



Environment, Human Rights and Mining in  
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## **Submission From NEWG - On The Corporate Code of Conduct Bill 2000 .**

Date: 14<sup>th</sup> March 2001

**To : THE SENATE - The Parliament of The Commonwealth of Australia.**

### **INTRDUCTION**

First and foremost , we would like to sincerely thank our Australian partners ( MPI and ACF ) for making the necessary arrangements for the PNG NGO ENVIRONMENTAL WATCH GROUP- NEWG to make this submission to the committee . NEWG is an incorporated NGO in Papua New Guinea under the Associations Incorporation Act . It's membership consists of PNG's environmental , conservation , and social NGO's. It's mission's focus is to ensure that constitutionally protected environmental and social rights of indigenous communities are upheld in areas where multi national mining corporations are extracting non renewable resources.

Most if not all communities in areas where large scale development projects are located are illiterate as they do not have easy access to education much less information on their rights and how they could assert them. To make matters worse, they quite often unwittingly entrust their negotiating rights to Govt officials who represent the state. The State is not only a stakeholder but more importantly it is a shareholder in these projects. Shareholders interest ; needless to mention take precedence over communities' rights.

Interalia, the following rights of communities have been repeatedly violated by companies. The right to a clean and safe environment, gainful employment, health services and basic human rights.

### **SPECIFIC COMMENTS AND EXAMPLES:**

Presently, large scale mining operations in PNG include the Oktedi Cooper and Gold mine, The Misima Gold Mine, Lihir Gold Mine, The Oil and Gas Pipeline starting at Lake Kutubu, Tolukuma Gold Mine, Porgera Gold Mine and The Ramu Nickle and Cobalt Mine over which the negotiations are about to be finalised.

BHP is the major shareholder and operator in the Oktedi mine which is operating as OTML. Over the life of this project , the following difficulties have been encountered which were not disclosed to the affected communities.

### **NEED FOR DISCLOSURE BEFORE, DURING AND AFTER MINING .**

- ◆ Over 2,000 sq kilometers of PNG's largest wet land has been completely destroyed. The 50,000 plus people who live along and depend on the Fly River system have had their gardens, sago , aquatic foods, farm land, and transportation means paralyzed. They were not aware that this extent of damage would be done to their environment and livelihood because the operating company did not inform the communities of the environmental effect the mine would have on their land and water.

OTML is still dumping untreated mine waste into this river system. We therefore would strongly push for BHP as an Australian company to publicly disclose the amount of toxic waste already in the river system and that which is expected to be further dumped into the river between now and when the mine closes ( 10 years mine life remaining).

We also think that BHP should take responsibility for rehabilitating the environment which has been destroyed. Plans to do this should also be likewise disclosed publicly.

As the farm lands of people along the river system have been destroyed, we believe strongly that BHP should relocate the affected communities to safer and fertile land. Plans relating to this should be disclosed be also publicly disclosed.

#### **Recommendation:**

**We therefore strongly support the public disclosure provisions of the Bill and think that the Bill should also go further to include provisions which would make it mandatory for Australian companies to redress the wrongs they have caused to uneducated and uninformed communities of other countries.**

### **NEED TO STOP INTERFERING IN INTERNAL LAWS OF OTHER COUNTRIES:**

- ◆ It is also no secret that BHP prepared legislation (to outlaw and criminalise landowners initiatives to take legal action against BHP in a court of law of their choice ) which was then passed on to the PNG Govt to enact in our Parliament here. We consider this to be a gross misconduct on BHP's part as it forced the Govt of PNG to outlaw the constitutional rights of it's citizens under the guise of what's good for the shareholders of a company.

#### **Recommendation:**

**For this reason , we think that Australian companies should not be allowed to interfere with legislative processes in other countries, especially if they support internal legislation which abrogates the rights of native communities. We strongly think that this should be reflected in the Bill through an appropriately worded provision.**

**NEED TO STOP PRACTICING DOUBLE STANDARDS:**

- ◆ Most mining companies involved in the mining projects already mentioned have extensively practiced double standards. They have dumped raw mine waste into river systems and into ocean through submarine disposal systems. In their home countries these practices are illegal . PNG's present legislation on mine waste management is extremely weak to the point where it is almost non existent. In the Tolukuma gold mine for example, helicopters carrying drums of cyanide accidentally dropped drums of cyanide into the river which people use as drinking water. The offending company argued that the water was still safe for people to drink. PNG's Office of Environment without any real extensive tests done by knowledgeable people agreed with this.

If a situation like this arose in Australia, there would be a huge public out cry over it. In PNG this was treated with contempt and the company was allowed to get away with a crime because of PNG's weak legislation and lack of proper testing laboratories for poisoning .

**Recommendation:**

**In the light of this, we would strongly urge that the Bill be strengthened with a provision to prohibit companies from practicing double standards.**

In conclusion, we would like to say that we strongly and unequivocally support the spirit and intent of the Bill , but we think that the environmental and social wrongs inflicted upon unsuspecting communities in other countries should be used as lessons. The Bill should therefore cover wrongs committed in the past, wrongs being committed today and to avoid wrongs being committed in the future by Australian companies doing business in other countries. We would also urge that Australian companies which have come across similer problems in other countries internalise lessons that they may have learnt so that they are not repeated elsewhere.

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