



**Parliament of Australia**

**Report of the Parliamentary Delegation  
to  
Papua New Guinea**

**8 to 13 April 2013**

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## **Members of the Delegation**

Ms Sharon Grierson MP  
Leader of the Delegation

Senator the Hon Ian Macdonald  
Deputy Leader of the Delegation

Mrs Jane Prentice MP

Mr Mike Symon MP

Ms Stephanie Mikac  
Delegation Secretary



## **Papua New Guinea**

### **Visit Purpose**

The purpose of the visit was to allow Australian parliamentarians to engage with the parliament of Papua New Guinea around issues of mutual importance to our longstanding relationship. The delegation also wished to engage with stakeholder organisations and representatives to learn more about the current state of economic and social development in Papua New Guinea and to be informed specifically about programs being delivered in Papua New Guinea by AusAID. As the delegation's visit took place in the lead-up to Anzac Day, visits to Commonwealth War cemeteries were scheduled.

The delegation visited the capital, Port Moresby and Lae, the capital of the Morobe Province. At both, the delegation met with Government officials, business representatives, and local service providers, in addition to engaging in tours of major infrastructure.

Matters discussed during these meetings and tours included: the broader trade, investment and aid program between countries, financial transparency, immigration, parliament-to-parliament assistance, further developing the capability of Papua New Guinea's public sector, agency-to-agency exchange between the two countries, women's electoral participation, ending violence against women, the availability and access to education and vocational training, and improving health outcomes.

In the lead up to Anzac Day, as an official tribute to the Australian war dead laid to rest at the Bomana and Lae

War Cemeteries, the delegation laid remembrance wreaths.

### **Bilateral Relationship**

Australia and Papua New Guinea have developed a close and multifaceted bilateral relationship through their historical ties and geographic proximity.

Government-to-Government relations are underpinned by the 1987 *Joint Declaration of Principles*, with the current bilateral agenda encompassing economic cooperation (including development), investment, trade, defence, security and immigration.

More recently, late in 2012, the *Australia Papua New Guinea Economic Cooperation Treaty* was concluded which placed a greater emphasis on the economic relationship between countries.

Australia and Papua New Guinea also cooperate in regional and international forums such as APEC and the Pacific Islands Forum with both currently involved in negotiations on the regional trade agreement *PACER Plus*.

Australia and Papua New Guinea have together reopened an irregular migration regional processing centre on Manus Island.

Ministers that met with the delegation emphasised the enduring nature and importance of the Australia-Papua New Guinea relationship especially in relation to economic investment, immigration, irregular migration, and agency-to-agency cooperation through personnel exchanges as part of the *Strongim Gavman Program*.

The Deputy Chairman of Papua New Guinea's Foreign Affairs and Trade Committee emphasised the importance of strengthening the parliament-to-parliament relationship and noted that assistance between

parliaments is positive. Papua New Guinea's national parliament has also recognised the importance of maintaining a close relationship with its provincial legislatures. Further, the Deputy Chairman discussed with the delegation, the types of inquiries the Parliament's committees will be undertaking over the course of the parliamentary term. Also noted was the positive and increasing interaction between parliamentarians across the Pacific Region assisting in knowledge sharing on major issues, but also on matters which assisted the parliament to improve members' services.

### **Australia's Aid Program to Papua New Guinea**

Papua New Guinea is one of Australia's largest aid recipients having received approximately \$493.2 million in official development assistance in 2012-13.

The delegation was shown the health, education and development outcomes arising from part of Australia's aid contribution to Papua New Guinea through their visit to the Port Moresby General Hospital, the Australia Pacific Technical College and the National Polytechnic Institute of Papua New Guinea. In addition, the delegation visited the National Orthotic and Prosthetic Service and discussed the *Access to Mobility Program* which is a collaboration between the service, the Papua New Guinea Assembly for Disabled Persons and Motivation Australia.

