perform such other functions as are prescribed by this Organic Law or by an Act of the Parliament."; and

(b) in Subsection (2) -

(i) by repealing Paragraph (f) and replacing it with the following:-

"(f) shall coordinate policy formulation planning and implementation of Local-level Government policies and plans as required by Sections 33A and 106; and"; and

(ii) by inserting after Paragraph (f) the following paragraphs:-

"(g) shall liaise and consult with the District Treasurer on budget and treasury matters and

"(h) shall perform such other functions as are prescribed by this Organic Law or by an Act of the Parliament."; and

34.

(c) in Subsection (3) by repealing Paragraph (a) and replacing it with the following :-

"(a) policy directions from the Provincial Government and Local-Level Governments; and".

level C

**36. FUNCTIONS OF THE ASSIGNED, ETC, PERSONNEL
(AMENDMENT OF SECTION 79).**

Section 79 of the *Organic Law on Provincial Governments and Local-level Governments* is amended by repealing the heading to the section and replacing it with the following:-

"GENERAL DUTIES OF THE ASSIGNED ETC., PERSONNEL".

37. REPEAL AND REPLACEMENT OF SECTION 81.

Section 81 of the *Organic Law on Provincial Governments and Local-level Governments* is repealed and is replaced with the following:-

**"81 PROVINCIAL GOVERNMENT AND LOCAL-LEVEL
GOVERNMENT SUPPORT SERVICES.**

"(1) An Act of the Parliament may make provision for the establishment of support services for Provincial Governments and Local-level Governments.

"(2) The functions of the support services established under Subsection (1) shall be to provide professional and executive support services to the Provincial Governments and Local-level Governments.

"(3) An Act of the Parliament shall make provision for the extent to which the Provincial Administrator and District Administrator may exercise control over the support services."

**38. GOVERNMENT EXEMPTIONS (AMENDMENT OF
SECTION 84).**

Section 84 (2) of the *Organic Law on Provincial Governments and Local-level Governments* is amended by repealing from Paragraph (a) the words "provincial law" and replacing them with the words "provincial law or local-level law".

39. REPEAL AND REPLACEMENT OF SECTION 91.

Section 91 of the *Organic Law on Provincial Governments and Local-level Governments* is repealed and is replaced with the following:-

"91 -TYPES OF PROVINCIAL AND LOCAL-LEVEL GRANTS.

"(1) The National Government shall make the following grants, in accordance with this Organic Law, to Provincial Governments and Local-level Governments in the form of -

- (a) administrative support grants in accordance with Section 92; and
- (b) development grants in accordance with Section 93; and
- (c) town and urban services grants in accordance with Section 94; and
- (d) economic grants as provided for in Section 97.

"(2) The grants specified under Subsection (1) are guaranteed annually to the Provincial Governments and Local-level Governments."

40. ADMINISTRATION SUPPORT GRANTS (AMENDMENT OF SECTION 92).

Section 92 (1) of the *Organic Law on Provincial Governments and Local-level Governments* is amended by repealing Paragraph (c).

41. DERIVATION GRANTS (AMENDMENT OF SECTION 97).

Section 97 of the *Organic Law on Provincial Governments and Local-level Governments* is amended-

- (a) by repealing the heading to the section and replacing it with the following:-

"ECONOMIC GRANTS."; and

- (b) by repealing Subsections (1) , (2) and (3) and replacing them with the following :-

"(1) For each fiscal year the National Government shall pay to a Provincial Government or a Local-level Government, through the Provincial and District Treasury, conditional economic grants in the form of -

- (a) derivation grants; and
- (b) portion of the Special Support Grants as are provided for in the existing agreements relating to the development of natural resources; and
- (c) any other funds established or appropriated for that purpose.

"(2) Derivation grants shall be calculated in accordance with Schedule 6 and the rate shall not exceed 5% of the export value of goods calculated at the Free on Board (F.O.B.) price.

"(3) The goods included in the calculation of derivation grants shall exclude royalty related products and those products from which the development levies and other grants are paid."

