



PRIME MINISTER

CHECK AGAINST DELIVERY

EMBARGOED UNTIL DELIVERY

SPERCH BY THE PRIME MINISTER OF AUSTRALIA
THE HON R J L HAWKE AC MP
LUNCHEON GIVEN BY THE PRIME MINISTER
OF PAPUA NEW GUINEA
MR RABBIE NANALIU
STATE FUNCTION ROOM, PARLIAMENT HOUSE
PORT MORESBY - 3 SEPTEMBER 1990

When I first visited Port Moresby, the year was 1965, and Australia's relationship to what was then called the Territory of Papua and New Guinea was a purely colonial, decidedly paternalistic one.

In the years since, I have visited Papua New Guinea on many occasions and, when I have not been able to visit, I have kept myself closely informed of events here.

I witnessed your steady progress towards independence and the emergence of the leaders of your new nation; I understood your pride and joy as you celebrated independence in 1975; I have watched with a sense of involvement and encouragement the steps you have taken since independence; and now I return, for my fourth visit as Prime Minister, to meet with you again on the eve of your 15th anniversary of nationhood.

Recalling today that first visit to Port Moresby in 1965, I think you are entitled to be deeply satisfied that the legitimate expectations about nationhood and self-determination that were stirring then, have been so significantly fulfilled.

Let us be clear in describing the magnitude of that initial task of nation building. The old Territory of Papua New Guinea, its boundaries and components, was a purely artificial entity - the product of decisions made by imperial planners in far-off capitals. There was little geographic or ethnic coherence to it; it was truly the creation of an historical accident. Those who sought independence for a nation of Papua New Guinea had a doubly difficult challenge: they had not only to create the institutions of nationhood, they had also to create the very concept of it.

So your achievement is so much the greater than many others who started with simpler and more natural building blocks.

But I don't pretend - no one should pretend - that the decade and a half that have passed since independence have been plain sailing. They have not, for that matter, been plain sailing in Australia.

It is true to say that Papua New Guinea has never passed through a more difficult test of character and resolve than it is passing through today. That is my judgment and it is your judgment too, Prime Minister.

From many sources - some external, such as the fall in commodity prices, and some internal, not the least of which is the question of Bougainville - strong pressures are being felt that pose the profoundest challenge to the nation that 15 years ago was about to celebrate its independence.

I want to say at the outset how grateful I am to you Rabbie, and to Margaret, for your kind invitation to Hazel and me to visit at this difficult time.

We have already spoken about these important issues, Mr Prime Minister, and we shall do so again. I want to say how greatly I value hearing your views, and the views of your colleagues and of the many other political and business leaders I shall meet throughout Papua New Guinea on this visit.

At the same time, I hope in all these discussions to outline Australia's views - to underline both the depth and enduring nature of Australia's friendship and commitment to Papua New Guinea; and the very real constraints - the very proper constraints - we feel in intruding in any way in Papua New Guinea's own efforts to solve these troubling issues and to realise your considerable potential as a sovereign nation.

I want to develop these thoughts first by making some comments about the broader international environment in which we operate - an environment that has changed in fundamental ways even in the fifteen months since you, Prime Minister, last visited us in Canberra.

We are seeing nothing less than the emergence of a new world order. After four decades of the relative certainties of superpower deterrence - as awesome and terrifying as those certainties were - we are moving with hope into an era in which superpower cooperation is replacing rivalry; in which disarmament is replacing the accumulation of weapons; and in which democracy and the respect for human rights are replacing despotism and the abuse of human rights.

We are each democratic nations. We are each concerned to see international peace and co-operation. These are therefore trends most welcome to Australia and Papua New Guinea alike.

But the optimism with which we survey this less threatening world is tempered by the fact that, in the wake of the sharply bipolar post-war decades, multipolar diplomacy may provide different uncertainties and different headaches.

We have every reason to hope that the great international institutions in which Australia and Papua New Guinea participate - like the United Nations and the Commonwealth - will work better, but their workings will be more complex, more challenging.

Patience will be needed to hear out the more numerous voices, and skill will be needed to weigh up the more finely balanced competing interests.

And of course regional conflicts can still pose grave threats to peace and prosperity - as we are starkly seeing in the Persian Gulf today.