Development aid and support was also discussed in the context of increasing agency-to-agency assistance in respect to improving general law and order and community safety.

### **Foreign Investment and Economic Development**

The benefits for economic development from foreign investment into Papua New Guinea was discussed in the context of major infrastructure projects such as the Papua New Guinea Liquid Natural Gas (PNG LNG) project, major improvement and modernisation of the Lae Port, and the Motukea Island International Wharf project.

Through the PNG LNG project (formally commenced in May 2008), joint venture partners are investing<sup>1</sup> \$19 billion (\$US) to develop gas production and processing facilities in the Southern Highlands and Western Provinces which includes liquefaction and storage facilities.

Facilities will be linked with over 700 kilometres of pipeline. Long term agreements (30 years) have already been agreed for the supply of PNG LNG to companies from China and Japan. The first LNG is scheduled to be supplied in 2014. Once completed, the Government of Papua New Guinea and landowners will retain a 19.6 per cent share in the project.

There is an emphasis on training and employment of local staff as part of the PNG LNG with more than 10 000 on site personnel and 44 nationalities represented.

More specifically, the PNG LNG has provided employment and professional development for citizens of Papua New Guinea, delivering over 1.6 million

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<sup>1</sup> Esso Highlands Limited is responsible for the construction and operation of the PNG LNG on behalf of its co-venture companies: Oil Search Limited, NPCP, Santos, JX Nippon Oil and Gas Exploration, Mineral Resources Development Company and Petromin PNG Holdings Limited.

hours of training. This has included providing on and off site training and qualification attainment resulting in transferable skills for local workers.

More broadly, the project is expected to contribute to the growth of the local and national economies by boosting export earnings, increasing government revenue, and royalty and equity payments to landowners. The greater economy is also benefiting from the economic participation of project employees and contractors.

The PNG LNG has also contributed to local communities by: sponsoring building projects, making donations to local charities and in line with the regional focus is assisting to empower and advance women in Papua New Guinea through targeted projects and assistance at the community level.

The PNG Ports Corporation together with Korea Engineering Consulting and the China Harbour Engineering Company Limited (and similarly for the Lae Port expansion) is positively impacting the economic development of the region by providing opportunities for local employment and skill development.

In addition, other local companies such as Curtin Bros through its Motukea Island International wharf construction project have provided similar positive economic benefits for local citizens.

## **Health**

Health matters were raised by a number of government officials and non-government organisation (NGO) representatives.

Funding from AusAID is assisting to deliver health programs which are: aimed at the prevention of the spread of diseases through extensive immunisation programs; a coordinated

response to HIV/AIDS; improving maternal and child health outcomes; responding to communicable diseases such as tuberculosis; providing training; developing the skills of health professionals; and distributing essential medical supplies.

Funding to improve health outcomes in Papua New Guinea is aimed at improving access to health services for those who may not otherwise be able to receive services because of financial disadvantage, long distance or because of underlying societal inequities such as low status in society, limited education and exposure to gender-based violence.

The delegation visited areas of the Port Moresby General Hospital including the: maternity and labour wards, Buk Bilong Pikinini Children's Ward, the Emergency Department, the Hospital Pharmacy and the National Orthotic and Prosthetic Service.

The Port Moresby General Hospital has 900 beds and offers a wide range of medical services including: surgery, internal medicine, paediatrics, pathology and most basic facilities.

The delegation discussed with hospital board members the challenges experienced by medical staff in delivering medical and surgical services in Papua New Guinea in the last five years. Namely, the problems caused by intermittent power supply on older equipment and shortages of trained health professionals. The emergency department has a high per annum in-take with the biggest challenge being the limited nursing staff available. AusAID is assisting by providing funding for nursing scholarships to provide more nurses and midwives.

The delegation also heard that assistance is being provided to increase the rate of supervised births (currently

at 35 per cent). AusAID has also increased its funding to build on site dormitories and to provide training for more health professionals.

