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News - Opinion

Resettlement deal a big gamble for O'Neill

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Papua New Guinea faces many challenges in resettling refugees given many of its people already struggle to find jobs and housing. **Jenny Hayward-Jones**

Papua New Guinea Prime Minister Peter O'Neill either played a blinder or sowed the seeds for social turmoil when he signed off on the Regional Resettlement Arrangement with Australia last week.

If the arrangement does stop the flow of asylum seekers to Australia, then Mr O'Neill will have secured a chunk of additional aid and more leverage with the Australian government and not have to do much in return.

But it is a risky bet.

In return for agreeing to process all asylum seekers who arrive in Australia by boat and resettle those found to be genuine refugees, PNG gained a new package of assistance from Australia directed at health, policing and university education. Mr O'Neill is using this sweetener to counter concerns about the new refugee agreement that has already caused consternation in PNG.

Opposition leader Belden Namah has vowed to challenge it in court and ordinary citizens are questioning the government's ability to do what it has promised Australia.

Mr O'Neill has little to fear politically. His government enjoys a remarkable parliamentary majority and currently has the support of 101 out of the 111 members in the country's parliament. The Prime Minister's tenure will be made even more secure with legislation introduced to the PNG Parliament last week that will make it more difficult to lodge motions of no-confidence. The next elections are not due until 2017.

The agreement is unlikely to be threatened by political instability, but concerns about PNG's ability to implement the agreement are justified.

Resettling refugees is a challenge for Australia; PNG is much less equipped for the task. In recent years, the country's government has been unable to convert record economic growth and resource boom into better public services and improved living standards.

Despite forecast economic growth of 5.5 per cent this year, about 40 per cent of Papua New Guineans live in poverty made worse by poor service delivery. One example of this is the country's poor record in education.

UNICEF estimates that about half of Papua New Guinea's primary school-aged children do not attend school, making it unlikely PNG will achieve the UN Millennium Development Goal of universal primary education by 2015.

In recognition of such weaknesses, the Australian government has committed to assisting the Papua New Guinea government with support settlement services for asylum seekers granted refugee status. However in a country where access to essential health and education services is already limited and most services are of poor quality, any perceived special treatment for refugees will be problematic.

PNG has no formal welfare system so resettled refugees will need to find employment and accommodation. Many Australians would be unaware of just how hard locating a job and somewhere to live can be in PNG.

The Asian Development Bank estimates only 5 per cent of PNG's population is engaged in formal sector employment. Approximately 85 per cent of the population live in rural areas, where they live a subsistence lifestyle or participate in the informal economy.

Private sector job growth is predicted to slow as the labour-intensive phase of Exxon Mobil's \$19 billion LNG project draws to a close next year.

Customary land ownership does not permit the buying and selling of land in the majority of Papua New Guinea.

Rental accommodation in the urban centres is scarce. Constraints on land use and rising demand have forced up rents, forcing low wage-earners to relocate to informal and insecure settlements.

Finding safe accommodation for refugees will not be easy. And while Australia will bear the administrative costs of processing asylum seekers, the PNG government has had to redirect

personnel of a frontline agency to this task.

It has also established legal structures to accommodate its new responsibilities for processing asylum seekers.

Both put unplanned stresses on a public sector and legal system already under pressure.

The PNG government will need to get up to speed very quickly with its international obligations under the 1951 Refugees Convention.

Even with Australia's support, providing resettled refugees the rights they are entitled to under the convention will be challenging. It could well cause ructions in a society where localised violent protests about lack of opportunities and inequalities are not unknown.

In the joint press conference with Prime Minister Kevin Rudd last week, Mr O'Neill said he hoped the new arrangement would stop the boats and there would be nobody coming to Manus.

He may be right. But the additional aid he has secured will come at a high cost if his government has to accommodate and process hundreds – and potentially thousands – of asylum seekers, as well as manage the resettlement of those deemed to be refugees amongst a suspicious and possibly resentful population.

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