

COMMITTEES: Foreign Affairs, Defence and Trade Committee: Report

Mr JULL (Fadden)(1.07 p.m.) —On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I present the committee's report entitled *Bougainville: the peace process and beyond*, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mr JULL —On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I am pleased to present a report on the Bougainville peace process. The report is entitled *Bougainville: the peace process and beyond*, in order to emphasise that the committee's inquiry had a focus that went further than simply a historical review of the peace process since mid-1997. As an important part of the inquiry, a delegation of committee members visited Port Moresby and Bougainville in March this year. The visit provided an excellent opportunity for the nine members to see for themselves the extent of the destruction of Bougainville's physical, economic, social and political infrastructure. Most importantly, the visit enabled the delegation to hold frank discussions with most of the key participants in the peace negotiations and to gauge the scale of the reconstruction and rehabilitation tasks facing Bougainville. The visit program also enabled the delegation to visit several peace monitoring group team sites as well as major AusAID funded projects, such as the Bishop Wade High School and the Talena Specialised Training Centre, the Buka district hospital and the upgrade of Buka airport.

The committee's interim report on the visit contained several preliminary conclusions, many of which have been reaffirmed in the final report presented today. As the interim report stated, the delegation was greatly encouraged by the almost universal desire for peace which was evident in Bougainville and by the positive signs that the lives of Bougainvilleans are at last returning to some degree of normality.

In conjunction with other regional countries, Australia has made a major contribution to advancing the peace process—through political and diplomatic efforts, through our substantial bilateral aid program with Papua New Guinea and through the excellent work of the regional peace monitoring group stationed in Bougainville.

Australia is not a party to the peace negotiations. The question of Bougainville's future political status is therefore one to be resolved by the PNG government and the people of Bougainville and their leaders. However, in bilateral discussions, and in conjunction with other countries of the region, Australia may be able to support education processes designed to reduce differences in perception between the negotiating parties.

In this report, the committee has expressed confidence that, despite occasional setbacks, the peace process has continued to move forward. While major divisive issues still remain to be resolved, the committee views developments such as the peaceful elections in May 1999 and the successful establishment of the Bougainville People's Congress as very positive signs that the aims and objectives of the Lincoln and subsequent agreements will be achieved in the not too distant future. The committee recognises the possibility that tensions could again erupt if there appears to be any faltering on the part of the PNG national government in its resolve to pursue the peace negotiations and to restore effective civil administration to Bougainville.

A chapter of this report is devoted to evaluating the role of the truce and peace monitoring groups in Bougainville since monitoring operations began in December 1997. The important contribution of both groups to facilitating the peace negotiations, and the neutrality with which their responsibilities have been discharged, have been widely recognised.

Acknowledging that the PMG operation is not an open-ended commitment, the committee has

recommended that clear guidelines for phasing out and eventual withdrawal of the PMG be developed in conjunction with our regional partners in the peace process steering committee. Australia is by far the largest donor of external aid to Papua New Guinea and Bougainville. For 1999-2000, the estimated total PNG aid program amounts to \$328.9 million, which includes aid to Bougainville of approximately \$21.5 million. Since 1991, Australia has contributed around \$45 million in aid to Bougainville, and projects currently under way or planned represent a commitment of some \$66.3 million. These projects have been listed in appendix L of the report.

Clearly, however, Australian aid could not possibly—and should not—meet the entire development and reconstruction needs of Bougainville. It has been Australia's approach to work in consultation with the PNG and Bougainville authorities, as well as with Bougainville communities and their leaders and NGOs in the design and implementation of aid projects for Bougainville. The main focus for Australian aid remains on the priorities determined by PNG and the Bougainville people—direct assistance to the peace process, rebuilding of damaged or destroyed infrastructure and restoration of essential services in the priority areas of health, education and agriculture.

The committee also endorses the aim expressed in much of the evidence received—that of making sure there is a Bougainville-led recovery in which a wide cross-section of the people of Bougainville have the opportunity to benefit from the 'peace dividend'.

At various times during the inquiry, the situation in East Timor was raised in the context of its potential to affect the level of assistance to Bougainville. Earlier this year, reassurances were given that there were no plans to divert aid from Bougainville. (Time expired)

Mr HOLLIS (Throsby)(1.12 p.m.) —This inquiry into Bougainville, titled *Bougainville: the peace process and beyond*, was difficult in that the situation and personnel in PNG and Bougainville were constantly changing. In the middle of this year the peace negotiations were conducted against a backdrop of acute political instability at a central government level which culminated in the sudden resignation of then Prime Minister Skate in July. The Joint Standing Committee on Foreign Affairs, Defence and Trade encourages the new Morauta government to keep Bougainville firmly on the national agenda.

