Chapter 4
Addressing health issues in Torres Strait

4.1 Despite the Treaty excluding health matters as a valid reason for travel under its freedom of movement provisions, the committee found that inadequate medical services in PNG encourage people from Western Province to seek health care on Torres Strait Islands. The committee noted the lack or absence of health services in PNG Treaty villages, shortage of staff and equipment and the long distances required to travel to seek medical assistance.

4.2 In this chapter, the committee explores the various government initiatives designed to build PNG's capacity to deliver health services to the Treaty villages so that people from these communities seek medical treatment in their own province. It is especially interested in the long term benefits that result from Australia's development assistance to Western Province. First, the committee looks at measures targeted at improving health services in PNG.

Health challenges in PNG

4.3 Many witnesses spoke of the need for Australia to help PNG improve its health facilities and the standard of health care in Western Province. The TSRA submitted that 'health care capacity and the quality of infrastructure in the Western Province have to be raised in order to reduce cross-border pressure on Torres Strait community health services'.¹ Mayor Gela, TSIRC, highlighted the need for Australia 'to ensure that appropriate health infrastructure is provided' within this province.² The Torres Shire Council suggested that a major upgrade would benefit the Daru Island hospital or that health clinics at centre villages such as Mabadauan could be built to facilitate access to ongoing support programs.³

4.4 In this regard, Mr Kenny Bedford, TSRA Portfolio Member for Fisheries and Member for Erub Island, observed that state and Australian government health agencies have finally realised that 'there needs to be a lot more resources and attention given to the other side of the border'.⁴ He recognised that Australia is reducing the risk on its side by 'setting up medical centres and health facilities on that side that help deal with the issues over there before they fall on our doorstep'.⁵

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¹ TSRA, Submission 18, p. 13. See also TSIRC, Submission 9, p. 4.
² Committee Hansard, 18 June 2010, p. 4.
³ Torres Shire Council, Submission 19, p. 7.
⁴ Committee Hansard, 24 March 2010, p. 12
⁵ Committee Hansard, 24 March 2010, p. 12.
Joint initiatives

4.5 For decades, Australia has provided assistance to PNG to help it improve its health system and together with PNG has initiated a number of strategies and agreements. Currently, the Papua New Guinea–Australia Partnership for Development agreement is the guiding and practical framework for development work. It was signed by the respective governments in August 2008 as part of the Australian Government's wider initiative to improve cooperation between Australia and its Pacific island neighbours. The agreement aims to 'accelerate progress towards the Millennium Development Goals (MDGs) and other PNG development priorities'. Through the agreement, a greater proportion of Australian Government funding will be provided for the implementation of district health priority outcomes.

4.6 The agreement supports the PNG Government's efforts in five priority outcomes. Priority number three, 'Improved Health Outcomes', focuses on the implementation of the PNG Government's National Health Strategies and Plans, including reducing the prevalence of malaria and tuberculosis. Key areas of focus within this priority outcome include:

- improved and expanded delivery of primary health care at provincial, district and facility levels, and efforts to ensure that funds are appropriately matched to the cost of delivery and channelled to basic service delivery; and
- support for national functions needed for an effective health system, such as service delivery planning, budgeting and procurement, health worker training and new service delivery models.

4.7 Ministers at the 2009 Ministerial Forum between Australia and PNG announced three new priority outcomes, including HIV/AIDS. The joint statement

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10 AusAID, Submission 21, p. 1.
from the PNG–Australia Bilateral Meeting in July 2010 noted that in releasing six million kina to meet the costs of treating AIDS, tuberculosis and malaria, PNG had made an 'important first step' towards fighting these diseases.12

4.8 The Australian Government, through AusAID, is working with the PNG Government 'to strengthen the national health system over the long term', assisting in the delivery of immediate essential health services through the funding of non-government organisations.13 Australia's country program allocation to the PNG health sector was approximately $45 million in 2009–10.14 The funding is aligned with the health priorities of the PNG Government and supports the institutional strengthening and sustainability of the PNG health system.15 A number of other initiatives targeting particular health issues have also been introduced. But improving PNG's health system is a major challenge. Ms Nardi observed:

I think there is a lot of work that has been occurring, particularly with foreign aid at a Commonwealth level, with Papua New Guinea, and I think that work needs to continue. But there are no easy solutions for this. If there were an easy solution, it would be in place now. This is going to be a long-term process about trying to upgrade and support health care and healthcare provision in Papua New Guinea.16

**Health initiatives for Western Province**

4.9 Western Province, particularly the South Fly District, is an important region to the residents of the Torres Strait Islanders due to its proximity and is thus of most relevance to the committee's inquiry. As noted in the previous chapter, inadequate, inappropriate or poorly administered funding is a major impediment to improving the standard of health services, especially for rural and remote areas such as the South Fly District.17

4.10 Although Australia provides significant amounts of aid to PNG, there are limits to the extent to which Australia can determine how its funding is to be targeted.