**42. BENEFITS DERIVED FROM NATURAL RESOURCES
(AMENDMENT OF SECTION 98).**

Section 98 of the *Organic Law on Provincial Governments and Local-level Governments* is amended -

- (a) in Subsection (2), by repealing from Paragraph (b) -
- (i) the words "National Government" and replacing them with the words "National Government, Provincial Governments or Local-level Governments,"; and
 - (ii) the word "royalties" and replacing it with the words "land owners benefits"; and
- (b) by repealing Subsection (3) and replacing it with the following:-
- "(3) The development levies shall be controlled through a trust fund which shall be managed and administered in accordance with an Act of the Parliament."; and
- (c) by repealing Subsection (4) and replacing it with the following:-
- "(4) A developer shall provide to the National Government, Provincial Governments and Local-level Governments, expertise and professional support as to the use of the development levies."; and

- (d) by repealing Subsection (5) and replacing it with the following:-

"(5) All land owners benefits in the form of royalties, land owners premiums, compensation and other assistance, established by law or in accordance with an agreement, shall be paid to the land owners less deduction only for nominal tax (if applicable) and any recoveries for the cost incurred by the National Government, Provincial Governments or Local-level Governments, as the case may be."

43. REPEAL AND REPLACEMENT OF SUBDIVISION IV.3.L.

The *Organic Law on Provincial Governments and Local-Level Governments* is amended by repealing Subdivision IV.3.L and replacing it with the following :-

"Division 4 - Planning and Data System".

106.- PROVINCIAL PLANNING AND DATA SYSTEM.

"(1) There shall be established in each province an extended service of the Department responsible for planning matters and of the National Statistical Office.

"(2) The functions of these services are to establish and maintain an effective and efficient provincial and local-level planning and data system.

"(3) There shall be a census for the count of all natural persons in each province in the year preceding the national election, other than a national election following a dissolution of Parliament under Section 105(1) (b) or (c) (*General Elections*) of the Constitution.

"(4) An Act of the Parliament shall prescribe the types of records or data to be kept and details of the planning and data control system for the Provincial Governments and Local-level Governments."

44. ESTABLISHMENT OF PROVINCIAL AND LOCAL-LEVEL SERVICE MONITORING AUTHORITY (AMENDMENT OF SECTION 110).

Section 110 of the *Organic Law on Provincial Governments and Local-level Governments* is amended-

(a) in Subsection (3) by repealing the following words:-

"to be administered by the Department responsible for provincial government and local-level government matters."; and

(b) by repealing Subsection (5) and replacing it with the following:-

"(5) In carrying out its functions, the Authority shall maintain close consultation with the-

(a) Department responsible for provincial government and local-level government matters; and

(b) National Planning Office; and

(c) National Economic and Fiscal Commission; and

(d) Office of the Auditor-General."and

(c) by adding after Subsection (5) the following subsection:-

"(6) An Act of the Parliament shall make provision for other functions and powers of, and the administrative and staffing arrangements for, any other matters relating to the Authority and the Inspectorates".

45. ESTABLISHMENT OF PROVINCIAL AND DISTRICT TREASURY (AMENDMENT OF SECTION 112).

Section 112 (3) of the *Organic Law on Provincial Governments and Local-level Governments* is amended by adding the words "or is considered by the Departmental Head of the Department responsible for finance matters to be a suitably qualified person."

**46. SUBMISSION OF PROVINCIAL ACCOUNTS
(AMENDMENT OF SECTION 114).**

Section 114 (1) of the *Organic Law on Provincial Governments and Local-level Governments* is amended by repealing "mid-year" and replacing it with "final year".

**47. NATIONAL ECONOMIC AND FISCAL COMMISSION
(AMENDMENT OF SECTION 117).**

Section 117 (2) of the *Organic Law on Provincial Governments and Local-level Governments* is amended-

(a) by repealing Paragraph (b) and replacing it with the following:-

"(b) a qualified accountant with a minimum of 10 years experience"; and

(b) by repealing Paragraph (c) and replacing it with the following:-

"(c) an economist; and"; and

(b) by repealing from Paragraph (i) the words "Minister responsible for finance matters" and replacing them with the words "Minister responsible for the National Economic and Fiscal Commission".

**48. REPORTS ON THE AFFAIRS OF PROVINCIAL
GOVERNMENTS AND LOCAL-LEVEL GOVERNMENTS
(AMENDMENT OF SECTION 119).**

Section 119(1) of the *Organic Law on Provincial Governments and Local-level Governments* is amended by repealing the number and word "30 April" and replacing them with the number and word "30 June".

