



# LAE CHAMBER OF COMMERCE INC.

## WEEKLY NEWS UPDATE

18 January 2013

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### LAE CHAMBER OF COMMERCE INC.

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*Thank you*

### FROM THE PRESIDENTS DESK

This week we have seen a continuation of the floods and the devastation they have caused in Morobe Province. The worst hit is the Bulolo area, with major damage caused to the Wau /Bulolo Highway especially the Lae to Bulolo section.

The latest report from Zenag Farm is that as of 6 am this morning the road is passable to Semi trailers and small vehicles. Gurakor bridge is muddy and slippery as well as the Timini and Mare section of the road which needs clearing and will continue to be problem for small vehicles. The slip at Mare is now well graveled and the water has been diverted away from road. Water in the Warabung area has been diverted partially away from the road so the heavy rain last night did not affect the road. At Gabensis a culvert partially collapsed but semis can pass through. The road from Patep to Zenag is riddled with very big ruts, sink holes and is dangerously slippery and muddy.

Morobe Mining JV have advised that a lot of work was done yesterday but it's still raining heavily throughout the area. We'll see what tomorrow (today) brings but we have the gear on the road to get it open again if parts are damaged.

#### The Highway

The road was in full use and even dusty in some parts. All sections were open for traffic from 9 am Thursday after some additional sheeting and compacting work at both Warabung and Kumalu. **Just got an update that the Kumalu river was still flooding up to 7.30 pm Thursday night. The situation is being constantly monitored.**

#### Bulolo

National Forest Authority in Bulolo is requested to open the No 6 road (private road) for better access.

Obviously this is all dependent on Mother Nature as it's still raining heavily at the moment affecting the Demakwa and Kumalu.

#### Critical stocks

Critical parts needed to prevent a Hidden Valley shutdown made it to Bulolo okay via C-130 aircraft on Thursday. MMJV offer a Big thank you to PNGFP for use of the forklifts!

Other supplies are being closely monitored and site will advise on what is required and in what order. PPL is supplying a constant 15 MW of power, after PNGFP upgraded the Baiune Power Station which allows them to sell 15 MW of power back into the PPL power grid.

#### Other Points of Interest

The NRA will get their contractors out to clean the drains/culverts and cut the grass as this neglect has definitely contributed to the recent damage on the roads.



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**Objectives  
of the LCCI**

- To promote the business interests of the private sector;
- To further the economic development in Lae;
- To ensure the provision of services and utilities essential to such development;
- To provide a representative body for business people, which government can consult;
- To promote support or oppose legislation; or take any other measures to improve the business community;
- To provide a forum for discussion of private sector goals;
- To pool the strengths of business people so that together, they can accomplish tasks that each one alone cannot achieve;
- To promote the economic viability of the area, so those current businesses will grow and new ones will be



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**FLOODS CAUSING HAVOC (Cont)**

The Prime Minister and a team of Cabinet Ministers travelled by helicopter to view most of the Bulolo Highway disaster spots on Monday, and immediately made available K5 million for emergency work. MMJV have been put in charge utilizing these funds for supervision and operation of the necessary works.

Every year there is damage to the Wau/Bulolo Highway due to inclement weather. The bill to fix this damage must be monumental. The problem is that the subsequent works is always geared toward fixing the damage and there is never any thought to preventative maintenance. Whilst there will always be inevitable damage, much of it can be prevented by good planning and applying simple maintenance such as cleaning drains and cutting bush and grass from the verges.

Of course the Kumalu River has posed a threat to the Highway for more than a decade; ever since it destroyed the bridge and broke its banks, and destroyed most of Mumeng Township. The Kumalu has got worse since that time and it is apparent that there is no chance of making a permanent crossing over it at its current location. The Department of Works and MMJV Engineers presented alternatives to the Prime Minister on Monday, for finding a suitable permanent crossing over the Kumalu – with a road to be constructed inland at the headwaters of the Kumalu, where a permanent crossing may be built being the first priority.

The Wau/Bulolo area is an increasingly important economical area to Papua New Guinea with the mining activities (both large and small holder), Forestry, Chicken Farming, Coffee, Cocoa and Fresh Food production. It is incumbent on the Government to work toward protecting the artery into the area and preventing it from closure on an annual basis.

**HIGHLANDS HIGHWAY**

The Highlands Highway hasn't fared much better from the recent flooding. In Morobe Province most of the major rivers along the Markham have flooded and may pose serious threats to the Highway.