In such a world, consultation and regional cooperation will be not just optional extras for governments; they will have to become deeply engrained habits.

In this regard, I believe we nations of the Asia-Pacific rim have good reason for confidence.

First, we have an unparalleled basis for building prosperity for all our peoples.

This region of high growth, high output, high productivity and intense trade complementarities, is rich in opportunities for all of us; though of course in this intensely competitive region, we will have to run faster just to keep up - for example, in attracting foreign investment and integrating ourselves with regional developments.

Second, friendly, constructive and candid dialogue among the nations of our region is already a fact of life - as ASEAN shows and, of direct relevance to Australia and Papua New Guinea, as the South Pacific Forum also shows.

I point with a certain pride of authorship too, to the progress being made by the new regional forum of Asia Pacific Economic Cooperation. I look forward with anticipation to the time when Papua New Guinea can itself become a member of APEC.

This changing world requires us to look closely at the nature and prospects of the Australia-Papua New Guinea relationship.

The transformation of the global strategic environment, the dynamism of east Asia, and the emergence of new generations of post-independence leaders and issues throughout the South Pacific - including here in this most populous of the Pacific Island countries - have rendered many of our assumptions and images of the past outdated and irrelevant.

Our relationship is too important to us both to see it suffer from any failure by us to bring ourselves and our assumptions up to date.

The real, contemporary basis of our relationship is accurately described in the Joint Declaration of Principles that was signed by then Prime Minister Wingti and myself in 1987.

Together with other agreements, and notably the Development Cooperation Treaty that Prime Minister Namaliu and I signed last year, we have a comprehensive framework within which to take forward the relationship between our two countries well into the next century.

The absolutely fundamental feature of that framework is the recognition that we are each sovereign independent nations.

The relationship between us has - thankfully - changed utterly from the colonial one that I saw at first hand in 1965; it has changed substantially since independence; and it is evolving still.

The Joint Declaration - a wholly commendable initiative first proposed by Papua New Guinea - was a landmark in this evolution because it recognised and articulated that the so-called 'special' relationship between us that dominated the first decade or so after independence, was itself a phase through which we had passed.

In many eyes here, the 'special' relationship represented a restriction on your political and economic sovereignty - an unsatisfactory half-way house on the road to full sovereignty.

The Joint Declaration was designed to spell out the fact that Australia and Papua New Guinea, enduring friends as we are and uniquely important to each other as we always will be, are nevertheless independent nations with sole responsibility for shaping our own destinies.

It is important to remember all that in looking at the issues Papua New Guinea now faces.

The changes in our aid budget, for example, have been designed to recognise the principles outlined in the Joint Declaration.

Instead of simply providing direct budget assistance, our total aid package - still running at more than \$300 million a year - is increasingly being directed to specific projects determined in accordance with Papua New Guinea priorities.

We sponsor projects in taxation and customs - not to do the job of revenue raising for you but, as a friend, to assist Papua New Guinea itself to strengthen these essential institutions of nationhood, and so to improve your own firm foundations for revenue. One of the stated goals of the Treaty that we signed last year, Rabbie, was the achievement by Papua New Guinea of fiscal self-reliance.

We provide police assistance - not because we believe we can solve law and order problems but to help you do the job yourselves.

We are involved in land management and rural development schemes with the same intention in mind.

We have provided some 2000 Papua New Guineans with scholarships and training awards in Australia over the last decade - in the firm belief that people with education and training are the best resources for any country, Australia included, to make economic and political progress.

This transformation in our aid package reflects the broader truth of Papua New Guinea's sovereign independent status.

We have no wish to intervene to solve your problems; it would not be proper for us to interfere in the way you manage your affairs.

More importantly still, Australia has no capacity finally to solve these problems.

Because if effective solutions are to be found - and of course, they can be found - they must be solutions that emerge from within Papua New Guinea and are implemented by Papua New Guinea - not from outside.

Like all societies, Papua New Guinea has its own way of doing things. Your ability to talk things through, your capacity to find solutions that fit, are arts that are

- different from those that have evolved in Australia and elsewhere; and that are
- essential to the successful creation of a cohesive, efficient Papua New Guinea nation.

