



# PRIME MINISTER

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**SPEECH BY THE PRIME MINISTER  
PARLIAMENTARY DINNER IN HONOUR OF  
THE PRIME MINISTER OF PNG  
THE RIGHT HONOURABLE RABBIE NAMALIU  
CANBERRA, 2 SEPTEMBER 1991**

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Prime Minister,  
Ministers,  
Distinguished Guests,  
Ladies and Gentlemen

On behalf of the Government and the people of Australia, it gives me great pleasure to welcome Papua New Guinea's Prime Minister, the Right Honourable Rabbie Namaliu, and his wife Margaret, to Australia and to Canberra.

We in Australia place great value on the warm, close and regular contacts which are well-established between Australia and Papua New Guinea. As two sovereign and independent nations, each pursuing our individual national objectives, we have built a close and valued partnership based upon shared values and mutual interests.

This is, of course, your second official Prime Ministerial visit to Australia, Rabbie.

Last year you and Margaret hosted a superb visit to PNG which will always be for both Hazel and me a treasured memory. A highlight of that visit was a trip to your beautiful home province.

Ministers from both our countries took part in the Australia-Papua New Guinea Ministerial Forum which took place here in Canberra last February. I am especially pleased to see regular and routine Ministerial, Parliamentary and officials visits between our two countries.

And I want to take this opportunity to say how much I personally value the warm contacts between you, Rabbie, and me over the past three years.

The relationship between our two countries is built firmly upon the strength of the interests we share. Fundamentally this means the strength of our bilateral political and economic linkages. But it also means, increasingly, seeing ourselves as partners in the Asia-Pacific region, and working together to build our respective capacities to take advantage of and contribute to this region's dynamism.

For Papua New Guinea, like Australia, this means looking outwards - taking internal decisions consistent with a stable, open and internationalised economy; developing a positive international profile through constructive contributions on regional and international issues; and forming and strengthening strategic regional partnerships.

Papua New Guinea's moves to diversify its political and economic relationships already reflect a growing international consciousness, and Australia recognises and welcomes this.

In particular, we admire the way that you have built on your treaty of mutual respect, cooperation and friendship with Indonesia to deepen and strengthen your relations with your closest neighbour, and to work effectively with Indonesia to manage cooperatively the situation along your common border. This is an issue on which you and your government have shown statesmanship of a high order. We are grateful to you for it, because it will always be important to us in Australia to see close cooperative relations between our two near neighbours.

We see Papua New Guinea's candidature for the Presidency of the United Nations General Assembly this year as also very much in line with this trend; and as a fitting reflection of Papua New Guinea's international standing. Australia strongly supports Sir Michael Somare's candidature, and we are working actively for its success.

And by hosting the forthcoming South Pacific Games, Papua New Guinea will contribute to developing a sense of regional cooperation through the important medium of sport. The impressive preparations underway for this major event reflect the spirit, energy and application of the people of Papua New Guinea. Australia wishes you all the very best for a successful Games.

Under your leadership, Rabbie, PNG has achieved much at home too in recent years. I want to pay special tribute to the skill and persistence that you have shown in achieving this year the significant reforms to PNG's constitution for which you have strived so long. By giving PNG more stable government, these reforms are a major contribution to your nation's future. I know you have further reforms under way, and I wish you success with them.

We appreciate the magnitude of the difficulties you continue to face on Bougainville. Thanks to your government, PNG has managed the economic consequences of the crisis effectively. As you know, Australia firmly supports your Government's efforts to ensure your nation's integrity. Like you, we believe that any satisfactory resolution of the Bougainville situation must see Bougainville remain part of PNG. For that to be possible, some political solution must be found which will satisfy Bougainvillians' aspirations for more autonomy while maintaining PNG's sovereignty. Such a solution cannot be found by force. The resumption of talks on Bougainville is a good sign, and in our view a politically negotiated settlement remains the best way to achieve a comprehensive and enduring solution. We have already offered practical forms of assistance and we stand ready to assist in future.