The Erap River is now a raging torrent of water and with a change of direction of the water course, there is a danger that it may wash out the pylons and the abutments to the Bridge. We cannot allow this to happen as it will be a disaster to rival the Uni Bridge disaster years ago. We have alerted DOW and NRA of the problem as well as AusAID, who are maintaining the highway to Kassam Pass.

The area around Mutzing and Zumin sees most of the rivers in full flood and the Markham river has broken its banks and is eating into the Highlands Highway. Some protective work is being done by AusAID contractors but there is not much that can be done until the flood recedes.

We would like to see the use of repair funds directed toward finding a more permanent solution to the annual damages caused on this stretch of the Highway.

In the meantime all drivers of vehicles on the Highway are asked to slow down and take every precaution when driving to avoid accidents. There have been a multitude of accidents on the Markham stretch of the Highway recently, caused by speed or trying to avoid potholes (or both) and simply undue care and attention when driving.



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The Prime Minister seeks a resolution to the continuing problems at UNITECH

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## EDUCATION

Last week we mentioned that a meeting will be held with the Office of Higher Education and other stakeholders to look at developing Lae as the centre for Technical Training in the nation. This is in consideration of the fact that the nation's prime technical institutions are already located in Lae. The National Polytechnic College (Lae Tech) and UNITECH should have closer links so that they can better utilize their teaching staff, facilities and equipment. There should also be a scheme so that graduates of Technical diplomas can carry forward credits toward a degree.

This meeting was held on Tuesday with the Director General of the OHE, Professor Kavanamur as the Chairman. Representatives from the University of Technology and the National Polytechnic College as well as board members of the OHE made worthwhile contributions.

The response to our request for views and facts from members in last week's News Update was nothing short of tremendous, and this helped form an extremely valuable contribution from the LCCI on behalf of Industries of Lae. Representatives from the PNG Chambers of Mines & Petroleum, Newcrest, MMJV and Exxon Mobil were also able to throw light on their concept from the resource industry perspective.

The resolutions that resulted from these very positive discussions were all very realistic and will be acted on after which a second round of discussions will be held in early March.

*Again if you have any thoughts, ideas or facts and figures that we can use in these discussion, we would be most grateful to receive these.*

## UNITECH DILEMMA

On Monday the Prime Minister requested a meeting at the PNG University of Technology in an attempt to end the ongoing conflict which is posing a threat to the start of the University 2013 academic year and the intake of students.

Attending the meeting was the former Chancellor and a good percentage of the old Council, as well as four of the five Interim Council members, which includes Alan McLay of the LCCI. The Vice Chancellor was unfortunately still on his break overseas and could not attend, but the acting V/C was present and the meeting was held in a very constructive manner with most of the main players in attendance. The PM brought with him a good percentage of NEC Ministers to show how important he treated finding a resolution to this problem to be.

The Office of Higher Education Director General opened the meeting with general comments, and he gave a chance for the former Chancellor and the former Council members to state their case, and after hearing the views of the a/VC and the Student Council Representative the PM announced the following decisions:

1. The appointment of a 3 member special Committee under the leadership of a retired judge, to investigate all claims in this case and make recommendations.
2. The result and recommendations of this investigation will be handed to the PM in 2 months, after which it will be presented to the NEC for an immediate decision.
3. The Former Chancellor and former Council will be further suspended for 2 months and be prohibited from entering the UNITECH grounds or dealing in any way with the operation of UNITECH
4. The Vice Chancellor will be suspended for 2 months on full conditions and salary, during which period the acting VC will continue to perform the VC's role.
5. The former Council will drop all legal cases that currently before the courts during this 2 month period.

The former Council and the a/VC agreed to comply with these decisions and we look forward to the committee's findings and recommendations and a finalization of this messy affair. The Interim Council in the meantime will proceed with arrangements for the 2013 academic year.

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**Today's article in the National newspaper, claims that most companies in Lae are cheating employees by underpaying them!**

### WHAT IS THE LORD MAYOR ON ABOUT?

The Lord Mayor in the following outrageous statement in the National Newspaper this morning has got all his facts wrong in what appears to be a deliberate attempt to mislead workers in the City. His claim that – “... most companies in Urban Centres, especially Lae, continue to cheat employees by paying them less than the K2.25 hourly rate, undermining the employees effort to contribute to companies profit”, cannot go unchallenged.

We would like to remind the Lord Mayor that the Minimum Wages rate is K2.29 per hour not K2.25 as he states. The Minimum Wages Board does not have a permanent office anywhere in the country as it is an appointed board to review the wages from time to time, as required. Therefore there is not a Minimum Wages Board Office in Lae or anywhere else. The monitoring of wages is a function of the Department of Labour and Industrial Relations, and they have an office in Lae and their officers regularly check wages amongst other things.

