



COMMONWEALTH OF AUSTRALIA

JOINT STANDING COMMITTEE

ON

**FOREIGN AFFAIRS, DEFENCE AND TRADE
(Foreign Affairs Subcommittee)**

(Reference: Relations with ASEAN)

BRISBANE

Thursday, 22 May 1997

OFFICIAL HANSARD REPORT

CANBERRA

JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE
(Foreign Affairs Subcommittee)

Members:

Mr Taylor (Chairman)

Senator Bolkus	Mr Bob Baldwin
Senator Bourne	Mr Bevis
Senator Chapman	Mr Brereton
Senator Childs	Mr Dondas
Senator Forshaw	Mr Georgiou
Senator Harradine	Mr Hollis
Senator MacGibbon	Mr Jones
Senator Schacht	Mr Lieberman
Senator Troeth	Mr Nugent
	Mr Price
	Mr Slipper
	Mr Sinclair
	Ms Worth

Matter referred for inquiry into and report on:

The development of ASEAN as a regional association in the post Cold War environment and Australia's relationship with it, including as a dialogue partner, with particular reference to:

- . social, legal, cultural, sporting, economic, political and security issues;
- . the implications of ASEAN's expanded membership;
- . ASEAN's input into and attitude towards the development of multilateral regional security arrangements and processes, including the ASEAN Regional Forum (ARF);
- . ASEAN's attitudes to ARF linkages with, or relationship to, other regional groupings;
- . economic relations and prospects for further cooperation, including the development of the ASEAN Free Trade Area (AFTA) and possible linkages with CER;
- . development cooperation; and

- . future prospects - in particular the extent to which the decisions and policies of ASEAN affect other international relationships.

WITNESSES

**SOORLEY, the Right Honourable James Gerard, Lord Mayor of Brisbane,
Brisbane City Council, City Hall, Brisbane, Queensland 151**

JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE
(Foreign Affairs Subcommittee)

Relations with ASEAN

BRISBANE

Thursday, 22 May 1997

Present

Mr Taylor (Chairman)

Senator Bourne

Mr Bevis

Mr Hollis

Mr Barry Jones

The subcommittee met at 3.25 p.m.

Mr Taylor took the chair.

CHAIRMAN—I formally declare open this Brisbane session of the public hearing of the Foreign Affairs Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade. We are inquiring into the development of ASEAN as a regional association and in particular Australia's relationship with it. It is timely that the subcommittee is doing this in this its 30th year. With ASEAN now as the fourth largest trading region in the world after the United States, Japan and the European Union, it is not unreasonable that we are examining this issue. ASEAN exhibits a growing confidence and influence in regional affairs.

We have already taken evidence from several of the Canberra-based departments. The week before last, we took evidence in Sydney from the ABC's international broadcasters. That was before the budget was brought down. We have also taken evidence from several individual witnesses who have an interest in the inquiry. Today we will take evidence from the Lord Mayor of Brisbane, who is actively pursuing opportunities in the ASEAN region. Tomorrow we will meet with representatives of the Queensland Government as well as academic staff of Griffith and Bond universities. Finally, late tomorrow morning, we will hear from a private citizen who has lived and worked in Indonesia over the past six years.

Before we invite the lord mayor to give us an opening statement, as a formality somebody needs to move that the following submissions be accepted as evidence and included in the subcommittee's records for the ASEAN inquiry: No. 20A, from the Reverend Paul Gaffey, International Developing Youth Dignity; No. 25, from the Department of Immigration and Multicultural Affairs; and No. 26, from the Premier of Queensland. We also need somebody to move that the following documents be accepted as exhibits for the ASEAN inquiry: No. 10, the 1996 annual report of Film Australia; and No. 11, the letter dated 14 May from the Lord Mayor of Brisbane.

Resolved (on motion by Mr Bevis):

That the submissions be accepted as evidence and included in the subcommittee's records.

[3.29 p.m.]

SOORLEY, the Right Honourable James Gerard, Lord Mayor of Brisbane, Brisbane City Council, City Hall, Brisbane, Queensland

CHAIRMAN—On behalf of the subcommittee, I welcome you and invite you to make an opening statement. If you would like to give evidence in private, you need only indicate and we will do that. Hopefully, your evidence can be given in public. We invite you to make a submission.

