

# Masalai i tokaut

*Number Thirty One: 5 September 2004*

## Forest Minister lied in Parliament over his Car Club membership fees

*Documents obtained by [Masalai i tokaut](#) appear to show that the Minister for Forests, Mr Patrick Pruaitch, has misused public funds, abused his position as a Minister and lied to Parliament.*

*As was widely reported in the media back in January of this year, Mr Pruaitch has admitted that he is a member of the South Pacific Motor Sports Club in Port Moresby, but he has repeatedly denied that the PNG Forest Authority paid his membership fees.*

*Financial records from the PNG Forest Authority and a hand written letter from the Secretary for the Department of Environment appear to tell a very different story.*

*In a Parliamentary Democracy the abuse of position by a Government Minister, the misuse of public funds and lying to the public are very serious matters. Normal protocol would demand that a Minister stand aside until there has been a full inquiry and if found guilty, he would be honor bound to resign.*

*We doubt that this Minister or his political cronies will show any inclination to uphold these traditions of a democratic system of government or show any moral bravery in the face of the facts that [Masalai i tokaut](#) has uncovered.*

*The National Alliance and the Prime Minister campaigned on truth in Government before the last election and made many promises about the eradication of corruption; unfortunately those commitments have proved*

*time and again to be meaningless words.*

On the 4<sup>th</sup> of March 2003, the Minister for Forests, Mr Patrick Pruaitch, and the then Secretary for the Department of National Planning, Mr Valentine Kambori were introduced as new members at the South Pacific Motor Sports club by Dr Wari Iamo.

Dr Iamo is the Secretary for the Department of the Environment and a long standing club member. Valentine Kambori was at that time, the new Chair of the National Forest Board.

In a generous display of friendship, Dr Iamo personally paid the K680 membership fees of both Mr Pruaitch and Mr Kambori. The K680 was made up of K200 per man as a 'nomination fee' and K140 each for their 'membership'.

The money was paid at the door of the club and was accepted by the club's Secretary, Mr John Hasting.

South Pacific Motor Sports  
Club Inc.  
PO Box 4  
Port Moresby.  
Office Phone 3256757  
Bar Phone 3002330  
Fax 3236574  
Tax Invoice ---VT 3586

Received from Patrick Pruaitch  
of PO Box

The amount of: K340.00 for,  
Membership K140.00  
Nomination Fee K200.00

Method of payment Cash  
You were served by John Hasting

This invoice/receipt  
includes VAT  
charged at 10%

Customer copy

South Pacific Motor Sports  
Club Inc.  
PO Box 4  
Port Moresby.  
Office Phone 3256757  
Bar Phone 3002330  
Fax 3236574  
Tax Invoice ---VT 3586

Received from Valentine Kambori  
of PO Box

The amount of: K240.00 for,  
Membership K140.00  
Nomination Fee K200.00

Method of payment Cash  
You were served by John Hasting

This invoice/receipt  
includes VAT  
charged at 10%

Customer copy

The two receipts issued by the Motor Sports Club on the 4<sup>th</sup> of March

The South Pacific Motor Sports Club on Waigaini Drive in Port Moresby is the favorite haunt of logging industry executives, staff of the Forest Industries Association and various politicians and their cronies.

According to former Minister for the Environment, Sasa Zibe, the club "is used as a cover to do illegal logging deals with politicians and public servants".

Having introduced the Minister and the Secretary for Planning to the club, a few days later the Secretary for Environment made a personal application to have the

Forestry Authority reimburse the monies that he had paid for the membership fees.