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13 AusAID, Submission 21, p. 1.

14 AusAID, Answer to question on notice 47, Budget Supplementary Estimates, October 2009.


17 AusAID, Submission 21, p. 1.
Even so, according to Ms Shipley, earmarking of funds was possible under the Partnership for Development. She explained that the 'issues that are of particular relevance to Western Province and the Torres Strait area are very similar to those priorities identified under that [partnership] and we do have quite significant consultations with the government of PNG to make sure funding flows'.

4.11 The committee now turns to look at initiatives in place to improve health in the South Fly District, PNG.

**Health Issues Committee**

4.12 The governments of Australia, PNG and Queensland have worked together since 2003 to address health issues arising out of the Treaty arrangements. The countries established a Torres Strait Cross Border Health Issues Committee (HIC) under the Torres Strait Treaty 'to examine health issues associated with the free movement of PNG nationals and Torres Strait Islanders'. The HIC is chaired by DoHA and includes representatives from various Australian government agencies, Queensland Department of Health and Department of Premier and Cabinet, PNG Government and Western Province Administration. The committee meets twice yearly in Australia.

**Package of Measures**

4.13 To improve access to health services for traditional inhabitants in the PNG Treaty villages, the 2008 Australia–PNG Ministerial Forum asked HIC to develop a Package of Measures to resolve cross-border health problems. One of the aims of the package was to 'reduce the incidence and transmission of communicable diseases', such as tuberculosis. Ms Fay Holden, DoHA, outlined the range of different measures contained in the Package of Measures that are designed to assist both sides of the border to deal with health concerns and relieve the pressure on Torres Strait health clinics caused by PNG nationals seeking treatment. The primary ones include:

...redevelopment of Daru General Hospital and upgrading of the existing aid posts to community health posts, commencing with the upgrade of the Buzi Aid Post to a two-person community health facility...upgrading and improving the Mabudaun and Kunini health centres...developing a training school for Rumginae community health workers, strengthening their key

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20 DoHA, *Submission 11*, p. 2; AusAID, *Submission 21*, p. 2. Australian government agencies include DFAT, AusAID, Australian Quarantine Inspection Service (AQIS), Immigration, Australian Customs and Border Protection Service and the TSRA.
21 DFAT, *Submission 23*, p. 3.
public health programs, health promotion and community awareness, the establishment of a system of outreach programs, strengthening their human resource capacity, improving transportation within the Western Province, a community water supply project, and assessment of and improvements to the laboratories at Daru General Hospital and at the Mabudaun, Wipim and Kunini health centres.24

4.14 A number of these initiatives have been or are being implemented. For example, the House of Representatives Health and Ageing Committee noted in their report that the Mabadauan health clinic was going to be upgraded to a rural district hospital to provide easier access to health services to South Fly residents.25

4.15 In its 2010 budget, the PNG Government allocated five million kina for the Package of Measures, 'with a view to increasing this funding to 12 million kina in 2011'.26 DoHA informed the committee that PNG had moved to provide enhanced funding for some commitments under the package, including funding towards their laboratories, but that some elements were still awaiting funding commitments. According to Ms Holden, PNG's Department of Health is 'working through the implications of how the funding that they had identified for this current financial year relates to the proposals that they had in the package of measures'.27

4.16 In the previous chapter, the committee noted the difficulties with funding and the allocation of funds for health in PNG. This problem applies also to the Package of Measures. DoHA observed that 'access to supplementary budget funding is essential to PNG implementing' the package.28 In addition, Ms Gardner noted that 'one of the biggest risks is still that [the cooperation between agencies] relies on increasing the capacity within the Western Province and the activities of the Papua New Guinea government and ensuring that the funding and the commitments on that side are maintained'.29

Australia's commitment to the Package of Measures

4.17 In its 2009–10 Budget, the Australian Government allocated $13.8 million over four years for the Torres Strait Health Protection Strategy, administered by DoHA.30 Ms Bryant explained:

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24 Committee Hansard, 18 June 2010, p. 27.
26 Committee Hansard, 18 December 2009, p. 21.
27 Committee Hansard, 18 June 2010, p. 27.
28 DoHA, Submission 11, p. 6.
29 Committee Hansard, 17 December 2009, p. 83.
30 DoHA, Submission 11, p. 3.
Our activities through the health issues committee focus on a number of key things. One is trying to build the health service capacity in the Western Province...so that they can provide services directly to their own nationals. We also look at improving communications and linkages across the border as well as the maintenance of health services.  