Providing access to health services for rural-based communities is also a challenge with private hospitals that are located in rural areas being more like small clinics than an outfitted urban hospital.

Assistance provided by AusAID in 2012-13 to the Port Moresby General Hospital included:

- \$4800 – mammography machine film processor repair
- \$79 285 – travel and logistical support for *Operation Open Heart*
- \$342 095 – obstetric ward equipment supply
- \$450 000 – oncology drugs
- \$8420 – mammography training in Australia for two radiographers
- \$62 000 – medical equipment for special care nursery
- Distribution of 592 boxes of basic medical drugs during first round and almost half of the second round of 162 boxes
- Emergency obstetrics care – distribution of 809 boxes.

The assistance provided (in the six key areas of financing, medical supplies, infrastructure, health workforce, public health and community mobilisation) forms part of Australia's investment in strengthening Papua New Guinea's Health System in respect to its commitment to the Millennium Development Goals in line with Papua New Guinea's National Health Plan 2011-2020.

Representatives of the National Orthotic and Prosthetic Service which operates in Port Moresby, Lae, Nonga, Aitape, Kavieng and Mount Hagen, discussed the challenges faced in

providing access to prosthetic, orthotic and wheelchair services to the community. The delegation also discussed the *Access to Mobility Program* with representatives of the service. The Access to Mobility Program is funded through AusAID's \$3 million commitment to supporting disability-inclusive development in Papua New Guinea. The Program provides access to wheelchairs, assessment and prescription of wheelchairs and training in this regard.

Key achievements to date include:

- Wheelchair service provision training for 19 National Orthotic and Prosthetic Service and Department of Health staff
- Commencement of the Equitable Access Research Project at Port Moresby, Alotau, Lae and Mount Hagen
- Two shipments of wheelchairs received with three more shipments expected in the next three months
- Raising the issue of appropriate wheelchair service provision with service providers and government departments.

Challenges to be met include additional funding for: prosthetic camps, orthotic appliances in provincial hospitals, training staff and adequate equipment to meet increasing demand for prosthetics.

The delegation also received a briefing from Mr Rick Steele of WaterAID who discussed the work being done to improve sanitation and hygiene in some rural areas of Papua New Guinea through cooperation from the United Nations and NGOs.



## **Education and Vocational Training**

The delegation visited and met with representatives of the Australia Pacific Technical College (APTC) in Port Moresby and the National Polytechnic Institute (NPI) of Papua New Guinea in Lae.

The delegation also heard about the community work being done by Buk Bilong Pikinini, Ginigoada and the Lae City Mission in this regard.

The APTC is one of a number of regional technical colleges funded by AusAID to provide high quality technical training to students. From 2011-15, the technical college program will receive \$152 million per annum in funding. The college program is aimed at providing graduates with an Australian qualification, thereby improving employment opportunities nationally, regionally and internationally for: trades, technology, health and community services, and tourism and hospitality.

The APTC shares some facilities and equipment with the Government of Papua New Guinea Technical College and supports the professional development of its teachers. The APTC includes: a large workshop area, five classrooms, one computer lab, accommodation for 70 students and eight trainers.

APTC offers programs for existing worker groups consisting of two main groups: new industry entrants who are those with a minimum of two years full time employment in the industry, and existing workers, who are employees who already have a trade qualification and a minimum of two years work experience in industry.

Since its inception in 2007, over 4300 students have graduated, with 7500 expected to graduate by 30 June 2015.

A \$3.65 million upgrade of the APTC campus will extend the workshop (construction, automotive and electrical), student library, staff learning centre and see construction of twelve trainer accommodation units and associated facilities.

In addition to discussion about how the APTC operates and the courses it offers, the delegation noted the benefits it provides to the community in regard to improved infrastructure, empowering youth, assisting in addressing skills shortages and contributing to the overall productivity of targeted industries and sectors. In addition, the positive impact of increased mobility for workers across the Pacific region was discussed.