Like Australia, Papua New Guinea is rich in natural resources. And the immense potential of your country is still largely untapped. Great opportunities lie ahead for you, but it will be crucial to your long-term economic prosperity that you harness and manage your resources carefully. The Porgera Gold Mine, which I saw during my visit last year, the Chevron-managed oil field and other mineral developments will lead to very substantial revenue flows by 1995-96. The right balance in investment and expenditure strategies will be the key to the effective long-term utilisation of your resource wealth.

Investment promotion, such as your United States "Roadshow", will also contribute significantly to the creation of important investment and commercial partnerships for Papua New Guinea.

But despite the promise of many good things to come in the future, we cannot underestimate the enormity of the problems and challenges that face Papua New Guinea right now in social and economic development. The problems are, of course, for you to resolve, just as it will be for you to reap the rewards of meeting and overcoming the challenges that face you.

Prime Minister,

I know from our many conversations on this subject, and from the evidence of the work you have set in train within your own Government, of the committed approach you are taking to Papua New Guinea's serious law and order problems. Both our Governments understand the need for security if development is to proceed, and for development if security is to be maintained.

I heartily endorse your Government's decision to give priority to law and order and internal security and to provide a comprehensive plan of action in the context of your forthcoming budget that will see a shift of resources to the areas of real need.

We recognise, as I know you do, that hard decisions and strong leadership will be required to create for PNG the institutions it needs to meet its current urgent law and order needs.

As I said to you today, Australia's commitment to your country's sovereignty and independence means that we cannot, and would not, presume to tell your Government how Papua New Guinea should organise its law and order priorities and programs.

But we are very willing to cooperate with you in areas where we can best help, and where your government takes the lead in establishing commitments and setting priorities.

That is why I am pleased that we have signed today an Agreed Statement on Security Cooperation which sets out clearly the principles under which we cooperate, the priority areas for our assistance, and new procedures which will ensure that all our cooperation in this area is part of a comprehensive, integrated and planned approach to internal security.

Australia and Papua New Guinea, as partners, neighbours and friends, share a relationship based on firm and unshakable foundations. The conclusion of the Joint Declaration of Principles in December 1987 provided a comprehensive framework for the conduct of our relations now, and into the next century.

The Treaty on Development Cooperation, concluded in May 1989, has laid the groundwork for the more professional delivery of development assistance. One of the major tasks facing us now is to ensure the right content and balance of development assistance to ensure the maximum long-term benefits. In line with Papua New Guinea's stated goal of achieving fiscal self-reliance, Australia and Papua New Guinea have together reaffirmed our shared commitment to the gradual phasing out of budget support by the year 2000. At the same time, Australia's project aid to Papua New Guinea will increase - forging mutually beneficial links between our two countries - based on focused and practical assistance directly related to your specific development needs.

I am confident that with continuing close cooperation between us on these issues, we can achieve the best possible arrangements to carry us into the next century.

The nature of the relationship between Australia and Papua New Guinea, solid and enduring though it is, is changing, and will continue to change into the 90s and next century. The habit of dependence has been well and truly broken. New generations will develop different perceptions of each other from those which marked, and sometimes marred, earlier relations between our countries. Both our countries will look increasingly outward - to developing and strengthening our place in the world - and this can only enrich and strengthen our own bilateral relations.

At the political level, I believe we have gone a long way to developing close and cooperative contacts within a more mature relationship. But I would very much like to see this translated across the full spectrum of our contacts - including between business people, young political leaders, and academics. I am pleased to see increased sporting contacts between us - and especially we look forward to the forthcoming Kangaroo tour of Papua New Guinea.

As in any partnership between two independent nations, there will be times when our interests diverge. This is nothing to be afraid of. We both recognise our legitimate rights to act in our own national interests as we see them. But Papua New Guinea can be assured that the solid foundations of our relationship remain secure, and that Australian commitment to the relationship is enduring.

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