4.18 AusAID is involved in developing the PNG health system. It does not undertake direct activities in Western Province but supports the Package of Measures through a number of initiatives, including facilitation of the relationship between the PNG Department of Health with the provincial and local governments to ensure the flow of funds and effective use of their resources. Specific funding has been allocated to projects such as STI clinics, tuberculosis management, communication officers and capacity building initiatives in Western Province.  

4.19 The Tuberculosis Clinical Management and Laboratory Capacity Building Project is one such initiative, which:  

...looks specifically at helping to improve diagnosis and treatment of TB in the Western Province, including in the Daru hospital, and it looks to strengthen PNG's diagnostic capabilities in the laboratory in Port Moresby and so on. So there is funding to improve the laboratory and then train and support staff working in the laboratory.  

4.20 According to DoHA, funding goes toward providing a database of PNG nationals diagnosed with tuberculosis in island health clinics to the Western Province Communications Officer. This is to enable data 'dissemination to appropriate health care workers at Daru General Hospital and in Treaty village aid posts or health centres'.  

4.21 The Queensland Government highlighted the importance of AusAID working closely with the PNG Government to ensure the effective implementation of the Package of Measures. In its view:  

...it is imperative that the Australian Government works cooperatively with the PNG Government to ensure that the proposed Health Package of Measures in PNG is well targeted and implemented to ensure optimum
service outcomes in the PNG Treaty villages...The Australian Government could consider whether this is an appropriate area of action for AusAID.37

Committee view

4.22 The committee acknowledges the need for the Australian Government to address health service provision in Western Province. It supports the initiatives of the Australian and PNG Governments to establish new, or improve existing, health facilities in the province.

Recommendation 1

4.23 The committee recommends that through the Package of Measures developed by the Health Issues Committee, the Australian Government continue to support PNG initiatives to establish new, or improve existing, health facilities in Western Province so that PNG nationals no longer need to seek health care in the Torres Strait.

4.24 The committee is concerned about the problems with funding arrangements, such as the targeting and allocation of health funds in PNG and its implications for the effectiveness of Australia's development assistance. This aspect of Australia's aid is discussed later in this chapter. In the next section, the committee turns to examine twinning arrangements, another initiative between Australia and PNG to improve the quality of health service provision in Western Province.

Twinning arrangements

4.25 Based on findings from previous inquiries, the committee appreciates the value of using twinning arrangements to deliver development aid. This approach, whereby PNG officials work for a period alongside Australian officers in Australia and vice versa, could be used to build capacity in Western Province.38 It would encourage the development of new linkages between PNG and Australian research and health institutions and strengthen existing ones. One suggestion arising out of a House of Representatives inquiry was establishing a Western Province Australian Clinicians Network to support capacity building at Daru Hospital and the South Fly area.39 The committee supports such proposals.

38 See for example, Foreign Affairs, Defence and Trade References Committee, vol. 1, Economic challenges facing Papua New Guinea and the island states of the southwest Pacific, November 2009, paragraph 15.10.
39 House of Representatives, Standing Committee on Health and Ageing, Regional health issues jointly affecting Australia and the South Pacific: Report of the Australian Parliamentary delegation to Papua New Guinea and the Solomon Islands, March 2010, paragraph 3.15. Also see recommendation 6 which reads 'the Australian government encourage and support further institutional partnerships and/or reciprocal exchanges between the School of Medical and Health Sciences at the University of Papua New Guinea and Australian universities'.
4.26 In this regard, Queensland Health has commenced scoping a memorandum of understanding for a twinning arrangement between it and PNG to exchange and share ideas and skills. It is also looking to provide direct assistance and support to PNG in capacity building to manage demand and reduce the need for PNG nationals to visit health clinics on Torres Strait Islands. Services such as those of a respiratory specialist are among initiatives that could be considered for twinning arrangements. Ms Nardi observed that due to the service being used mainly by PNG nationals, it 'might be better off being flown into Papua and delivering the service there rather than necessarily delivering it in our clinics'.

4.27 The Queensland Government informed the committee that it was 'finalising a funding agreement with the Commonwealth which would allow PNG clinicians to travel to the Torres Strait clinics to increase knowledge and skills in TB management'.