An initiative to address the difficulty in retaining teaching staff has seen in-country tutors being trained to replace short term teaching staff when they return to Australia.

The Government of Papua New Guinea established the NPI in 1953 to provide technical vocational education and training. The delegation was provided with an overview of the programs delivered by the NPI and shown the teaching classrooms and facilities. The NPI discussed the many challenges it faces with teacher retention, staff professional development, out dated and non-functioning training equipment and ageing infrastructure. However they stated that the majority of graduates go on to perform well in industry. Student numbers have been reduced over the last year due to budget restrictions. The NPI has developed a five-year development

plan in an effort to address these challenges.

At the community level, Buk Bilong Pikinini is a private organisation (relying on donations, sponsorships, fundraising and grants) operating under the current education policy framework, aiming to increase literacy rates by providing literacy based learning and childhood development programs. Buk Bilong Pikinini has established ten community children's libraries across Papua New Guinea, with AusAID as a key partner providing partial funding to the organisation through the *Strongim Pipol Strongim Nesen Program*. The delegation was shown the positive impact the community contribution made to improve literacy rates by Buk Bilong Pikinini through discussions and a visit to a Buk Bilong Pikinini Library at the Children's Ward at the Port Moresby General Hospital.

The Ginigoada Bisnis Development Foundation Inc. was started in 2002 (and relies on donations to operate) to provide skills development training to economically disadvantaged individuals in Port Moresby.

Ginigoada is currently operated out of the Port Moresby Chamber of Commerce Bizcentre and runs a number of programs such as: basic numeracy and literacy for young people, financial literacy, vocational pre-employment and life business skills and arranging short-term and permanent work placements.

The Lae City Mission (opened in 2007, which forms part of the City Mission Papua New Guinea established in 1993) similarly provides an educational and vocational service for disadvantaged and homeless young men aged 16 to 23. Haus Clare, also in Lae, is a crisis centre for abandoned or orphaned

children. Other parts of City Mission operating in Port Moresby include a men's refuge and Haus Ruth, a women's refuge and child support centre. The Lae City Mission will now receive funding from AusAid which will supplement the funding it receives from private donors. The additional funding received from AusAID under the *Strongim Pipol Strongim Nesen Program* will assist in the governance of the organisation, and also: expand the services provided at the Port Moresby and Lae City Missions in youth rehabilitation, strengthen counselling and care services for HIV/AIDS orphans and child abuse survivors, and house young people receiving vocational training in preparation for workforce entry.

### **Women's Participation and Representation**

Women's participation and representation in the Pacific Region has slowed in the last decade spurring organisations such as the United Nations Development Programme, and the neighbouring Australian and New Zealand Governments to place greater emphasis on the empowerment of women in Pacific nations.

In 2012, the Australian Government provided \$320 million to AusAID to implement a ten year gender equality initiative in the Pacific (Pacific Women Shaping Pacific Development) to assist in improving the political, economic, and social opportunities for women. From this initiative arose the Pacific Women's Parliamentary Partnerships Project aimed at increasing the number of women represented in Parliament.

At the national level, Papua New Guinea currently has three female members who were elected to parliament in June 2012.

The delegation was pleased to meet with the Hon Delilah Gore, Vice Minister for Treasury and Mrs Funke Samana and Mrs Nellie McLay, nominated members for women in business in Morobe, Morobe Provincial Assembly.

The provincial representatives emphasised the importance of their role in strengthening the governance framework between the federal and provincial levels. They also discussed the issues and concerns facing Papua New Guinea at the community level such as Government assistance with HIV/AIDS, community awareness in ending violence against women, greater flexibility in acquitting funding for community projects to empower the establishment and operation of micro businesses, and a greater focus on capacity building at the parish level.

The Minister for Treasury and the Vice Minister for Treasury spoke about the experience of having three female representatives elected to the new national parliament and the positive contribution this is having to the level of debate.

