

THE MIDAS TOUCH - PART 1

The Secret Millionaire: Inside the O'Neill Empire

EXECUTIVE SUMMARY

Since entering parliament in 2002 Peter O'Neill has held a succession of high offices, culminating in six years as Prime Minister. Over the same period his business interests have flourished.

The Secret Millionaire takes us inside the O'Neill Empire and reveals for the first time something of the nature and extent of his business interests, his key associates, his brushes with the law and how his private interests may have benefited from political decision making.

The presentation of O'Neill's empire is divided into three parts;

Act I: Getting by with a little help from his friends

O'Neill's education, first forays into business and how his first political appointments, under Prime Minister Bill Skate, almost led to his downfall.

Act II: On the rise - the O'Neill empire has a growth spurt

How, post Skate, O'Neill's business network flourished and then continued to grow after he entered Parliament and served in various Ministerial positions.

Act III: Having your cake and eating it too!

How O'Neill's businesses have profited from government decision making and the largess of foreign actors during O'Neill's second and third terms in Parliament as he ascended the heights of political power.

Act I: Getting by with a little help from his friends

- Peter O'Neill was born, and spent his childhood, in the Southern Highlands region. His mother was from lalabu village. O'Neill's father was an Australian government official.
- After graduating with an accountancy degree, Peter O'Neill spent his time between Goroka and Port Moresby during the early 1990s, establishing a range of businesses including Hunter Real Estate, Pangia Enterprises and the wholesale/retail firm, South Super Stores.
- Through these ventures O'Neill established close professional and business relations with Maurice John Sullivan, Oscar Wandu Yamuna (his alleged first cousin), Nathaniel Poya (another alleged relative), Jack Awela (his alleged uncle) and Joseph Bakri Kup (accountant).
- O'Neill received his big break during the Skate Prime Ministership. Between August 1997ⁱ and August 1999, he was appointed director in 25 different state entities and statutory bodies, according to Investment Promotion Authority records.
- During this same period Oscar Wandu Yamuna was appointed Managing Director of the Investment Corporation of PNG, while another alleged relative, Nathaniel Poya is appointed as a trustee of the National Provident Fund, along with, 'controversially'ⁱⁱ, Jimmy Maladina. O'Neill had befriended the Maladina family during studies at UPNG.
- O'Neill and his business circles come under the scrutiny of two Commission of Inquiries, focusing on the National Provident Fund (NPF) and Investment Corporation of PNG (ICPNG).
- The Commissions allege that O'Neill was a major beneficiary of numerous property scams, including the Waigani land and NPF Tower frauds, through a company Port Moresby First National Real Estate (PMFNRE) he is said to own.

- It is also alleged that Wandu Yamuna awarded exclusive contracts, with inflated fees, to PMFNRE, in violation of public tender requirements. The former head of ICPNG alleges the profits, in part, were being employed as a political slush-fund. It is also alleged, O'Neill profited by buying a large property from the corporation at less than market value
- While Peter O'Neill was the Executive Chairman of the PNG Banking Corporation, it loaned significant sums of money to private companies which O'Neill, and his associates, are accused of owning.

Act II: On the rise - the O'Neill empire has a growth spurt

- After Bill Skate resigned as Prime Minister in 1999, O'Neill concentrated for a time on expanding his business portfolio. Between 2000-2003 O'Neill acquired interests in LBJ Investments Limited, Omerta Limited, Remington Technology and NIU Finance Limited, which have gone on to become highly successful businesses.
- These acquisitions led to partnerships with a range of political identities, including Sam Basil, Ken Fairweather, and Michael Nali. In addition, O'Neill developed commercial ties with a slew of Australian and South Asian business people including James Dawson, Kenneth Harvey, John Beattie, Mohammad Sultan and Sanjay Shah.
- O'Neill is elected to Parliament in 2002 and is swiftly appointed a Minister. He goes on to hold a number of important Ministerial posts in the Somare government between 2002-2004. However, a failed attempt by Peter O'Neill and Moses Maladina to oust Somare, led the former to cross the floor and become head of the opposition.
- In January 2006, the District Court refused to commit O'Neill to trial on charges relating to the NPF inquiry.

Act III: Having your cake and eating it too!

- O'Neill is reelected to Parliament in 2007, where he rejoins the Somare government as Minister for Public Services.
- O'Neill develops close commercial ties with Luciano and Ni Cragolini, through a number of companies and a charitable foundation.
- The Cragolinis enjoy significant bureaucratic influence through positions on the National Capital District Building Board, NCD Liquor Licensing Board, National Gaming Control Board, PNG China Business Council and the PNG Sports Foundation.
- In 2011, O'Neill seizes the Prime Ministership.
- Despite the considerable demands that come with being Prime Minister, O'Neill's business empire grows through Paddy's Hotel & Apartments, Wild Cat Developments and Insurance Partners (PNG).
- O'Neill's own companies are awarded large contracts including ones funded by the Asian Development Bank and Australian government.
- There is evidence to indicate O'Neill was using the office of Prime Minister, to give certain competitive advantages to his business empire.
- During 2016, O'Neill sells off some his most successful corporate ventures to oligarch Theophilus George Constantinou.

ⁱ According to IPA records the first appointment was in January 1998 but Peter O'Neill has stated he started as Executive Chairman of PNGBC in August 1997. Commission of Inquiry into the National Provident Fund, Transcript of Proceedings 10 May 2001, at p20

ⁱⁱ Maladina's appointment as a trustee was irregular. Commission of Inquiry into the National Provident Fund at page 45 "This controversial appointment was opposed by the Employers Federation on the ground that his name had not been put forward by an organisation representing employers. Court action was settled on the basis that Mr Maladina would resign as trustee. He did not do so."