Mr Soorley—Mr Chairman, is it all right if I tape myself for future record?

CHAIRMAN—Sure, by all means.

Mr Soorley—Thank you for the opportunity to share a few ideas with the committee. The work of this committee is very important, because it is investigating and looking at our relationship with Asian countries. I will broaden most of my comments to the Asia-Pacific, even though I know that your specific focus is a subset of the broader group.

I hope the committee is aware that last year we hosted a Cities of APEC Conference here, which was attended by representatives from all of the ASEAN countries and many others. I have submitted to you the communique that the mayors of those cities agreed on. I believe that we are in an interesting phase in history. Governance emerged out of cities. Over the centuries, governance has moved from being city based to being based nationally. Some would even say now that many of the monetary decisions are being made on an international basis. What we will see is a return to cities playing a key role in decision making, and that is the case in Asia, anyway. The Asian cities play a much more significant role in determining their economic focus and direction than do cities in Australia. It is important for us to have a very clear and close relationship with the cities of these countries as well. That is the context in which I work, and I think it is a context that will have very significant implications for us as a nation.

The communique from the mayors is pretty self-explanatory and I do not need to talk to it; I am sure you can read it. However, I wish to highlight a couple of things that have come out of that already. The week before last, I was in Bangkok and Taiwan. With the governor of Bangkok, the city of Brisbane actually signed three agreements. The first agreement will establish a sister-city relationship. However, I wish to refer in detail to the two agreements of greater significance.

For example, Bangkok purchased international traffic management systems that do not work for it, as they were European. As the governor said when I was there, 'We do not want any more traffic consultants. We want partnerships that will give us solutions.' We have therefore signed an agreement to take our technology, which is as good as that

anywhere else in the world—it is no better, but it is as good as that anywhere else—and work with them to adapt it to their needs in a joint venture. Together we will then hopefully market that to the other cities of Asia.

That is the sort of partnership that is starting to emerge in the Asian region, where there are great opportunities for us. We have some of the best technology in existence. What we have to do is get a partnership of private sector and government in this country to work with their private sector and government in joint venture activity. That is a key success. The other joint venture we signed will see us selling our road maintenance technology to them. Our road maintenance technology does not relate directly to Bangkok, but together we can adapt it to something that suits Asian conditions. That is the context in which I wish to speak.

I wish to put on the record a few things that I believe are important for us as a nation. The next century will be the century of the Asia-Pacific Rim. We have not realised that fact in Australia yet, otherwise we would not be having a race debate and Pauline Hanson would not be running around saying what she is saying. We are struggling with our identity into the next century.

Some of the economic figures are frightening. The *Asian Development Outlook* clearly shows that, between 1993 and 1996, these nations had the highest economic development, at about seven per cent, whereas the rest of the world had about 1.5 per cent. The *Asian Wall Street Journal Weekly* stated recently that by the year 2000 Asian economies will exceed those of Canada, the United States and Mexico combined.

We are starting to get some idea of what is actually happening. *Kiplinger's Washington Letter* predicted that by the year 2020 four of the world's top five economies will be Asian—Japan, China, Indonesia and India. Basically, that will make the group of seven, which parades around the world these days, redundant. Forty years ago Asia accounted for less than four per cent of the world's economy. Today it accounts for nearly 30 per cent of the world's economic activity. Greater China—China, Hong Kong and Taiwan—has become the world's fourth largest importer after Europe, the US and Japan.

There is an important issue that we need to grapple with when we see all of that activity going on. I think that often in Australia we overlook the economic and investment impact of the 57 million-odd Chinese who are not living in China. We need to work with that community. A couple of statistics surprised me. Among the foreign investment going into China from 1979 to 1994, Hong Kong Chinese contributed \$76 billion and the Taiwanese Chinese contributed \$9.8 billion. You also have the Chinese from Thailand, Indonesia and so on. It is in that context that we need to look closely at our relationship with these countries, and it is in that context that I wish to make a couple of comments about immigration.