Cross-border movement of health professionals

4.28 Cross-border movement of health workers from Torres Strait islands of Saibai and Boigu to PNG treaty villages offers the potential to improve the delivery of health services in these villages. Under current immigration regulations, however, health workers who are to deliver health services in PNG, including the villages immediately adjacent to the Torres Strait, are required to travel via the declared ports, for example those of Thursday Island and Daru in the Torres Strait region. Considering the difficulties travelling around the region, this requirement is a considerable imposition, especially since Saibai and Boigu are only a few kilometres off the PNG south coast. DoHA explained:

> Travel by health workers and other government officials dealing with Torres Strait Treaty matters between islands in the Torres Strait and Treaty villages along the South Fly Coast is both expensive and time consuming...There is need for an alternative that allows identified health workers and other government officials to travel directly between Saibai and Boigu Islands in the Torres Strait and Treaty villages in the South Fly.

4.29 Mr Bedford supported the endeavours that would allow doctors and nurses to travel under the same sort of arrangements that exist for traditional visits 'so that they do not have the rigmarole of customs and such to get over there'. This freedom of

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43 DoHA, *Submission 11*, attachment A, p. 8; see also DIAC, *Submission 16*, p. 16.
44 *Committee Hansard*, 24 March 2010, p. 12
movement for health workers would not only reduce time and cost but could ease the demand from PNG nationals for access to such services in the Torres Strait.  

4.30 As part of the HIC Package of Measures and in consultation with relevant agencies, DFAT developed a draft proposal for 'facilitated cross-border movement' through non-proclaimed ports in the Torres Strait, Saibai and Boigu. The joint proposal between the Australian and PNG Governments was designed:

… to streamline administrative arrangements for cross-border movement by specified health officials and professionals, as well as for nominated officials from other agencies e.g. border enforcement agencies.  

4.31 The joint statement from the July 2010 PNG–Australia Bilateral Meeting noted that the arrangements for the cross-border movement of government officials and health professionals had been formalised. The proposal is to receive funding of $5,000 per year until 2012–15 from Australia as part of the Torres Strait Health Protection Strategy. It should be noted that the scope of the proposal is confined to the administrative costs that would still be associated with the cross-border movements. Ms Holden informed the committee:

It is not expected, especially in its early development, to be a widely used facility. In terms of the health professionals and in relation to health, we would anticipate around four to five movements a year under that. The purpose of facilitated cross-border movement is primarily to reduce the administrative burden and to make it easier to move between Saibai and the Western Province villages.  

4.32 She highlighted the point that the project was 'certainly not intended to be for the provision of health services': that it was a health exercise in terms of better management of referrals back to the health services:

The intent of that movement is not the treatment of PNG nationals, in terms of Australian medical professionals going over to the Western Province to treat people, but to build relationships and awareness of the health service capacity that is in the Western Province, so that they can better manage referrals back to those health clinics and also so that the health professionals that are in the Western Province health services will be able to

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45 TSRA, Submission 18, p. 14; DIAC, Submission 16, p. 16.  
46 TSRA, Submission 18, p. 14; DIAC, Submission 16, p. 16.  
47 Papua New Guinea–Australia Bilateral meeting, Alotau, Milne Bay Province, Papua New Guinea, Joint Statement, 7–8 July 2010, paragraph 44. Ms Jennifer Rawson, DFAT, explained that the details of the proposal were being worked through, which involved reaching agreement on the technical aspects of how such an arrangement would operate. She was hopeful that it would finalised within the short term. Committee Hansard, 18 June 2010, p. 19.  
48 Committee Hansard, 18 June 2010, p. 28 and DoHA, Submission 11, p. 6.  
49 Committee Hansard, 18 June 2010, p. 28.
come to the Australian health services in a mentoring and capacity building process.\textsuperscript{50}

4.33 According to Ms Holden, when Australian clinicians refer a patient back to PNG, they are 'not necessarily always aware of the conditions' and capacity of the relevant PNG health facility. The project is intended to improve that understanding.\textsuperscript{51}

\textit{Committee view}

4.34 The committee sees significant benefits in facilitating the travel of health professionals and other relevant government officials between Torres Strait Islands and Western Province Treaty villages. As noted, it would not only reduce the time and cost of travel but also the risk of transmission of communicable diseases to the islands through the treatment of patients and diseases at their source. Now that the administrative arrangements are settled, the committee is of the view that efforts should focus on developing and implementing programs that can take advantage of this initiative.

\textbf{Recommendation 2}

4.35 The committee recommends that the Australian Government give serious consideration to measures that would further facilitate the proposal for greater cross-border involvement by Australian health professionals in both the provision of services and capacity building on the PNG side of the border.

