



Submission No 22

Inquiry into Australia's aid program and its impact on human rights and security in the Pacific

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Submission to Joint Standing Committee on Defence, Foreign Affairs and Trade Human Rights Sub-Committee Inquiry into Australia's Aid Program in the Pacific.

1. Introduction:

- 1.1. The Enhanced Co-operation Program (ECP) in Papua New Guinea (PNG) is a significant and expensive Australian aid program. This submission discusses my experiences and perceptions of that program from ground level in terms of how Australian aid money could be more effectively used.
- 1.2. I first went to PNG in 1969 as an Assistant Patrol Officer, and after four and a half years in the Milne Bay Province I spent three years in a Field Training Unit in Port Moresby, training Papua New Guinean counterparts. I left PNG in January 1977 and worked in various Commonwealth Public Service agencies until October 1987, when I returned to work at the ill-fated Bougainville Copper Mine. In October 1989 I returned to Canberra, and after a long stint with the Department of Foreign Affairs and Trade (DFAT) I returned to PNG in August 2004 as an ECP deployee, employed on a non-ongoing contract by the Australian Public Service Commission (APSC) as an Human Resources Adviser in PNG's Department of Personnel Management (DPM).
- 1.3. In his article *Dreams Undone*¹, Rowan Callick notes that *kiaps* [patrol officers] “often lost their innocence [in PNG], but gained much else: self reliance and decisiveness sometimes combined with empathy and a zeal for justice. The older Papua New Guineans who recently cheered the arrival of the Australian police under the ECP did so, in part, out of hope that the visitors might be imbued with those qualities associated with the *kiaps*”.
- 1.4. The opportunity to end my career by returning to PNG and contribute to both Australia and PNG was almost too good to be true – and it is disappointing that I now find myself completing that contribution to both countries by publicly commenting on the two agencies that gave me the opportunity to return. Capacity building in PNG is a primary ECP focus, but there could well be room for improvement within those two agencies in the areas of management, communication, and proactive service provision and general deployee support.
- 1.5. I note for the record that I retired from the Australian Public Service yesterday, 10th August 2006. I am making this submission as a private citizen.

¹ Dreams Undone, Rowan Callick, Australian Financial Review Magazine, 29th July 2005 p36

2. Major Concerns:

- 2.1. In terms of aid provision itself, my major concerns relate to the integration of aid initiatives, the value for money that Australia obtains, and the on the ground commitment to the provision of aid.
- 2.2. I also have concerns about the expertise and professionalism of some agency officials, and a colleague raised with me concerns about some aid contractors.
- 2.3. Although it is too late to improve conception and planning of ECP, on the ground implementation and management could still be better.

3. Key Observations

- Within my experience, aid program integration is lacking across the board.
- Value for money is not a high priority
- Evaluation does not appear to be a high priority
- Commitment by Australian agencies could be stronger and more focussed to achieving aid objectives
- Expertise and professionalism within Australian agencies could be improved
- Contracts shouldn't be awarded to companies not meeting all legal requirements.

4. Possible Improvements

- Integrated, perhaps partially recentralised aid delivery, rather than continued use of outsourced contractors, advisers and consultants
- an integrated, professional, objective aid delivery mechanism
- compliance with both PNG and Australian laws and requirements.

5. Discussion: Aspects of Aid Provision:

5.1. Integration:

5.1.1. The department in which I was deployed, the PNG Department of Personnel Management (DPM), is only small (124 positions, but only around 90 or so staffed at any one time). However, various advisers come and go with little integration or overall co-ordination – a new adviser suddenly turns up one day and this is the first we ECP officers know of the officer's arrival, much less his or her role. Of course it is Ausaid's and DPM's prerogative to negotiate directly with each other and to recruit as required, but some Ausaid consultation with existing components of the aid program in agencies would add value to the overall integration of aid.

5.1.2. There were three ECP positions created for DPM in 2004, but only one was considered essential when the scaling down of ECP was mooted about a year ago. That one "essential" position (an Ausaid/Finance

position) has been vacant since Christmas 2004, and is being rescoped for scheduled filling by the end of 2006. This does not help achieve the balanced ECP assistance originally intended for DPM, especially given that this position was seen as the only essential one of the three originally created.

- 5.1.3. The priorities and perceptions of individual Ausaid officers, combined with routine staff turnover and high individual levels of authority and responsibility that Ausaid officers in PNG appear to have may result in initiatives, programs and activities changing emphasis, focus and direction very rapidly and dramatically. Clearly, the more the consultation the more co-ordination, the better the integration of various aid initiatives, the better the value for money for the Australian taxpayer and the better the outcomes for PNG. My *DPM ECP* colleague tried to initiate some whole of ECP meetings and some generic capacity building dialogue very early on, but these initiatives were not supported by Ausaid, and did not happen.
- 5.1.4. There is no real integration within ECP, and ECP officers in one agency may well be working directly against what ECP officers in other agencies are trying to achieve. For example, in DPM we are trying to contain the size and cost of the public service while ECP officials in other agencies are assisting and encouraging proposals for major staff increases.
- 5.1.5. This is exacerbated by the public sector wide view of DPM as an extremely incompetent agency, constantly under threat of dissolution. There is a view within ECP (and probably elsewhere) that deployments to DPM should cease - this is not conducive to an integrated, coherent sector-wide program, nor to the legitimacy of the DPM ECP deployees.