It is simply not possible or desirable to turn the clock back to 1975 - or 1965 - or for that matter, 1985, before we signed the Joint Declaration of Principles.

The suggestion occasionally made that Australia should transfer large numbers of public servants - or consultants - or military advisers - to help you is just not on.

That would make a mockery of the whole process of independence and nation building which the Founding Fathers of your country so forcefully and so properly demanded.

Of course having said all that I would not want to be misinterpreted as suggesting that Australia will somehow walk away from our commitment to help Papua New Guinea.

I tell you emphatically, we are too important to each other to allow that to happen.

We've been through too much together for our friendship ever to be broken.

And you have made too much progress in building a free, democratic society - with a free press - with established capacities for the fair delivery of services to all parts of the nation - with continuing economic development - for us ever to want to see that progress reversed or those principles diminished.

But we simply cannot - nor would you want us to - reinsert ourselves in your domestic issues and attempt to impose a solution that could only be second-best, short-lived, and ultimately counter-productive.

This is the context in which I place any consideration of the question of Bougainville.

We fully support the Papua New Guinea Government's resolute commitment to a political solution and we agree with you that Bougainville must remain an integral part of Papua New Guinea.

We welcome the Endeavour Accord as a possible framework for the restoration of services to Bougainville and as a step in the right direction towards the resolution of this issue.

We want to see a settlement. We have already indicated our willingness to assist in the rehabilitation of Bougainville.

But we have no direct role in constructing a settlement.

Our Defence Cooperation program with Papua New Guinea is aimed - in common with the rest of our assistance to you - at strengthening the institutions of your nation.

We are committed to helping you improve the capability of your security forces, although the objectives and priorities for their use in meeting the new challenges of the 1990s are of course for you to decide.

The time is long past when Australian forces could act in an internal security role in Papua New Guinea, except perhaps in the most extraordinary, agreed, and limited of circumstances.

That means no doubt there will be some changes in emphasis in the Papua New Guinea Defence Force's objectives and perhaps structure. When Papua New Guinea is ready, we will be happy to help you develop the necessary capabilities under our Defence Cooperation program.

My friends,

These are the kinds of issues - important and complex ones - that I look forward to discussing with you all during this visit.

I am confident the future for Papua New Guinea, and its relations with Australia, are bright - if we continue to make the right decisions.

In saying that I am not indulging in idle speculation or polite platitudes.

I truly believe that you should have every confidence in your abilities and your prospects.

I look at the physical resources of your great land: the agricultural, mineral and energy wealth that is waiting to be tapped.

I look at the considerable sums of foreign private investment in Papua New Guinea, including \$1.8 billion already invested by Australians - a sum that is likely to rise sharply.

I look at the support you have been extended by the international financial community, as evidenced by the recent World Bank Consultative Group Meeting, which reflects very widespread approval of your program of stabilisation and long-term structural adjustment.

I look at Papua New Guinea's growing role on the international stage, reflecting an increasingly outward-looking orientation and backed up by an ever stronger network of nations here in the South Pacific who together are confronting and resolving critical regional issues. Papua New Guinea's voice - an independent and clear voice - is heard with respect by nations in the region on a wide range of issues. We will ourselves always listen with respect to what Papua New Guinea has to say.

I look at the strong democratic institutional framework of nationhood that you have created, and your genuine efforts to increase political stability through reforms to the Constitution.

I look at your repeated capacity to produce political leaders of character, vision and resolve - and I most certainly include you in that list, Mr Prime Minister. Indeed Prime Minister your policies on economic stabilisation, your outward-looking conduct of foreign policy, your determination to achieve political and economic reforms designed to improve national stability and efficiency are all praiseworthy and proper initiatives that can only improve the welfare of your people.

And not least, I look at the vast resources of these people - the men and women of Papua New Guinea themselves: resilient and courageous people who have done so much so rapidly to build a modern nation in an ancient environment.

With all these advantages, Mr Prime Minister and distinguished guests, you should have no doubts about your own capacity for the delicate, difficult, demanding but exhilarating task of national development that stands ahead. And you should have no doubts that through this process Australia will stand with you as a close neighbour and firm friend.
