



Papua New Guinea Human Resource Institute

Update - PNG Country Report

September 2015



Picture of the Papua New Guinea Flag.

APFHRM Report: Singapore Meeting

By Jerry Wemin – President

September 2015

This report is from the Human Resources Institute of Papua New Guinea.

1. National HR Issue

- **2015 Economic Future Bright with projected 15.5% GDP**

PNG is now turning 40 years old since its political independence from Australia in 1975. The population is growing at neck break speed of 3%. PNG growth rate was projected to be a massive 15.5% this as projected by the Central Bank of PNG while Asian Development Bank projected a growth of around 20%. However, due to low oil price resulting in reduced foreign income for the country, the government has been forced to come up with a supplementary budget shortly.

The government has gone through a major cash flow problem but has been making the critical savings and enforcing tighter control lately resulting in some degree of prudent fiscal management.

In July this year, PNG hosted the South Pacific Games. PNG has a massive victory in the country with the largest haul of gold medals in the games history.

- **Mining Boom slowing down in PNG**

Mining activity in PNG is on a decline due to the drop in the mineral prices globally despite the discovery of significant world class nickel, copper and gold deposits.

- **TB a major Killer**

TB has become one of the major killers in PNG. International efforts in progressing to combat the spread and prevalence of TB. The government is also looking into this area and will be a new frontier of medical battle in the years ahead. The prevalence of TB has dramatically dropped this year.

- **HIV AIDS a Major threat to PNG**

HIV AIDS continue to be a problem. Papua New Guinea is battling the spread of HIV. Despite report of significant decline in new cases reported. This is one of the country's major social issues and has been of great concern to the successive governments of the country.

- **Universal Education**

With the second year in running with the recent introduction of compulsory free education policy at the primary and secondary education level, will result in a major bottle neck with frustrated young people at the tertiary level as spaces are very limited.

- **Universal Health Care Program**

With the second year in running with the recent introduction of compulsory free Health Care policy and free basic health services in the country, the country is poised to see dramatic improvement in the quality of life for all citizens. Though costly, the government is making an important sacrifice to improve the general quality of life in the country.

- **Drug and Alcohol Abuse**

With increasing affluence, many young people are now hooked on to drug and alcohol. The battle ground for the next 40 years has shifted to drugs and alcohol abuse. With the high drop out rate of young people from school and with limited further education opportunities in the country in the technical, vocational and tertiary education level youths are more prone to petty crimes and drug and alcohol abuse. This is our country's number one challenge in the next ten years.

2. PNG Human Resource Institute update

The Papua New Guinea Human Resource Institute was incorporated formally in 1999 after being informally established as a society since the early 1970's. The institute is independent of government and its operation is supervised by independent professional members of the council. PNGHRI is comparatively very small compared to all our other member associations in the region.

- **HR Masters Degree Program**

The University of Papua New Guinea with PNGHRI has introduced the first ever Masters Degree in Human Resources Program in the country and now running into its second year.

- **Professional HR Degree Program**

The University of Papua New Guinea through PNGHRI has introduced the Bachelor Degree in Human Resources Program also and the fourth batch enrolled and attending classes. This program is aimed at the working professionals and is an after hours program.

- **HR Degree Program**

The University of Papua New Guinea through the support of PNGHRI has introduced the first ever degree program in the country in 1992. Over 300 HR Degree students have graduated so far. The HR Course is proving to be very popular and attracting.

- **Graduate Mentoring and Coaching**

PNGHRI with a sponsorship of Air Energi has offered scholarships to 20 top HRM graduates from UPNG the only University to offer degree programmes in HRM and providing professional training and practical experience with pay for 6 months. The third group has completed development programs in May this year. Successful placement rate is about 95%. We are now in the process of selecting another top 20 graduates to go through the internship program.

- **Membership**

As this is a voluntary membership institute and unregulated, membership has always been a challenge yearly. Despite this, PNGHRI professional Membership continues to grow annually. More than 1000 professional members are registered. More than 100 corporate members are now active members and supporters of PNGHRI programs. The country has about 5000 HR practitioners. PNGHRI has a turnover of about K4 million per annum (US\$2 million). Strong support from the business community is growing and the profession is gaining significant and necessary credence from both public and private sectors.

- **Continuing Professional Development Programs**

PNGHRI continues to run its professional development programs annually. Interest is high and seeing good return to the institute. PNGHRI has strategic alliances with other third parties to provide training and other services to its members. Professional development programs include the following;

- HRM level 1. Certificate
- HRM Level 2. Advance Certificate
- HRM Level 3. Very Advance/Diploma Level
- PNG HRM Laws Certificate
- PNG HRM Laws Advance Certificate
- Supervisory and Management Development

- Train the Trainer
- OHS

- **Monthly Professional Development Seminars**

Monthly seminars on topical subjects and core HR competency areas have proven successful. These are short 4 to 8 hour sessions. Outreach activities out of the capital has commenced with some programs running out of Lae, our industrial capital and second largest city in the country. PNGHRI has recently facilitated a seminar presentation on Foreign Employment in PNG, by two government agencies in Work Visa requirements and processes and Employment Permit processes and requirements. Good attendance. On the coming seminar scheduled for the 30th of September 2015, the Internal Revenue Commission (IRC) will be making presentation on Income Tax Regulations and General Tax advice to members and member organisations.

- **Student Chapter**

PNGHRI has four active student chapters in the country now associated with the four major universities in the country. With over 200 student membership, the future development of the HR professionals in the country is now guaranteed. The national body provides annual prize awards and financial grants for student chapter activities from time to time. Earlier this month, the president visited the University of Technology Students chapter and provided the grant of K1000 to assist with student promotional activities on campus.

- **Annual National HR Conferences.**

PNGHRI traditionally holds the Annual National Conferences to coincide with the Annual General Meeting of the Institute each May as a requirement of the constitution. The last conference in May this year was attended by about 450 members. We had over 20 speakers over three day period. This is the pinnacle program of the institute and the feature was the presentation on findings on the recently concluded research by Dr Jones and Professor McGavins of Australia on the Labour Market Survey of PNG. This was well received by all members and the general public and participating organisations.

- **Governance.**

2014 Audited Financial Statement was completed and presented at the May AGM and was accepted. PNGHRI continuous to assessed against the internal financial standards and continuous to receive unqualified statements form external auditors. PNGHRI has always had a qualified audit report for the past ten years. PNGHRI is proud to be one of the few professional bodies in the PNG that has its books audited by independent professional accounting firms annually.

The executives were elected and I was elected unopposed for the 15 consecutive year. As this is a voluntary and charitable and symbolic role, busy executives are not too keen to take up the role.

3. Greatest HR Challenge in Papua New Guinea

- HIV AIDS continues to be a major concern in the country, however there has been a major significant decline in the incidents of HIV AIDS over the past three years
- TB continuous to be a major threat in the country and there were some reported outbreaks in mostly the Western rural part of the country which has been resolved.
- Lack of skilled professionals for the major mining and petroleum projects
- Law and order issues in some parts of the country, however law and order in the country has greatly improved this year.
- High percentage of school push-outs after secondary level education is still the number one problem as tertiary and vocational institutions are limited

- Growing problem of drug abuse and alcohol abuse and associated social disturbances
- Ever increasing prices of goods and services
- Human smuggling issues increasing
- Growing refugee concerns in the country

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National President

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