I noticed that yesterday the government decided to cut immigration. I think that is

a rather short-term and foolish decision. The group that went with me to Taiwan consisted of Taiwanese businessmen and women who now live in Brisbane. They have an incredible ability that we do not have to open doors and establish trade, commerce and cultural exchanges. I believe we need to have a policy of encouraging immigration from the Asian countries. We should have a very positive statement that these people—men and women—who are coming, living and investing here are creating jobs and generating incredible wealth. That is one of the things that I think we have failed to recognise.

The current turmoil within our society about Asian immigration is destructive of our relationships. When I was in Bangkok for three days, on each day the *Bangkok Post* ran stories about the current debate here. It ran an editorial about the current debate and the government's inability to deal with it. The leading English newspaper in Bangkok focused on that issue on each day we were there. Let us not kid ourselves that this is not harming us; it certainly is. It is causing a great deal of concern.

I will make a couple of other points that I think are important. At the moment, in all of the Asian countries there is an incredible investment in infrastructure. When you go to Bangkok, you see the elevated light rail system along the waterways corridor, the elevated heavy rail system along the road corridor, and the freeway system. Queensland businesses are currently in Shanghai, and they will see the same sort of development going on there—elevated freeways and underground railways. At the moment in Taipei five mass transit systems are being built underground, in addition to the construction of elevated freeways. The same thing is happening in Kaohsiung.

These countries are linking their trade and economic activity to infrastructure to ensure that they continue to have a competitive advantage. If we wish to deal with them, we need to do the same thing. Under our current economic rationalist trend, we are not building infrastructure and we have a dissected and diluted system. The ports up there are run by the cities and the airports are influenced or run by the cities. They have linked their infrastructure to their future economic activity. I believe we need to look at that issue in this country. They get sick of dealing with us. They do not know with whom they are dealing in terms of freight, ports, airports and the delivery of services.

The second point that I wish to make about that is that they are very good at matching their infrastructure development with their trade policies. We are unable to do that. In Taipei there is a very old export processing zone—free trade zone. It was probably one of the first such zones. It is interesting to see how they have changed that, because it was designed originally for labour intensive activities. Those have moved on to Vietnam, Laos and so on, yet they have been able to keep that zone functioning very well. We need to look at our infrastructure investment to ensure that we relate it to trade and commerce and the deals that we wish to do with them. We are not doing that.

I have already highlighted the role that cities can play. I believe in this country there is an important role that cities can play. Sister cities established after World War I

were directed at trying to improve friendly relations. We have focused our sister-city activity very clearly on business activity. Cultural exchange is not the focus of our sister-city activity. I believe there is an opportunity for Australian cities to make sure that they are at the sharp end of the trade and commerce opportunities that exist.

There are several things that our cities can do. We do many things very well. I think our environmental management is as good as you can get. There is a real emerging need in the Asian countries to realise that short-term economic growth at environmental cost is in the past. Our education and management strategies and processes are things that they really want. I believe that a partnership between the governance sector in this country—be it the Federal Government, the State Government or the cities—and the private sector is very important to give some added credibility to our attempts to maximise the opportunities that exist there.

Those are the main points that I wanted to highlight. The rest is probably in my submission. I wish to conclude with a little parable. You have probably read Robert Hughes' book *The Fatal Shore*, which deals with the early Australian settlement at Sydney Cove. Two and a half years after establishing the settlement at Sydney Cove, the settlers were on the verge of starvation. The soil on the edge of Sydney Cove was no good for growing vegetables and their vegetables were not growing. Their salty old pork and mutton from England had basically been finished or had rotted. They were on the verge of starvation, yet they were on the edge of one of the great harbours of the world that provided incredible resources—rock oysters, prawns, shrimp, sharks and so on. However, they were blind to that fact. Those things were so foreign to them that they could not understand that the greatest source of food was right in front of them. I think that analogy works well for us today.

The Asia-Pacific Rim will have incredible growth into the next century. It will have huge population growth, a massive growth of a middle class and a significant structural change in terms of farming. Here we are on the edge of this harbour of the Asia-Pacific Rim, yet we are blind to the opportunities. If we grab hold of the opportunities provided by improving our relationship with these countries, that is where our jobs and wealth will come from.

