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Note: PNG's progress

By Matthew Morris 9 August 2012



A recent editorial in this week's Canberra Times ("Election creates new bed mates") wrongly described the O'Neill-Namah government's performance as 'a year of wasted time, inaction and serious delay in addressing PNG's fundamental problems.'

Far from 'inaction', the last year has seen impressive progress on a range of fronts, which I was able to observe as an advisor to PNG's <u>Independent Public Business Corporation</u>.

- Legislation was passed to set up a <u>sovereign wealth fund</u> to manage mineral and LNG revenues and keep 'sticky fingers' off the funds.
- A <u>special task force</u> stepped up investigations into alleged corruption: prompting one prominent minister to <u>flee to Australia</u> to avoid questioning.
- There was a crackdown on <u>procurement fraud</u> in the health department, and legal action was taken to recover funds that had gone missing from public enterprises, most notably the <u>K96 million</u> that went to Australia-based Woodlawn Capital.
- The government abolished fees for <u>education</u> and <u>health care</u>.
- It also stepped up investments in infrastructure: commencing construction of a <u>new</u> <u>port in Lae</u>, rehabilitating the <u>power stations</u> that serve Lae, and openning a <u>new</u> <u>optic fibre connection</u> from Madang to Lae.
- Draft legislation was prepared for a <u>new independent authority</u> to channel mineral revenues into much needed maintenance of roads, hospitals and universities.

In the context of the political turmoil of the last year-with the drawn out fight between

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O'Neill/parliament and Somare/supreme court-such progress is a remarkable achievement. It shows that reform is possible, even in a challenging environment. Moreover, it raises the bar on what should be expected from the new PNG government.

Matt Morris is the Deputy Director of the Development Policy Centre at the Crawford School, ANU.

A version of this note was publish as a letter <u>here</u> in the Canberra Times.

About the author/s

Matthew Morris

Matthew Morris helped to establish the Development Policy Centre and served as the Centre's first Deputy Director. Matt is a development economist with 25 years' experience. He is currently an independent consultant.

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