I am sure this article does not relate to any member of the Lae Chambers of Commerce, and I am equally sure that our members pay on average above the minimum wage. Of course – if any of you do know of any deliberate attempt to CHEAT employees as claimed, I would like to hear about it.

For the LM to say “I urge all affected employees in the city to rise up and address it (the cheating) for the betterment of our families” ... is nothing but a cheap shot. With the council elections just around the corner, this article has a hint of political undertones, but it is certainly not based on fact.

In my opinion, the Lord Mayor should look at the multitude of important municipal problems faced in the city, for example - fixing the city residential and industrial Roads, the Street Lighting, Foreshore protection, City Dump, checking new building and housing extension approvals etc.

14 The National – Friday, January 18, 2013

#### NATION

## Khay: We need wages board offices

**By PISAI GUMAR**  
LAE Lord Mayor James Khay says the Minimum Wages Board should establish regional offices to monitor companies that fail to comply with the government-sanctioned wage rate.

Khay said with the board based in Port Moresby, it could not monitor companies that

cheated employees by paying them lower than the government-authorized rates.

He said he was concerned about the welfare and living conditions of shop assistants, cashiers, cleaners and packers in the country who had been underpaid for far too long.

“I applaud Prime

Minister Peter O'Neill's decision urging the National Minimum Wages Board to review the general labour wages rate from K2.25 to K3.50,” he said.

“But most companies in urban centres, especially Lae, continue to cheat employees by paying them less than the K2.25 hourly rate, un-

dermining the employees effort to contribute to companies profit,” Khay said.

“As the city lord mayor, I call on all companies in Lae to comply with the government's decision.

“Otherwise, I am taking this matter up and a submission will be made to the minister for la-

bour and industrial relations after collating the required documents.”

Khay said “underpaying employees was another contributing factor to urban poverty.”

He said, as a result, children “run around feeding on scraps from the streets, while mothers and teenage girls resort to visiting ‘sugar-

daddies’, as boys turn to crime for survival and that increased social disorder.

“I urge all affected employees the city to rise up and address it for the betterment of our families.

“Bring your pay slips to my office so we can compile them and face the wages board with

details,” Khay said.

“Citizens of this country shouldn't be treated as cheap labourers on our homeland because this beautiful land is abundantly blessed with all forms of natural resources.”

The Minimum Wages Board's Beverly Doiwa could not be reached for comments.

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## Media Release.

For immediate release: 10 January 2013

### Westpac urges customers to be alert to online fraud in 2013

With all banks reporting an increase in criminal activity online, Westpac is warning bank customers not to become complacent in guarding themselves against online fraud in 2013.

"Online banking is a convenient and easy channel to do banking," says Westpac Managing Director, Ashleigh Matheson. "Unfortunately however, its growth in popularity has been accompanied by an increased presence of scammers trying to target people online."

While Westpac has a strong and sound system to protect customer's money, controls and security of personal details are compromised if a customer gives out their personal details to unauthorized third parties, Matheson says.

"For instance, there has been a rise in phishing emails received by customers. These emails can look like an email from Westpac, tricking victims into giving out their private information, such as addresses, banking details, passwords or PINs."

"You could receive an email that looks like a communication from a bank or financial institution asking you to follow a link to update your online bank account or login details, for example – this is a typical phishing email."

The link in the email can lead to a webpage that looks just like the real site, but it's a copy created to collect a customer's personal details. By following it, they could also download a program that captures their banking login details and sends their details to a third party.

What should customers do to keep themselves safe from online fraud? Ashleigh Matheson says the golden rule is **never to give out personal confidential information, including PINs and passwords, online.**

"Westpac would never email, phone or text customers asking for confidential information. Even if we need to verify a transaction you've made, we would never ask for those personal details."

As online banking becomes more and more popular in the Pacific, Matheson says it's critical that we get the word out to customers to be vigilant against fraud and guard themselves against being the target of a scam.

"After all, being safe online is everyone's responsibility."



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### Piracy falls in 2012, but seas off East and West Africa remain dangerous, says IMB

London, Paris, 16 January 2013

Piracy on the world's seas has reached a five-year low, with 297 ships attacked in 2012, compared with 439 in 2011, the International Chamber of Commerce (ICC) International Maritime Bureau (IMB) global piracy report revealed today. Worldwide figures were brought down by a huge reduction in Somali piracy, though East and West Africa remain the worst hit areas, with 150 attacks in 2012.

<http://www.iccwbo.org/News/Articles/2013/Piracy-falls-in-2012.-but-seas-off-East-and-West-Africa-remain-dangerous.-says-IMB/>

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