49. INTERPRETATION (AMENDMENT OF SECTION 121).

Section 121 of the *Organic Law on Provincial Governments and Local-level Governments* is amended by deleting from the definition of "interim period" the words "Bougainville Province" and substituting the words "Bougainville Province and the National Capital District".

50. COMPOSITION OF INTERIM PROVINCIAL GOVERNMENTS (AMENDMENT OF SECTION 125)

Section 125 of the *Organic Law on Provincial Governments and Local-Level Governments* is amended -

(a) in Subsection (1) -

(i) by repealing Paragraph (b) and replacing it with the following:-

"(b) such number of -

(i) members of the previous Provincial Government; or

(ii) heads of Local - Level Governments; or

(iii) prominent persons,

selected in accordance with Subsection (2) and appointed by the Head of State, acting on the advice of the National Executive Council; and"; and

(ii) by inserting immediately after Paragraph (b) the following:-

"(ba) one representative of the urban Local-level Governments, nominated by the Papua New Guinea Urban Authorities Association, appointed by the Head of State acting on the advice of the National Executive Council; and"; and

(b) in Subsection (2), by repealing Paragraph (a) and replacing it with the following :-

"(a) the members of the previous Provincial Government are heads of Local-Level Governments, the Open Member, in consultation with the Member of Parliament representing the province, shall select such number from the members of the previous Provincial Government to become members of the Interim Provincial Government; and"; and

(c) by repealing Subsection (5) and replacing it with the following:-

"(5) An Interim Provincial Assembly shall elect an Interim Deputy Governor, who shall also be the Interim Deputy Chairman, from amongst the members referred to in Subsection (1)(b)."; and

(d) by repealing Subsection (10) and replacing it with the following:-

"(10) An Interim Deputy Governor and an Interim Deputy Chairman who was a Premier of a previous Provincial Government shall cease to hold office as the Interim Deputy Governor and Interim Deputy Chairman, but not as a member of the Interim Provincial Assembly, on the coming into operation of Subsection (5)."

**51. INTERIM PROVINCIAL EXECUTIVE COUNCIL
(AMENDMENT OF SECTION 128).**

Section 128 of the *Organic Law on Provincial Governments and Local-level Governments* is amended -

(a) by repealing Subsection (1) and replacing it with the following:-

"(1) An Interim Provincial Executive Council shall consist of-

- (a) the Interim Chairman; and
- (b) the Deputy Interim Chairman; and
- (c) the Chairman of each of the permanent committees of the Interim Provincial Executive Council; and
- (d) not less than two Open Members, who are not disqualified under Section 19 (1) (b), elected by the Interim Provincial Assembly."; and

(b) by repealing Subsection (3) and replacing it with the following:-

"(3) For the purposes of Subsection (2), the Interim Chairman and the Deputy Interim Chairman shall exercise and perform all the powers and functions of the Governor and Deputy Governor, respectively."

52. NEW SECTIONS 128A AND 128B.

The *Organic Law on Provincial Governments and Local-level Governments* is amended by inserting after Section 128 the following new sections:-

**"128A. SYSTEM OF COMMITTEES FOR INTERIM
PROVINCIAL EXECUTIVE COUNCILS.**

"(1) An Interim Provincial Executive Council may-

- (a) establish an Interim Joint Provincial Planning and Budget Priorities Committee; and
- (b) establish such number of other interim committees (including interim permanent committees) as it considered necessary to carry out its functions; and

- (c) determine all matters relating to such interim committees.

"(2) The interim committees of the Interim Provincial Executive Council-

- (a) in the case of the Interim Joint Provincial Planning and Budget Priorities Committee - shall consist of the members referred to in Section 25(2); and
- (b) in any other case - shall consist of the members of the Interim Provincial Assembly.

(3) Subject to any directions of the Interim Provincial Executive Council-

- (a) the Interim Joint Provincial Planning and Budget Priorities Committee, has and may exercise all or any of the powers and functions of the Joint Provincial Planning and Budget Priorities Committee; and
- (b) all the other interim committees of the Interim Provincial Executive Council have and may exercise all or any of the powers and the functions of the committees of the Provincial Executive Council,

constituted in accordance with Section 25.

"128B INTERIM JOINT DISTRICT PLANNING AND BUDGET PRIORITIES COMMITTEE.

"(1) There shall be established, in each district, an Interim Joint District Planning and Budget Priorities Committee.

"(2) The composition, functions and powers of an Interim Joint District Planning and Budget Priorities Committee shall be the same as the composition, functions and powers of a Joint District Planning and Budget Priorities Committee constituted in accordance with Section 33A".

