

Addressing Bottlenecks

If you are running a business you normally don't want to be dependent upon government. If government itself was a business you'd certainly want some new management quickly, for many of its operations.

Unfortunately for most businesses (and more so the public) at some stage or another you're dependent upon some government service or at least required to interact. You'll use electricity from the State's monopoly power supplier, although you'll invariably also need to have installed a back up generator; you'll need to use the roads and monopoly ports, and in all likelihood need to secure some land title. Some services are run better than others, but lack of accountability, poor funding and politisation of much public sector management has undermined hitherto often competent public sector management, standards and morale.

One area of government activity which you'd seriously want managed differently if it was your business would be government office allocation and management. Waigani alone is filled with empty government shells. The 'Pineapple building' has been vacant since 1988, as government wasn't ready to fix its affordable problems (replacing plastic window frames and installation of external fire-escape). Across the road are the vast, if perhaps uninspiring, 6 floor 'Central Government Offices', which once housed many of the national government departments. Solidly built, but understandably in need of some refurbishing – but not major structural work - after 20+ years of use, it joined the Pineapple building sitting idle, whilst the Office Allocation Committee (and its masters) leapt eagerly into contracts to rent often flimsy and substandard new office buildings around Waigani (and elsewhere) for some hundred million each year...

Years slip by, lucratively for some landlords, and along comes an eviction order on one ill-maintained private office building. Government departments scatter to find new shelter, for equipment and poor public servants, who've been working there in sweltering conditions, often without functioning utilities for years. The trouble is that these offices housed critical government functions, needed by the populace and businesses alike.

One such displaced entity is the Department of Environment and Conservation (DEC). DEC staff have scattered to their old parks office in Hohola and elsewhere. Following the move, several of their computers have been stolen, containing all the submitted Environmental Plans (although some may have back up copies). As observed, many unscrupulous businesses either skip submitting environmental plans (required for major projects or other activities with significant environmental impact) or submit documents filled with bogus material, often near duplicates of various projects overseas or in PNG, listing, for example wildlife species not found within thousands of miles of PNG's shores! More respectable businesses, on the other hand, need to submit well researched and accurate plans, not only to meet the PNG Government's requirements, but also to satisfy international standards and financing requirements, e.g. for international certification (e.g with RSPO-compliant palm oil companies or ventures funded from

international sources, such as the World Bank or ADB, or under the Clean Development Mechanism – CDM).

Respectable investors cannot afford to cut corners, for example using dubious land titles (e.g. using customary land under SABLs without landowners' free and informed consent) or failing to pay mandatory minimum wages, taxes or submit proper environmental plans. So where government agencies fail to perform, whether through maladministration, corruption or, as in the case now of DEC, displacement from their office and associated loss of critical equipment, it holds up valuable and needed genuine investment, whilst tending to have little impact on the less salubrious companies, which grab land, skip taxes and wage determinations, and sometimes, as in some Sandaun schemes, even seem to overlook employing locals!

The current government, and its successor after the election, must recognise the cost of maladministration, whether it entails corruption or incompetence, or failure to maintain public roads, hospitals or government offices, or whether it involves appointments to key public sector professional posts, whether they be, for example, for statistical, environmental or hospital management. The private sector widely perform tasks more efficiently (and maybe a PPP could, for example, also restore and manage government offices). Whilst the private sector is certainly the driver of investment and growth and most employment, at various stages the private sector must interact with government and there are some tasks, (even where PPPs and privatisation occur), which only the State can perform, and it must (and can) perform these much better than it has (widely) of late. It is the political tier which should take much of the responsibility for the undermining of (needed) meritocracy and morale in the public sector and the political tier must take the lead in restoring standards, integrity and morale, including in the provision of suitable work conditions, whether in the national capital or a remote school or health centre.

In the meantime, with businesses clamouring for documentation, including environmental permit approvals, it is critical that the government finds immediate safe and suitable interim office accommodation and also that outgoing or inoperative senior managers are replaced promptly and empowered with mandated authority, as with DEC, to make decisions (subject to needed oversight). In the world of business and investment, timely action by government agencies is critical, and sometimes the difference between proceeding, or going elsewhere.