\textbf{Cross-border communication officers}

4.36 Poor communication between health professionals across the border has been an impediment to effective provision of health care for PNG traditional inhabitants. Evidence to the inquiry suggested that patient records have not been communicated properly between the island health clinics and PNG health professionals. There was also concern about the lack of a coordinated treatment program in Western Province for those diagnosed with TB in a Torres Strait health clinic who have returned to PNG.\textsuperscript{52} As noted earlier, incomplete treatment of tuberculosis may make the disease resistant to drugs and thus become even more difficult to treat.

4.37 AusAID acknowledged that both it and DoHA are aware of the difficulties regarding cross-border communication.\textsuperscript{53} Several initiatives have been established to resolve the problem. In 2006, AusAID funded Queensland Health to trial a communications officer position on Thursday Island to liaise with the South Fly

\textsuperscript{50} Committee Hansard, 18 June 2010, p. 29.

\textsuperscript{51} Committee Hansard, 18 June 2010, p. 29.

\textsuperscript{52} Graeme Maguire, House of Representatives Standing Committee on Health and Ageing, Regional health issues jointly affecting Australia and the South Pacific, \textit{Committee Hansard}, 31 August 2009, p. 10.

\textsuperscript{53} Ellen Shipley, Committee Hansard, 18 December 2009, p. 27.
District Health Officer on cross-border health issues.\textsuperscript{54} The trial was successful and is now funded on an on-going basis on the Australian side as part of the HIC Package of Measures.\textsuperscript{55} The officer's role is to transmit 'confidential patient and surveillance data gathered in respect of PNG nationals diagnosed and treated in Torres Strait clinics'.\textsuperscript{56}

4.38 The Western Province Communications Officer based in Daru conducts clinical outreach visits to aid posts and health centres to support the follow-up and treatment of PNG nationals who have been diagnosed with tuberculosis in the Australian health clinics.\textsuperscript{57} Both communications officers are medically trained doctors, and the person on the Australian side, who is also a PNG citizen, has worked in PNG as a doctor.\textsuperscript{58}

4.39 The House of Representatives Committee on Health and Ageing recommended that due to their success, additional health communications officer positions should be considered 'on both sides of the border to support the two current positions'. It noted that because compliance is a major issue, 'it is not realistic to expect one or two officers to monitor everything and everyone'.\textsuperscript{59} This committee supports the House of Representatives committee view and recommendation and urges the government to consider additional communications officer positions in the Torres Strait region.

4.40 Despite these initiatives, communication across the Torres Strait remains poor. Evidence to the House of Representatives inquiry suggested that the Torres Strait communications officer has been used 'as a carrier pigeon' who physically takes the information across the border because 'we cannot do it reliably by mail, fax or email'.\textsuperscript{60} A communication protocol is being developed to facilitate the exchange of clinical information across the international border. This is intended to:

\begin{itemize}
  \item \textsuperscript{54} AusAID, \textit{Submission 21}, p. 3.
  \item \textsuperscript{56} DoHA, \textit{Submission 11}, attachment A, p. 7.
  \item \textsuperscript{58} \textit{Committee Hansard}, 18 December 2009, p. 26.
  \item \textsuperscript{59} House of Representatives, Standing Committee on Health and Ageing, Regional health issues jointly affecting Australia and the South Pacific, March 2010, p. 105.
  \item \textsuperscript{60} Graham Simpson, House of Representatives Standing Committee on Health and Ageing, Regional health issues jointly affecting Australia and the South Pacific, \textit{Committee Hansard}, 31 August 2009, p. 22. There are 'no telephones in the Western Province villages', Queensland Government, \textit{Submission 20}, p. 17.
\end{itemize}
…enable follow-up and treatment of PNG nationals diagnosed with TB at Torres Strait Island clinics at home in PNG. It will also aid in the tracking and identification of PNG nationals who have been diagnosed with MDR-TB at Torres Strait Island clinics to ensure they are followed up for treatment within the Australian health system until such time as this capacity is built in the Western Province.61

4.41 Work is also underway to implement a telephone/HF radio interface system that will enable clinical workers on both sides of the border to converse in real time. The system will allow calls from telephones to high frequency radios and vice versa.62 Ms Jennifer Lean, AusAID, explained:

Queensland and our own programs in Western Province have equipped them with mobiles and they basically keep tabs on who is coming across, what are they diagnosed with, what are their treatments, how do they get followed up on the PNG side of the border. It is a surveillance mechanism.63

4.42 For a similar purpose, a health services radio network has been established, including the installation of radios at 40 sites in Western Province, to improve health communications in the region.64

4.43 The H1N1 (swine flu) epidemic and closing of the Australia–PNG border in 2009 highlighted the need for effective communication. As the Queensland Government noted, 'local clinicians on both sides of the border need to be able to authoritatively communicate about cross-border pandemic management'.65

Committee view

4.44 Having identified a problem with communication technology in the region and taken steps to fix the shortcomings, the committee is of the view that the Australian Government should monitor the effectiveness of these measures, taking account of the need to ensure that the improvements are sustainable.