5.2. Value for Money:

- 5.2.1. There is a general perception that Ausaid spends a lot of money, but to little avail. Typical is the throwaway comment in a recent travel article²: "George points out a huge market being built with Ausaid money, which he says is intended to get people off the roads and out of the rain, but is unlikely to do either."
- 5.2.2. There also is a constant stream of Ausaid officials visiting PNG. I understand that during one week earlier in 2006 there were fourteen Ausaid visitors from Canberra in Papua New Guinea, all for differing reasons. Assuming a very modest cost of K15,000 per visitor, that's about K210,000 for that week.

² The Air Up There, Greg Roberts, Weekend Australian 17-18 June 2006 Travel Section p3

5.2.3. The former Treasurer, Bart Philemon, noted in an unreported speech to the National Alliance Party that:

- average life expectancy of a Papua New Guinean male is 56 (my age)
- about 55% of Papua New Guineans are illiterate
- 20 babies less than one year old die each and every day
- another 28 children below the age of five die each and every day
- 220,000 children under five are not receiving proper nutrition
- ten mothers die each and every day from childbirth complications
- half of all children are not immunised
- sixty percent of pregnant women are not supervised during childbirth
- 70% of rural communities don't have access to safe drinking water

5.2.4. Philemon then noted that between 2003 and 2005 the PNG Foreign Affairs budget had increased by about K13m, largely for more overseas embassies. One year's vaccinations for a child cost around K63, so that K13m for embassies could have immunised another 200,000 children.

5.2.5. **On that basis, that one weeks travel to PNG by Ausaid Canberra officials could have immunised well over 3,000 kids.**

5.2.6. At a macro level, there is a strong sense that a great deal of money is spent on programs and projects, but long term impacts are minimal. Infrastructure is provided, but falls into disrepair. Training is provided, but appears to have been ineffectual. Donor funding has become a way of life, with self reliance being the loser. It also seems that allocations must be spent in order to secure similar funding levels for next year, irrespective of outcomes, with significant funding priorities appearing to be quite discretionary. However, within ECP itself, there seems to have been a degree of "penny wise, pound foolish" decisions – for example, draconian restrictions on some ECP expenditure during periods of uncertainty while other Ausaid expenditures continued unabated – perhaps as a result of some poor decision making in the first place.

5.2.7. Australia has to determine what its priorities are and then put the resources into the areas that will achieve the desired results. As yet, priorities don't seem to have been fully established. For example, a colleague has noted the lack of resources being committed to the Fraud and Anti-Corruption Squad.

5.2.8. It is very difficult to seriously 'fight' corruption if the premier investigative unit is short on staff, investigative skills and resources.

5.2.9. There have been instances of ECP officials and spouses being returned to Australia for extensive induction/redeployment training several months after deployment. While duty of care issues may be involved,

there should be some less expensive middle ground options that could be explored.

5.3. Program Evaluation:

- 5.3.1. The first Economic and Public Sector Reform (ESPR) Sector ECP deployments arrived in February 2004, and latest advice is that the ESPR monitoring and evaluation framework will be in place by the end of 2006 - almost three years down the track.
- 5.3.2. A great deal of Ausaid money is spent on overseas scholarships and DPM co-ordinates the annual application process. Coincidentally DPM has had a disproportionately large number of successful applicants over the years, but returned students tell me they have never been followed up in any way. No evaluation, assessment, or even contact, especially where results have been moderate to poor, or where a student has taken up to five years to complete a three year degree.
- 5.3.3. I also understand that a lot of training and workshops are carried out in the Provinces by either Ausaid officials or consultants on a visiting basis – but I imagine that evaluation and follow up would be somewhat difficult. Perhaps alternate delivery mechanisms could be considered. For example over thirty years ago another three officers and I piloted and achieved significant success with a tiered approach, training provincial staff in core activities and delivery methodologies, with quarterly follow up reviews.

5.4. Program Commitment:

- 5.4.1. The attitude and behaviour of my home agency, the APSC, sent a clear message to me that its commitment to ECP, and to supporting its deployees, was marginal at best. During three separate visits to Canberra I visited my agency Headquarters (twice by appointment) but never managed to make it inside, much less have any sort of discussion.
- 5.4.2. In summary, our home agency appeared quite disinterested both in ECP and us. We had anticipated benign neglect, but not bullying contempt.