To say that most people in Bougainville want peace is stating the obvious. I do feel that there is a genuine desire for reconciliation. The people are tired of war and destruction and of the waste of life and personal property. Many are conscious that at one time Bougainville was the most prosperous of the PNG provinces. Today they see the infrastructure of the island in ruin. The healing process will take a long time, and it has been put to me that, until the grieving commences, which it has not as yet, there can be no real progress towards lasting peace. Other speakers have highlighted different aspects of our inquiry and especially our visit to Bougainville. The question of aid and how it is directed—whether there has been too much emphasis on large projects and whether priority should be given to village type projects—is difficult as conditions, not the least of which is the terrain, make the question of aid to Bougainville extremely complex. But there should be a maximum involvement of Bougainvilleans in all phases of aid projects.

I want to highlight the work of the peace monitoring group which, in my view, has made an outstanding contribution to the peace process in Bougainville. It is ironic that, at this time as we are reporting on prospects for peace in Bougainville, Australian forces are in a neighbouring country, Timor. Just as Bougainville has been plagued by war and there has been no quick solution to the conflict, so I believe there will be no quick solution to the Australian presence in Timor.

The peace monitoring group consists of Australian, New Zealanders, Fijians and Vanuatuan defence, police and civil personnel. Its mix of nationalities and experience has made the peace monitoring group a unique organisation, with each nationality and occupation bringing a

range of cultural backgrounds and skills to the group. For example, it was put to us that in many cases it is easier for the Bougainvilleans to relate to the Fijian and Vanuatuan personnel than to the others but, as Australia is the main contributor, it is the Australians who have had the major impact. Different from other peace monitoring groups, the personnel are unarmed and a difficult situation must be negotiated.

I was immensely impressed with the dedication of the Australian personnel I saw there, given their understanding of the complexities of the situation and their maturity of approach. It made me immensely proud of the defence and civilian personnel of the peace monitoring group. The trying conditions on Bougainville, the delicate political climate and Bougainville's isolation have made being part of the operation a challenge for every member. It is a challenge that all have risen to.

No comment would be complete without noting the tremendous role the women of Bougainville played and continue to play in the rehabilitation process. The committee agrees that the effective participation of women in all phases of the peace process is essential. One area that I was particularly interested in was this: as Bougainville rebuilds, so also there will be a need to rebuild such things as archives. At one time Bougainville had excellent libraries and archival resources.

Australia holds many records of administrative archives, reference collections and artefacts and I was pleased with the recommendation that funds be made available for rebuilding the archives and library collections of Bougainville by locating relevant material held in Australian collections and either copying the records or making them available to the Bougainvillean authorities in some other ways. It must be stressed that the future of Bougainville is a matter for negotiating between the Papua New Guinean government, the people of Bougainville and their leaders. We wish them well in that process. In commending the report to the House, I wish to place on record my appreciation of the work of the committee secretary, Cliff Lawson, and the secretariat staff, who all did an outstanding job in assisting the committee with its inquiry and in assisting us to bring down this report to the House today.

Dr SOUTHCOTT (Boothby)(1.17 p.m.) —The task of the Joint Standing Committee on Foreign Affairs, Defence and Trade in its inquiry and report *Bougainville: the peace process and beyond* was to assess (1) the prospects for the peace process; (2) the contributions made by the truce monitoring group and peace monitoring group; and (3) Australia's development assistance for reconstruction and rehabilitation. I would like to thank the members of the Foreign Affairs Subcommittee secretariat—particularly the secretary, Cliff Lawson, who accompanied the committee to Bougainville in March 1999—for their assistance in the preparation of the report. I think the report will be an excellent reference for anyone with an interest in the Bougainvillean crisis.

I would also like to thank all those who assisted with our trip in March: the Royal Australian Air Force, who allowed us to hitch a lift on a Hercules to the island; the peace monitoring group, who provided us with transport in Vietnam War era, orange Iroquois helicopters; and the High Commissioner, David Irvine, and the Third Secretary, Sarah Storey, who looked after our travel. Brigadier Bruce Osborn, a previous commander of the peace monitoring group, was also very helpful. Without their assistance we could not have carried out that part of the inquiry, the visit to Bougainville.

There have been two previous reports on Bougainville by the committee and both were far-sighted in their recommendations. The 1991 report recommended program and project aid instead of budget support. That recommendation was adopted. The 1994 report advised that there could be no military solution to the conflict in Bougainville and that secession through military methods was not an option. Again, that was a far-sighted recommendation. Unfortunately, it was not adopted. Ironically, the Sandline affair of early 1997, once resolved,

actually gave new life to the peace process in Bougainville. It led directly to the talks at Burnham in July and October 1997.