53. ADMINISTRATIVE SYSTEM (AMENDMENT OF SECTION 129).

Section 129 (2) of the *Organic Law on Provincial Governments and Local-level Governments* is amended by repealing the words "The existing administrative (including staff arrangements)" and replacing them with the words "The existing administrative and financial system (including staff and financial arrangements)".

54. PROVINCIAL GOVERNMENT PROPERTIES, ASSETS AND LIABILITY (AMENDMENT OF SECTION 130).

Section 130 of the *Organic Law on Provincial Governments and Local Level Governments* is amended -

- (a) by repealing the heading to the section and replacing it with the following :-

**"PROVINCIAL GOVERNMENT AND
LOCAL-LEVEL GOVERNMENT
PROPERTIES, ASSETS AND LIABILITIES";
and**

- (b) by adding the following subsection :-

"(2) Subject to this Organic Law, all assets and obligations and liabilities of a Local-level Government which was in existence under the *Local Government Act* (Chapter 57) or by or under a provincial law, are, on the coming into operation of this Organic Law, transferred to and become assets, obligations and liabilities of a Local-level Government continued in existence in accordance with the *Local-level Government System (Interim and Transitional Arrangements) Act 1995*."

55. CONTINUITY OF GOVERNMENT (AMENDMENT OF SECTION 131).

Section 131 of the *Organic Law on Provincial Governments and Local-Level Governments* is amended by adding after Subsection (2) the following subsection:-

"(3) Notwithstanding Subsection (2), an Interim Provincial Assembly shall within the interim period, take all action necessary to ensure compliance with the requirements of Section 26(4)."

56. NEW SECTION 136A.

The *Organic Law on Provincial Governments and Local-level Governments* is amended by inserting after Section 136 the following new section:-

136A. APPLICATION OF OTHER LAWS.

Where -

(a) any Organic Law (other than this Organic Law), Act or subordinate enactment; or

(b) any instrument or document wherever made or executed,

contains a reference, express or implied, to -

(c) a provision of; or

(d) an office established by or under, the repealed laws, that reference shall, except where the context otherwise requires, be read as a reference to the equivalent provision or office under this Organic Law."

57. AMENDMENT OF SCHEDULE 1.

Schedule 1 to the *Organic Law on Provincial Governments and Local-level Governments* is amended -

(a) in Section 1, in the definition of "adjusted base figure", by repealing the words "in the year preceding the year of grant" and replacing them with the following:-

"in the year two years before the year of grant"; and

(b) in Section 6, by repealing Subparagraph (iii) and replacing it with the following:-

"(iii) monies paid into the Consolidated Revenue Fund from the Mineral Resources Stabilisation Fund in accordance with the *Mineral Resources Stabilisation Fund Act* (Chapter 194);"

58. FURTHER AMENDMENTS.

The *Organic Law on Provincial Governments and Local-level Governments* is amended further in accordance with the Schedule.

Sec 58.

SCHEDULE.

Provision	Amendment
3 (1)	<p>Repeal the definition "Provincial and Local-level Monitoring Authority" and replace it with the following:-</p> <p>"Provincial and Local-level Service Monitoring Authority' means the Provincial and Local-level Service Monitoring Authority established by Section 110;"</p>
61 (2) (b)	<p>Repeal Paragraph (b) and replace it with the following:-</p> <p>"(b) the Director-General of the Provincial and Local-level Service Monitoring Authority; and"</p>
72(2)(a)(iii)	<p>Repeal Subparagraph (iii) and replace it with the following:-</p> <p>"(iii) Provincial Government and Local-level Government support services; and"</p>
74(2)(e)	<p>Repeal from Paragraph(e) the words "Local-level Secretariat and executive services" and replace them with the following:-</p> <p>"support services for the Local-level Governments within a district".</p>
78 (2)	<p>Repeal the words "the Departmental Head of the Department responsible for provincial government and local-level government matters" and replace them with the words "The Director-General of the Provincial and Local-level Service Monitoring Authority".</p>

96 (1)

Repeal the words "The Departmental Head of the Department responsible for provincial government and local-level government matters" and replace them with the words "The Director-General of the Provincial and Local-level Service Monitoring Authority".

Printed and Published by K. Kaiab, Government Printer,
Port Moresby.—366.