I will conclude with two examples. I was lucky to meet the chairman of Formosa Plastics. At the moment, Formosa Plastics is involved in \$20 billion worth of investment around the world: \$5 billion in China, \$2 billion in America and about \$13 billion in Taiwan. The coal consumption of Formosa Plastics is currently about four million metric tonnes per year. In three or four years time, he will want 20 million metric tonnes. That 16 million metric tonnes of coal represents one opportunity—one company. I wonder whether he will buy the coal from us if we continue to act as we are at the moment, without real leadership and a real understanding in the Australian community that this is where our future lies.

It is no longer good enough for us to sit here and allow this debate to rage. We must involve ourselves in a process of education and communication. If we are to survive, grow and have wealth and jobs, this is it. The European community is not available to us. NAFTA has taken out basically the North American countries. This is our home and we must grab the opportunities. If this committee can facilitate and assist that process, it will play a very important role in our future.

CHAIRMAN—Before we ask a number of questions, let us start off with the most contemporary issue. Irrespective of how we see it, it is pretty clear that the Hanson situation is bouncing around all over the place, both within this country and overseas. I have just come back after spending two weeks in Korea and Japan, and I had a similar experience to yours. You said on a number of occasions during your opening statement that while this continues to fester we are going nowhere domestically and therefore internationally. What do we have to do? Let us have the Soorley solution to what we as a country have to do to fix this.

Mr Soorley—I am a great believer that things have to be named. If you name something, you are halfway through the healing process. If you have cancer, it is no good saying, ‘I haven’t got cancer.’ You have to name it. This has to be named. It should have been named from the beginning. The Prime Minister has failed by not naming it and exercising leadership on it. This must be named for what it is—ignorant, racist and stupid statements. I believe that has to be done. That is the first step.

In parallel with that, I believe there has to be a process of trying to involve the community and we must take the lead in terms of education. Instead of handing out kits on all sorts of things that are not relevant, we ought to engage in a process of saying to the Australian community, ‘Look, these are the facts. The trade with Europe has finished. The trade with NAFTA is going to be much more difficult. This is the opportunity.’

Does the average Australian really understand that this is where our trade is growing, that these are the opportunities and so on? When it comes down to a person-to-person level, I think the average Australian is good intentioned and willing to trust and build relationships and is not racist. However, what we have is a campaign of fear that is appealing to people’s insecurities, and for short-term political reasons it has actually been encouraged and has caused massive destruction of the social fabric here today. But that can be healed.

CHAIRMAN—What do you mean by ‘that’? Who has given short-term support to it?

Mr Soorley—The Prime Minister. Very clearly, the Prime Minister has encouraged and supported her. History will judge him for it. When I criticised her about four or five weeks ago, he actually criticised me for criticising her. So he has failed. However, that is in the past, and history will judge him accordingly. History will judge him very harshly

for what he has allowed and encouraged to happen for short-term political gains. Now we must deal with it. We must deal with it seriously in terms of education, involvement and destruction of some of the myths. Immigration does not cause unemployment. Cutting immigration does not reduce unemployment. I suggest that we should have a positive program of immigration, with the right sorts of people coming here, investing and creating jobs.

One Taiwanese businessman in this city has created literally hundreds of jobs through the purchase, reinvestment and improvement of shopping centres. There is incredible new vitality and energy in those community shopping centres. The myths need to be challenged, yet they are being allowed to roll on without any real challenge. My suggestion is: name it for what it is, challenge the assumptions that are ignorant, stupid and racist and then embark on a positive campaign to try to get people to understand, and bring them along with us.

CHAIRMAN—You said name ‘it’ for what it is; you did not say name ‘her’.

Mr Soorley—I have already done that.

CHAIRMAN—Yes, I know. However, do you not think that if you attack the persona of that person all you do, in many ways, is just strengthen her support? I do not think that anybody on this side of the table would disagree that she is dividing the country. She is dividing this country and she is potentially dividing us across the water. That is the starting point. However, rather than attack her as a person, surely we have to attack her policies, which at the moment are non-existent, and we should concentrate on her negative rhetoric and do something about that? Do you agree with that?