Effectiveness of Australia's aid

4.45 The committee has not examined all projects funded by Australia and undertaken in Western Province to improve health services. While it is clear that Australia is not neglecting this area, a number of witnesses questioned the effectiveness of Australia's assistance. Many of their concerns replicate those identified by the committee in a number of previous reports on the delivery of

61 DoHA, Submission 11, p. 4.
63 Committee Hansard, 18 December 2009, pp. 26–27.
64 Committee Hansard, 18 December 2009, p. 29.
65 Queensland Government, Submission 20, p. 17.
Australian aid. They strongly underline the importance of Australian aid agencies ensuring that their contribution to improved health care is long term and consolidates and builds on earlier successes.

**Maintaining and supporting programs**

4.46 In his submission, Mr Kevin Murphy, an anthropologist who has worked extensively in the Torres Strait, observed that building infrastructure or other facilities in Western Province will not be enough to reduce the pressure on Torres Strait Island health clinics. In his view, capacity building is also needed. He argued that 'Entrusting these things to the Western Province administration had not been effective in the past' and used the following example:

> The person who was employed at the Buzi aid post had very limited training and was not regarded by the people of the village as competent to diagnose or treat anything but the most common and minor injuries.\(^66\)

4.47 Mr Graham Smith drew on his experience with a project in the region to provide a telling example of Australian time and money spent on a facility that 'came to nothing in the end' and 'died from starvation'.\(^67\) According to Mr Smith, although the South Fly Telecommunication Network was 'successfully designed, purchased, constructed and commissioned, within the approved budget', it no longer functioned after two years. He stated:

> The reasons for this are essentially that no one wanted to maintain the network. AusAID only saw their role as providers. It was to be the responsibility of PNG to maintain the network.\(^68\)

4.48 On the demise of this facility, Ms Shipley noted further:

> Continual problems with the operation of the network and unattended repairs were raised at a number of Torres Strait treaty meetings, and a core issue with the project was the failure of the government of PNG to provide funds for maintenance and repair. During site visits to locations in Western Province in August 2006, it was noted that no stations were using the network because the majority of the equipment had been stolen or damaged. AusAID was advised at the time that the network was just not operational.\(^69\)

4.49 Also, the frequency band was no longer available for fixed or mobile communications in Australia by the time the project was completed. Mr Smith wanted to highlight for the committee the kind of things that the Australian Government had tried before but the results of which 'can be seen rusting in the coastal villages along

\(^{66}\) Kevin Murphy, *Submission 15*, pp. 5–6.

\(^{67}\) Graham Smith, *Submission 3*, pp. 1–2.

\(^{68}\) Graham Smith, *Submission 3*, p. 2.

\(^{69}\) Committee Hansard, 18 December 2009, p. 29.
the PNG coastline'. According to AusAID, the project was indicative of an on-going problem 'where agreements are made and large infrastructure programs are sought', but where the PNG Government 'does not allocate the recurrent costs necessary to maintain the networks'.

4.50 Along similar lines, Mr Kris explained that through the JAC, the TSRA has 'talked about putting infrastructure on the ground in those particular communities to try and cater for some of those needs'. He noted that their biggest issue 'is the security of the infrastructure on the other side of the border and the professional people to actually operate in those remote communities'. Councillor Pedro Stephen, Torres Shire Council, was also concerned about the lack of attention given to maintaining infrastructure in PNG. He argued that funding for infrastructure projects is made available but it only allows for establishment or building costs; building capacity to maintain the facilities is ignored:

...there is a lot of good infrastructure out there and millions of dollars have been spent by the state to build all the health centres, but there is no money to maintain those health centres. So you have a health centre out there and within 12 months the screen door cannot shut because it is frozen due to the salt content.

