



Australian Government

AusAID

Acting Director General

Dr Kathleen Dermody  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Dr Dermody

Please find enclosed AusAID's submission to the Senate Foreign Affairs, Defence and Trade Committee *Inquiry into matters relating to the Torres Strait region*. This submission has been approved by the Minister for Foreign Affairs, the Hon Stephen Smith MP.

The submission addresses the criterion relevant to the Australia's international development assistance program. It outlines key areas of cooperation between AusAID, Papua New Guinea and other Australian government agencies in relation to health and other welfare issues in the Torres Strait.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Peter Baxter'.

Peter Baxter

19 November 2009

**Senate Standing Committee on Foreign Affairs, Defence and Trade Inquiry into matters relating to the Torres Strait region - October 2009**

**Submission from the Australian Agency for International Development (AusAID)**

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Introduction

This submission relates only to part (c) of the Terms of Reference into the *Inquiry into matters relating to the Torres Strait region*. It outlines key areas of cooperation between AusAID, Papua New Guinea (PNG) and other Australian government agencies in relation to health and other welfare issues in the Torres Strait. AusAID interaction with Indonesia on Torres Strait issues is minimal and this submission focuses on cooperation with PNG.

AusAID support to the health sector in PNG

AusAID recognises that despite substantial development assistance to Papua New Guinea, the PNG health system remains fragile. PNG has one of the poorest health records in the Pacific and is unlikely to meet any of its health-related Millennium Development Goals. Poor health outcomes are primarily related to poor reach and quality of services in rural areas; constraints in managing and financing the different responsibilities of national, provincial, district and local governments; funding gaps which mean that sub national governments have insufficient resources to meet minimum health service needs; and poor resource management and accountability.

AusAID works with the Government of PNG to strengthen the national health system over the long term and also provides assistance to deliver immediate essential health services such as funding for non-government organisations to run sexually transmissible infections clinics and HIV/AIDS programs.

Under the PNG – Australia Partnership for Development, both governments have endorsed a Health Schedule, which outlines how Australia and PNG will work to improve health outcomes. Key areas of focus include:

- improved and expanded delivery of primary health care at provincial, district and facility level, and efforts to ensure that funds are appropriately matched to 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.

Service Delivery Challenges in Western Province

Western Province is PNG's largest province in terms of area and divided into three districts – North Fly, Middle Fly and South Fly. Australia has a special connection with Western Province due to the shared border between South Fly District and the Torres Strait. Western Province faces geographic, climatic, logistic and environmental obstacles in the delivery of basic services. Unlike other provinces in PNG, Western Province has

significant financial resources to fully meet its service delivery obligations. However, mobilising adequate financial, human and transport resources to meet basic needs across the widely dispersed population is a significant challenge. The Province has access to a range of skilled personnel and logistic support from different levels of government (national, provincial and district), churches, Ok Tedi Mining Limited, PNG Sustainable Development Program and international development partners, including Australia. However, the Province has had difficulty in drawing all these contributions together to improve services.

#### Torres Strait Package of Measures

At the 2008 PNG – Australia Ministerial Forum, Ministers agreed to develop a package of measures to address cross border health issues. AusAID supports the Torres Strait Package of Measures by:

- contributing to a joint donor-Government of PNG Trust Fund used to provide funding for priority health needs across PNG; and
- funding the Capacity Building Service Centre, an Australian project managed under a partnership arrangement with the Government of PNG to provide technical assistance and other capacity building support to strengthen the PNG health system.

These programs contribute to funding for health patrols in the South Fly District, medicines to aid posts and health centres, improvements to health infrastructure and strengthening of technical cooperation between the PNG National Department of Health and the Australian Department of Health and Ageing (DoHA) on the diagnosis and treatment of Multi Drug Resistant Tuberculosis.

The PNG National Department of Health has prepared a budget submission to seek government funding for PNG commitments under the draft package of measures. These include:

- improvements to village aid posts and health centres;
- infrastructure development including upgrades to Daru General Hospital, village aid posts/health centres and regional laboratories;
- upgrading of the Central Public Health Laboratory in Port Moresby to an international standard for dealing with highly infectious disease specimens;
- implementation of a human resource development plan for Western Province; and
- improvements to water infrastructure in Western Province.

In PNG's decentralised system of governance, responsibility for direct service delivery rests with provincial and local governments. With AusAID support, Western Province Administration is now more strongly engaged in addressing South Fly health issues including by becoming an active member of the DoHA-chaired joint Torres Strait Cross-Border Health Issues Committee.

### AusAID cooperation with other Australian agencies

AusAID participates on the Joint Advisory Council (JAC) and the Torres Strait Cross-Border Health Issues Committee, a sub-committee of the JAC that comprises Commonwealth agencies, Queensland government agencies and representatives from the traditional inhabitants in the Torres Strait and their respective PNG counterparts.

In 2006, AusAID provided funding to Queensland Health to trial the placement of a communications officer on Thursday Island to liaise with the South Fly District Health Officer on cross border health issues.

In 2008, AusAID provided \$561,000 to DoHA to manage the Tuberculosis Clinical Management and Laboratory Capacity Building Project to mobilise appropriate Australian expertise to help PNG develop its capacity to diagnose and treat. This followed concerns about the increasing prevalence of patients with Multi Drug Resistant Tuberculosis being treated by Queensland Health.

AusAID representatives recently accompanied members of the House Standing Committee on Health and Ageing on a visit to treaty villages in the South Fly.

### Current Australian Support to the Health Sector in Western Province

The Australian Government is contributing over \$75 million in development assistance in 2009-10 to strengthen PNG's health and HIV systems. Specific AusAID support to Western Province has included:

- \$1.2 million for three sexually transmissible infection clinics;
- \$561,000 to support the Tuberculosis Clinical and Laboratory Capacity Building Project in Western Province;
- funding for a program officer assisting Western Province health officials implement a Stop TB program;
- funding for a communication officer in Western Province to improve communication on health issues between the treaty villages and the Torres Strait Islands. This officer is also assisting with distribution of medical supplies to treaty village health centres and aid posts, with funding for outreach to the treaty villages; and
- provision of a Provincial Health Capacity Building Adviser to support efforts to improve access to operational funding available from the national and provincial governments.

### Additional AusAID support to service delivery in Western Province

The Australian aid program works to improve basic service delivery to Western Province through a number of other national sector programs, including:

- assistance to education through the Basic Education Development Program to improve school infrastructure and the Education Capacity Building Program to support teacher training, curriculum development, HIV and AIDS, gender equity,

technical and vocational education, human resource management and information systems;

- assistance to community organisations, media organisations, and Church organisations through the Democratic Governance program;
- financial management training to Provincial Administration and Treasury officials through the Provincial Capacity Building Program; and
- agriculture research and projects including animal health surveillance, village broiler production and Barramundi Aquaculture through the Australian Centre for International Agriculture Research.