The Minister for Foreign Affairs and Immigration emphasised the need to empower women in Papua New Guinea as this would assist to enrich society and into the future improve the nation's productivity.

In this vein, multinational companies investing in Papua New Guinea such as Esso Highlands are also implementing community programs to assist the empowerment of women.

### **Ending Gender Based Violence**

Law and order issues were discussed with Ministers who met with the delegation and placed into a practical context by a visit to the Family and

Sexual Violence Unit (FSVU) at the Royal Police Constabulary in Lae. Two officers have been appointed to each of the eight FSVU's across Papua New Guinea to assist in addressing domestic violence against women and children. Officers appointed to a FSVU are trained to provide initial and ongoing support to survivors of family and sexual violence and transport to court if required, access to medical assistance and transport to emergency housing (safe houses). The Lae FSVU was established in 2010 and since then has assisted 3874 people. The FSVU operates through \$1.3 million in development assistance.

In addition, the Australian Government has provided \$150 million (2009-14) under *the Papua New Guinea - Australia Law and Justice Partnership* through AusAID to end family and sexual violence by:

- Assisting the Government of Papua New Guinea to advance relevant legislation
- Establishing FSVU in police stations
- Introducing interim protection orders
- Establishing the Family and Sexual Offences Unit within the Office of the Public Prosecutor
- Increasing access for women to legal processes.

The Minister for Foreign Affairs and Immigration highlighted the importance of the *Papua New Guinea-Australia Policing Partnership* and the *Strongim Gavman Program* which assists the Government of Papua New Guinea in working towards better maintaining law and order in Papua New Guinea.

## **Conclusion**

Australia and Papua New Guinea maintain a strong and close bilateral relationship which is evidenced through the large portion of development assistance and people-to-people assistance provided through established programs.

The Australian Government is continuing to work with the Government of Papua New Guinea to improve health, education and training, administrative, and law and order outcomes, which in the longer term are expected to yield positive economic results for Papua New Guinea.

The delegation believes that progress could be assisted by increased strategic government funding into health and education services and into programs to improve the skill base of its people.

In addition, programs to assist in supporting victims of family and sexual violence and programs to assist in women's empowerment are expected to improve societal attitudes and meet global development goals.

There is currently a high level of foreign investment in Papua New Guinea which is expected to make a sustained positive impact on the economy and which the Government of Papua New Guinea is best placed to divest by establishing mechanisms for national wealth sharing.

**Sharon Grierson MP**  
**Delegation Leader**  
**June 2013**

## OFFICIAL VISIT PROGRAM – Papua New Guinea

### **Monday 8 April (Port Moresby)**

*Delegation arrives in Port Moresby*

Briefing from High Commission

Meeting with the *Hon Malakai Tabar MP, Deputy Chairman of the Foreign Affairs and Trade Committee*

Tour of National Parliament of Papua New Guinea

Meeting with the *Hon Don Polye MP, Minister for Treasury and the Hon Delilah Gore MP, Vice Minister for Treasury*

Reception hosted by Her Excellency Deborah Stokes, Australian High Commissioner to Papua New Guinea

### **Tuesday 9 April (Port Moresby)**

Meeting with ExxonMobil Representatives in regard to the PNG LNG Project

*Attendees:*

- *Mr Peter Graham, Esso Highlands Director*
- *Mr Bruce Roberts, External Affairs Manager, ExxonMobil*
- *Mr Kenneth J. Freeman, Public and Government Affairs Manager, Esso Highlands Ltd.*

Tour of the PNG LNG Project Processing Plant

Meeting with AusAid staff managing the Australia Pacific Technical College, Hanuabada

*Attendees:*

- *Ms Jane Christie, Program Director, Education*
- *Mr Trevor Birnie, IEA Training and Development Programs*

Visit to mechanic, wood and metal workshops – AP Technical College

Meeting with representatives of Curtin Bros PNG Ltd. and tour of the Motukea Island Wharf Facilities by *Mr Justin McGann BE (civil), General Manager*