In a letter dated 10 March 2004, addressed to the Finance Controller at the Forest Authority, but marked for the attention of the Second Secretary in the Minister's Office, Dr Iamo kindly explains for us how,

***"I used my own money to pay membership fees for both Mr Valentine Kabori, Chairman and Minister, The Hon. Patrick Pruaitch, MP, at the South Pacific Motor Sports Club".***

The letter ends with Dr Iamo's request that

***"through the Ministers Office that this monies (sic) be reimbursed to me".***



DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
OFFICE OF THE SECRETARY

7<sup>th</sup> Floor - Samece Facades  
P O Box 5081  
HONOLIA, NCD

Ph: (675) 3254180  
Fax: (675) 3254181  
Email: [ed@pdc.dti.gov.pg](mailto:ed@pdc.dti.gov.pg)

10/03/03

Robby Lamo  
Finance Controller  
Forest Authority  
National Forest Service  
Hohola, NCD

Attention: Mr John Matar, Second Secretary  
Office of the Minister

Dear Mr Lamo

REIMBURSEMENT FOR PAYMENT OF CLUB  
MEMBERSHIP

I used my own money to pay membership  
fees for both Mr Valentinel Karaman, Chairman,  
and Minister, The Hon. Patrick Pantich, MP, at  
the Sport Santa Pacific Motor Sports Club.

The total amount expended was K680.00.  
I request through the Minister if this  
amount be reimbursed to me

Yours sincerely,

Dr Iamo

Dr Iamo Lamo

Chairman & Sports Chairman

Dr Iamo's letter requesting reimbursement through the Office of the Minister

It appears that the Office of the Minister looked kindly upon Dr Iamo's request and that his refund application was quickly processed by the PNG Forest Authority Head Office.

Masalai has obtained a copy of a Cheque Requisition form that appears to show that a cash cheque in the sum of K680 was issued to the Forest Minister on the 10<sup>th</sup> of March 2003.

The cheque was stated to be **"in payment of refund of club membership"**.

The Cheque number is given as **0154880**



# PNG FOREST AUTHORITY

HEAD OFFICE - FRANGIPANI STREET, HONOLIA

P.O. BOX 50000  
NATIONAL CAPITAL DISTRICT  
PORT KAITUMA

TELEPHONE: (870) 327700  
FACSIMILE: (870) 624433  
EMAIL: accounts@pngfa.gov.pg

## REMITTANCE ADVICE / CHEQUE REQUISITION

PAY: CASH  
FORESTS MINISTRY

Cheque No. 0171920

Date: 10/03/2003

Bank Code: \_\_\_\_\_

DATE	INVOICE NUMBER / DESCRIPTION	ACCOUNT CODE	AMOUNT
10-03-03	Being in Payment of Refund of Club Membership. Refer to attached receipts	07000 4100	680 00
TOTAL AMOUNT OF THIS REMITTANCE			K 680 00

**POSTED**

REPAID BY: \_\_\_\_\_ APPROVED BY: \_\_\_\_\_ CHEQUE SIGNED BY: \_\_\_\_\_ CHEQUE SIGNED BY: \_\_\_\_\_

The Cheque Requisition from the files of the PNG Forest Authority

Patrick Pruaitch was questioned about these matters in Parliament on Tuesday the 20<sup>th</sup> of January this year. He repeatedly denied that the PNG Forest Authority paid his membership fee and claimed that he had paid the fees from his own pocket.

The Minister was asked quite bluntly by the Hon Sasa Zibe, MP,

"Is it true that your membership of the club was paid by the PNG Forest Authority?"

[Listen to Audio File](#) 

The Minister replied,

"The first question about Forestry paying for my fees Mr Speaker **that is not true**"

[Listen to Audio File](#) 

And he repeated,

"In the simplest terms **I am denying** that the Environment Secretary paid for my membership fee"

[Listen to Audio File](#) 

And again he said,

"So long bekim blong mi Mr Speaker the Forest Authority **is not responsible for the payment of my membership** to social clubs and I have been members (*sic*) of a number of clubs and I have paid that out of my own pocket and I always do that".

[Listen to Audio File](#) 

The Minister went on to say that he would give a 'written explanation' and a 'detailed answer' as to how it appeared that the Secretary for Environment in fact paid the fee on his behalf.

It is now some seven months later, but that written explanation from the Minister has never been forthcoming.

In the meantime we have a Minister who appears to have lied about who paid for his club membership, a Minister who has abused his position to avoid paying for his club membership and a Minister who has misused scarce public funds to pay for his club membership.

We also have a Secretary at Environment and Conservation who has abused his position to unlawfully obtain monies from the PNG Forest Authority and misused public funds.

***Is this acceptable?***

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