6. Expertise and Professionalism:

- 6.1. ECP could be viewed as being a result of less than successful Ausaid initiatives over the last few decades. ECP has somewhat displaced Ausaid³ in its previous role of dealing with the PNG bureaucracy, and clearly there is some overlap, with Ausaid continuing to assert primacy. A colleague tells of going to a meeting where as Ausaid

³ The arrival of ECP staff even displaced some Ausaid staff from their residential accommodation – hardly conducive to an open arm welcome of ECP.

officer was introduced as “the expert on DPM” (no one from DPM was present). Given the low levels of contact and the wide range of functions Ausaid officers cover, it is hard to see how and where this expertise has been legitimately acquired.

- 6.2. The niceties of protocol aside, expertise should be used wherever legitimately accessible. The Australian Government, “independently” of Ausaid, may need to redefine the roles of both ECP and Ausaid to ensure the best use of all resources.
- 6.3. A broad generalisation is that relatively junior Ausaid officers appear to have significant and relatively unfettered power and authority. If combined with an inability to interact with and treat others as colleagues or even individuals, some may present as arrogant, aloof and unprofessional. We are all colleagues and peers. Getting phone calls returned should not be a challenge.
- 6.4. Ausaid officers present as “PNG and aid experts”, and I have experienced paternalistic, almost feudal approaches to dealings with others – peers, clients, everyone.
- 6.5. Perversely, one specific but finite Ausaid funded initiative in DPM was having a very positive impact, and we actively intervened to try and have it continue, but Ausaid funding was not renewed for reasons unknown to us – disappointing, to say the least, when we could see a successful program, one on which DPM ECP employees could build.
- 6.6. Even if developed by senior managers and ECP officials and endorsed at Cabinet level, policies and initiatives can be delayed and derailed if an Ausaid sectoral official disagrees, perhaps even just on instinct..
- 6.7. My home agency, the APSC, also behaves in a paternalistic, “we are the experts” way. For example, based on my dozen or so years at DFAT, I raised passport and visa concerns from before the start of my 2 year deployment, but I still needed 2 passports and three visas to complete it. My DPM ECP colleague was not so lucky – he recently had to spend a week in Australia because, despite many reminders over six months, the APSC didn’t renew his visa before the existing one (his second) expired.

7. Professionalism:

- 7.1. I had assumed that my PNG background, my DFAT experience and my HR and corporate governance skills would all be very positive attributes, but it quickly became evident to me that both Ausaid and the APSC saw these attributes as negatives, presumably because they could challenge the policy primacy and general “expertise” of the APSC and Ausaid.

- 7.2. Ausaid officers, once in place in PNG, may succumb to the lure of having significant power and authority over others who are unable to defend themselves. There don't appear to be any real checks and balances to ensure fairness, equity or a "fair go". Personal perceptions may become institutional lore, capricious and arbitrary behaviour the norm.

8. Impact on Individual Aid Providers :

- 8.1. Ausaid officers are generally permanent public servants, with security of tenure, finite postings and legitimate expectations of both career advancement and further postings. However, individual officers may be making aid and employment decisions that dramatically impact on other aid providers, both public servants and others, as well as the primary clients, Papua New Guineans. While most ECP officials are permanent public servants, some, plus most other aid providers, are not. Anyone signing a non-ongoing contract knows what he or she signed, but to be in a state of limbo regarding the future until a few weeks before contract expiry is simply unfair, both to the person and his or her family, especially where leases have to be signed or broken, schools arranged or abandoned, and so on. Further, it is hardly conducive to the effective continuation of long term strategies and aid delivery, much less allowing for handovers. It also begs the question that, if a contract or program is not being renewed, has the program been evaluated and assessed as successful (or unsuccessful, for that matter?) or is it just an individual decision that someone will or won't be offered further employment.
- 8.2. The Ausaid/Home Agency/ECP relationship seems to be one where authority and responsibility rarely coincide. Everything appears to need to be checked with Ausaid, but we never know where the line is drawn – for example, Ausaid insists that terms and conditions issues are an individual agency responsibility, but I found that the APSC always seemed to have to check with Ausaid on every issue, no matter how trivial, and in turn then *appeared* to defer to Ausaid, so that there is a grey zone where comments are received such as "we have consulted Ausaid and the answer is....". These are very difficult to sort out, especially where the wording implies that the consultation and the decision may well be unrelated, but absolute.

9. Conclusion:

- 9.1. I have some very fond memories of the last two years, and I am very grateful both for the opportunity to participate in the ECP program and to lodge this submission.
- 9.2. I believe that there are a lot of good things happening in PNG, but that, as always, things could be done better.

- 9.3. Major improvements could include a more integrated, professional and objective aid delivery mechanism, plus compliance with both PNG and Australian laws and requirements
- 9.4. I wish PNG all the best for the future, and this Committee the best in its deliberations.

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