Meeting with representatives of Ginigoada Bisnis Development Foundation

*Attendees:*

- *Mr Ken Dunn, Vice President, Port Moresby Chamber of Commerce and Industry*
- *Mr David Conn, Chief Operating Officer, Port Moresby Chamber of Commerce and Industry*

Meeting with *Mr Rick Steele, Country Representative Papua New Guinea, WaterAid*

Dinner with local business representatives

### **Wednesday 10 April (Port Moresby)**

Delegation lays wreath at Bomana War Cemetery

Meeting with *Dr Geoff Clarke, Program Director, Health and HIV, AusAid*, senior surgeons and hospital board representatives of the Port Moresby General Hospital

*Attendees:*

- *Dr David Mokela, Director of Medical Services*
- *Sr Carol Hosea, Deputy Director of Nursing Services*
- *Dr Kaptigau, Surgery*
- *Sr Tahu, Pediatrics*
- *Mrs Kathy Johnston, Deputy Chairperson*
- *Mr Darren Young, Board Member*
- *Ms Mimi Zilliacus, Board Secretary*

Tour of Port Moresby General Hospital including:

- children's ward and Buk bilong Pikinini – Children's Libraries
- National Orthotic and Prosthetic Service (N.O.P.S)
  - *Mr Rajesh Kumar Nanda, Technical Advisor*

Meeting with the *Hon Rimbink Pato MP, Minister for Foreign Affairs and Immigration*

Attendance at a reception for the official launch of 2013 Australia Week, Paradise Cinemas

### **Thursday 11 April (Lae, capital of the Morobe Province)**

*Delegation departs Port Moresby and arrives in Lae*

Meeting with the *Hon Kelly Nauru MP, Provincial Governor of Lae*

*Attendees:*

- *Mr Alan McLay, President, Lae Chamber of Commerce*
- *Mr Geovin Bilong, Acting Morobe Provincial Administrator*
- *Mr Ivan Lakatani, Lae Metropolitan Commander (Police)*

Tour of Lae Port by *Mr Felix Bauri, Senior Manager, PNG Ports Corporation*

Meeting with *Ms Evelyn Ofasia, A/g Program Manager, Law and Justice Program, Royal Papua New Guinea Constabulary Sexual Violence Unit*

Attendance at the Australia Week Official Dinner

- Address by *Ms Sharon Greierson MP, Delegation Leader* to attendees of the official Australia Week Dinner

## **Friday 12 April (Lae and Port Moresby)**

Meeting with Mrs Funke Samana, nominated member for women in Morobe, Morobe Provincial Assembly and Mrs Nellie McLay, nominated member for women in business in Morobe, Morobe Provincial Assembly

Lay wreath at Lae War Cemetery

Meeting with staff of the Lae Polytechnic College

- *Attendees:*
- *Mr Graham Bidang, Director*
- *Mr Kila Vuivagu, Chairman, Governing Council*
- *Mr Alex Gawi, Governing Council Member*
- *Mr Oseah Phileman, Governing Council Member*
- *Mr Chris Wani, Deputy Director Administration, NPTI*
- *Mr Alan McLay, President, Lae Chamber of Commerce and Governing Council Member*

Tour and official welcome from students and staff of the Lae Polytechnic College

Meeting with *Mr Larry George, Mission Founder and Executive Director* of the Lae City Mission

Meeting with local Church leaders

*Attendees:*

- *Rt. Reverend Giegere Wenge, Head Bishop, Evangelical Lutheran Church*
- *President Leigh Rice, President, Seventh Day Adventist Church of PNG*
- *Mr Richard Rabiafi, General Secretary, Anglican Church of PNG*

*Delegation departs Lae and arrives in Port Moresby*

Attend 2013 Australia Week Gourmet Grazing Dinner, Port Moresby

## **Saturday 13 April**

*Delegation departs Papua New Guinea*