4.51 The committee notes that the issue raised by witnesses about the need for the government to ensure that aid funding covers both the building of a facility and its maintenance is not new. In numerous previous reports, the committee has identified this problem in the delivery of Australian aid programs. Most recently, in its report on the economic challenges facing PNG and the island states of the southwest Pacific, the committee registered its concern that far too often, the achievements from Australia's aid program were 'short-lived and left no tangible lasting benefit'. It cited the problem of infrastructure or equipment falling into disuse when funds and technical assistance were withdrawn. It was of the view that:

...for aid to have an enduring positive influence on economic and human development, policy making and planning has to go beyond the actual period of implementation to how particular programs build on past achievements and are a stepping stone to future progress. Consideration should be given to aspects such [as] the capacity of the recipient country to assume responsibility for maintaining the program, including the required level of skills, and/or the need for recurrent funding or support from donors to ensure that the benefits from aid programs are not lost.

70 Submission 3, p. 3.
71 Committee Hansard, 18 December 2009, p. 29.
72 John Toshi Kris, Committee Hansard, 24 March 2010, p. 13.
73 Napua Pedro Stephen, Committee Hansard, 24 March 2010, p. 28.
74 Senate Foreign Affairs, Defence and Trade References Committee, vol. I, Economic challenges facing Papua New Guinea and the island states of the southwest Pacific, 2009, paragraph 18.34.
4.52 Importantly, the recent independent review of the PNG–Australia Development Cooperation Treaty drove home the same messages about 'a perceived lack of impact, and failure to obtain value-for-money' from Australia's aid program to PNG. The authors noted that the program was so thinly spread that its impact had become 'hard to discern'. The review team also referred to the 'historic and persistent underfunding of recurrent expenditure in PNG', noting that 'closer links between the aid program and the recurrent budget should be sought'.

4.53 The committee notes also that its views are further supported by the House of Representatives Standing Committee on Health and Ageing that recommended 'that any new health facility that the Australian government helps construct should provide for staff accommodation and ongoing maintenance, in consultation and partnership with the local community'.

4.54 AusAID acknowledged that the PNG health system remained fragile. It also noted that the effect of Australia's assistance could be stronger. Ms Shipley stated that 'An overly cautious approach to risk management has delayed financing for health service delivery at the required levels'. In addition, technical assistance had not improved health systems capacity 'commensurate with the cost'.

Accounting for use of funds

4.55 Earlier, the committee considered the problems that PNG has with targeting and allocating funds effectively for health services. In the context of allocating funds, Ms Lean informed the committee that a large amount of the money provided through both AusAID and the Government of PNG into the provincial treasury remained unspent. Local leaders in the Torres Strait were also concerned about the proper use of Australian development assistance to PNG. TSRA called for 'more stringent control

78 AusAID, Submission 21, p. 1.
of AusAID funding to the PNG Government' to ensure that funding to develop health services reaches Western Province.\textsuperscript{81} Mayor Gela expressed the view:

\begin{quote}
We get the feeling that the PNG government does not care about the people of the Western Province because Australia is taking care of them via the treaty. The Australian government needs to be tougher on the PNG government, dictating where the foreign aid goes so that it can be directed to the Western Province, as this area is completely neglected. Appropriate consultation in relation to the treaty cannot be one-sided. The Western Province needs to be consulted and not just the PNG government.\textsuperscript{82}
\end{quote}

4.56 Mr Kris queried AusAID's audit processes, adding:

\begin{quote}
For ever and a day Australia has been putting money into AusAID to look at building infrastructure and to look at reducing the numbers, but we still do not see any infrastructure on the ground. We [are] still talking about the same recommendation 10 years after the discussion has started...Who audits the funding that Australia gives to PNG and requires implementation of infrastructure in these communities so that it does reduce the number of issues that are popping up under our treaty?\textsuperscript{83}
\end{quote}

4.57 Mr Wayne See Kee, TSRA, recognised the need for a tighter and more robust accountability and evaluation framework. He suggested, for example, that with cross-border facilitated visits, there should 'be a target with these measures now where we can start to quantify whether these things are making a difference'.\textsuperscript{84}

4.58 It should be noted that the committee has dealt with the importance of monitoring and evaluating the effectiveness of Australia's aid program in previous reports. In November 2009, the committee noted the importance of tracking the progress of projects and assessing the extent to which achievements endure. It emphasised the need for rigorous evaluation. In doing so, it commended the work of the Office of Development Effectiveness but urged that it 'give greater attention to assessing the long-term effectiveness of Australia's aid program'.\textsuperscript{85}