The important point to make is that Bougainville has been peaceful for two years. Most Bougainvilleans have returned from refugee camps to their communities. While the peace process does not always keep to the schedules previously agreed, I was encouraged by the commitment shown to the peace process. The committee's conclusion in March and again in this report was that the peace process was moving forward despite occasional setbacks. Important factors here are the largely bipartisan support from Port Moresby for long-term arrangements in Bougainville, the importance of restoring law and order on the island, the difficulties in the disposal of weapons, the phased withdrawal of the Papua New Guinea Defence Force and the importance of basic communications and transport to the peace process. To give you an idea, we had consultations at various points on the island and people had walked for four or five hours just to come to the consultations with us.

Australia has helped underpin the peace process of Bougainville by facilitating meetings between the parties and with the peace monitoring group and by development assistance from AusAID. Australia spends about \$7 million on peace related activities and transport. This assistance is accepted by all parties.

The peaceful elections in May this year and the establishment of the Bougainville People's Congress are all signs that the basis is there to establish a permanent settlement for Bougainville. Regarding the second part of the inquiry, the truce monitoring group and the peace monitoring group have helped prevent any outbreaks of violence and have acted as stabilising influences in Bougainville. The peace monitoring group comprises only 300 unarmed personnel—about 245 from Australia and the rest from New Zealand, Vanuatu and Fiji. The peace monitoring group is unarmed, neutral and actively disseminates information about the peace process—all of those points are important. All parties recognise the peace monitoring group is not a permanent presence and that its exit is linked to objectives and not a date. The ministerial statement of June this year indicates there will be a phased reduction in the peace monitoring group at a time to be decided in the future.

As a previous speaker, the member for Fadden, mentioned, Australia is the largest contributor to aid in Bougainville. We will spend over \$100 million in the five years up to mid-2003. Some examples of this aid are \$9.7 million on Bishop Wade School and \$6.7 million on the Buka hospital, both of which we visited; \$8.5 million on 80 first-aid posts and double classrooms; \$7.3 million on rehabilitation of the coastal trunk road; and \$5.5 million on construction of wharves at Kangu and Mamogoto Beach.

Restoring the infrastructure which was destroyed during the violence is a massive task. There were some concerns about bias raised. In fact, the projects are based on priorities set by the Papua New Guinean government. The committee found no evidence of bias in the delivery of aid. The committee, in this report, is also interested in aid being delivered as smaller community based projects, and there are a number of recommendations that deal specifically with that issue. I commend the report to the House.

Mr PRICE (Chifley)(1.22 p.m.) —I too would like to add my thanks to Cliff Lawson and the secretariat for the excellent job they did with the report, particularly Cliff in organising and accompanying the delegation to Bougainville. I would also like to commend the Chairman of the Foreign Affairs Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade for his contribution and leadership in relation to this report.

I do not want to go over the ground covered by my colleagues. However, there are a couple of things that I want to mention. It is a matter of concern to me that, in the two peacekeeping deployments undertaken in the term of the Howard government, there have not been finite objectives set and clear timetables for exiting. Indeed, one of the recommendations made, recommendation No. 5 of this report, addresses this issue. We can debate whether or not it

was possible to do that, but I do highlight to the House an element of concern that I have about the failure to set clear objectives and finite exiting times.

Like other members, I am certainly impressed with all those in the peace monitoring group we were able to visit and the role they are playing. What a courageous decision it was to actually send them in unarmed. I think a number of us were concerned that they were unarmed, although this was one of the real keys to success. I got into trouble with some of my colleagues for suggesting that, should the situation in East Timor develop, there would be a tendency by Australia to lose focus on Bougainville. I regret the situation in East Timor, but I also want to emphasise, as it is emphasised in the report, that Australia must have a commitment to ensuring that the peace process realises finality in Bougainville.

Another issue I want to raise is the issue of aid. Australia has been most generous in its aid commitment to the people of Papua New Guinea. But, in making extra commitments to the peace process and reconstruction in Bougainville, it is clear that the money is coming out of what would otherwise have been allocated to other provinces. I believe that there ought to be a peace dividend, as has been mentioned. That is, as many people as possible in Bougainville should experience the benefit of peace and be able to get on with their lives. I also think it is appropriate for the Australian government to make an extra commitment to that peace process, not take it out of the existing \$328.9 million allocation. I know it has been the practice of the previous government to do it, as it is the practice of this government, but I suggest that we ought to make extra commitments over and above what we would have otherwise made.

Clearly the future of Bougainville should be in the hands of Bougainvilleans. The degree to which the province can exist with a greater degree of autonomy than it previously did will be part of the solution to that problem. But that problem is in the hands of the people of Bougainville, as well as the Papua New Guinean government. I commend the report. I think it is a very useful report, as my colleague has mentioned. This report will be a useful reference for anyone who wants to acquaint themselves with the history of as well as the situation in Bougainville.

Mr DEPUTY SPEAKER (Mr Nehl) —Does the member for Fadden wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr JULL (Fadden) —I move:

That the House take note of the report.

I seek leave to continue my remarks later.

Leave granted.

Mr DEPUTY SPEAKER —In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting and the member will have leave to continue speaking when the debate is resumed.