4.59 A finding of the recent review of the PNG–Australia Development Cooperation Treaty reinforced the committee's findings. The review was of the view

\begin{itemize}
\item \textsuperscript{81} TSRA, Submission 18, p. 13. See also TSIRC, Submission 9, p. 4. TSRA also noted in another Senate inquiry that given the 'health challenges facing the region, there is a need for more rigorous oversight of and investment in capacity building and resourcing of health services'. TSRA, Submission 58 to Senate Select Committee on Regional and Remote Indigenous Communities, p. 13.
\item \textsuperscript{82} Committee Hansard, 18 June 2010, p. 3.
\item \textsuperscript{83} Committee Hansard, 24 March 2010, p.13.
\item \textsuperscript{84} Committee Hansard, 24 March 2010, p. 13.
\item \textsuperscript{85} Senate Foreign Affairs, Defence and Trade References Committee, vol. 1, Economic challenges facing Papua New Guinea and the island states of the southwest Pacific, 2009, paragraph 18.85.
\end{itemize}
that 'greater use of monitoring and evaluation, existing beyond audit, would enable AusAID to establish not only that funds had not been misused, but that they have been used effectively'.

Committee view

4.60 The committee outlined a number of initiatives established by the Australian and Queensland governments together with the PNG Government to address health-related concerns, including communicable diseases, staff shortages and lack of infrastructure on PNG side. Western Province is of strategic importance to Australia due to its proximity and, considering the high risk of transmission of communicable diseases, the committee believes that funds should be especially earmarked for Western Province and the South Fly District in particular. It supports strongly Australia's efforts to build capacity in this region but is concerned with the overall effectiveness of such measures. The committee also believes that tighter control and monitoring should be exercised over the way in which Australian development funding is spent in PNG.

Recommendation 3

4.61 The committee recommends that the Australian Government use the Papua New Guinea–Australia Partnership for Development to detail the assistance it is providing to PNG to improve the delivery of health services in the southern part of Western Province and to ensure that projects undertaken in this region are appropriately monitored and evaluated during implementation and after completion.

Recommendation 4

4.62 The committee recommends that to improve accountability and transparency of Australia's development aid spending, AusAID's Office of Development Effectiveness (ODE) conduct an analysis of Australia's funding in relation to Western Province in the Torres Strait region.

4.63 This analysis must provide an accurate and quantifiable account on the effectiveness of Australian aid provided to Western Province in the Torres Strait region. Special consideration must be given to the outcomes of Australian Government initiatives in the region, including both technical achievements and outputs and changes in attitudes and behaviour.

Cooperation between Queensland Health and AusAID

4.64 A state government and two Commonwealth agencies carry the main responsibility for health matters in the Torres Strait region, with responsibilities divided accordingly. Queensland Health, as part of the Queensland state government,
is responsible for the provision of health services on Torres Strait Islands. DoHA, a representative of the Australian Government, is in charge of the coordination and administration of health services. AusAID manages the Australian Government's aid program on the PNG side in cooperation with the PNG and regional governments.87

4.65 DoHA considered the cooperation between the various agencies in the Torres Strait to have been 'quite strong over the years', in particular in relation to identifying issues and progressing work arising out of them. It also noted that the Australian and Queensland government agencies cooperate well in sharing information and working collaboratively.88 The Queensland Government noted that it would be beneficial for the state and federal governments to 'work together to enhance capacity and capability by providing training' to locals.89

4.66 The division of responsibilities between government agencies is understandable and follows the usual arrangements. However, the Torres Strait region is not a typical jurisdiction. The implementation of the provisions of the Treaty call on the coordination of the services of the numerous state and federal government agencies present in the region, including those responsible for health services. The committee considers that the Torres Strait region provides a unique opportunity for Australia and PNG agencies to work together to make significant improvements in the standard of health services available in the South Fly District. The region has to be considered as a whole. Therefore, government agencies, whether state or Commonwealth, need to ensure that there is complementarity and continuity in their work and funding across the border.

4.67 The committee is strongly of the view that projects on both sides of the border should complement and strengthen each other. With regard to health services, the international border provides an ideal opportunity for Queensland Health and AusAID to form a close partnership to ensure that the region as a whole benefits from government funding.

Recommendation 5

4.68 The committee recommends that the analysis mentioned in the previous recommendation also look closely at the extent and effectiveness of AusAID's cooperation with Queensland Health and consider ways to ensure that their work in the Torres Strait region is seamless across the border and that their operations and funding complement each other.

4.69 To this stage, the committee has considered ways to encourage PNG nationals to seek medical assistance in their own country. The main focus has been on pre-border measures that are designed to improve the quality and delivery of health

87 AusAID, Submission 21, p. 1.
services in PNG so that people no longer feel the need to travel across the border to Australian health clinics. The following chapter looks at measures designed to discourage, even prevent, PNG nationals from crossing the border to access Australian health services.