Mr Soorley—No, I do not. She has to be removed from the scene as a credible person. She should have been removed from the scene when she opened her mouth a year ago. She has no credibility. She utters cliches, meaningless half-truths and garbage. We have to get her off the scene, and then we have to deal with some of the insecurities that she appeals to—some of the structural problems about jobs and some older people’s anxieties. That has to be done. There are two issues. She and the party that she is establishing have to be sidelined as irrelevant. That should have been done earlier rather than later. Once that has happened, I think we can then get on with the much more difficult issue of trying to educate and involve that 10 per cent or 15 per cent of the community that does feel alienated, left behind and insecure about the future, their jobs and their economic wealth.

CHAIRMAN—Does anybody on this side wish to pursue that issue any further, that is, Hanson and what she is doing?

Mr BARRY JONES—Yes. My concern is that the Hanson phenomenon has not come completely out of the blue. After all, it is a phenomenon that feeds on that sense of

alienation. Various governments—and I have to include the previous government, too—did not do such a crackerjack job in explaining what was happening. So it is not surprising that people felt alienated, left out and so on. She would argue that there is something very profoundly democratic about what she is doing. She is appealing against elites or various kinds; in other words, she is appealing against educated opinion—even the educated opinion of the Lord Mayor of Brisbane—and the educated opinion of the elites of the universities.

This morning, I heard her expressing her view on immigration. She said, ‘It’s all very well for Access Economics to say it doesn’t happen; we know different.’ There is that kind of gut reaction. Part of the problem is that you can have a terribly impressive line-up of people with authoritative knowledge, but the gut reaction is, ‘I reject all of that objective evidence. I’m not relying on evidence, I’m relying on instinct.’

Mr Soorley—That is true, but we have to name that for what it is. What she is espousing is illogical rubbish. That does not mean that it does not appeal to some people; it does. But then we need to engage in a process of discussion, consultation and education. I think that the average Australian is very smart. If you give them the data, for example, that one company’s coal consumption will go from four million metric tonnes to 20 million metric tonnes, they will realise that we do not want half of it, we want 80 per cent of it. The positions that she has been allowed to espouse for political reasons are illogical. I will give you a couple of examples.

Because ATSIC has some problems, she says, ‘There has been corruption and mismanagement of money in ATSIC. Get rid of ATSIC.’ Because there has been corruption and abuse of allowances by senators, she would say, ‘Abolish the Senate.’ Because there has been corruption, abuse and mismanagement of money in the diesel fuel levy, which is now \$1.4 billion, she would say, ‘Abolish it.’ Why does she not ask some of those questions? Why has the government not nailed her for the hypocrisy and double standards? That has never been done. Those are just two examples. ‘We have allowed her to get rid of that one. For short-term political reasons, it’s good. But we won’t say anything about this logic or that logic.’ If that is bowled up day in, day out, people will start to say, ‘This is rubbish. She is actually talking rubbish.’

CHAIRMAN—Of course she is. A lot of what she says is rubbish.

Mr BEVIS—Part of the problem, though, is that her right to speak rubbish was defended at a time when people might have anticipated a degree of criticism, and 12 months down the track when some criticism emerges people have in their minds the other responses. As Jim said, when he points out that she is wrong and calls her what she is, he gets criticised for it by the people who should be supporting him.

CHAIRMAN—The genie is out of the bottle. It is a question of how you put her

back into the bottle. You have suggested some things.

Mr BEVIS—You will not do it by running away from it.

CHAIRMAN—Some of us have not done that.

Mr BEVIS—I know that; I am not speaking about you personally.

CHAIRMAN—In respect of ASEAN in particular, what are you hoping to achieve next year in terms of the Asia-Pacific Cities Conference?

Mr Soorley—The election is now over and we have agreed that we will host it again. We were debating whether we should allow it to go to another country first. We will hold it in September/October 1998. We will have another one. We have started work on that. We thought that in the year 2000 it should go somewhere else. We believe that it is to our advantage to make this thing work. We will hold one biennial and then have two years time out, with the following one being held here. That is what we are planning to do. Next year we will be holding another one. The work has started. It was very successful. A lot of people did not think it would be. A contract for \$1.4 billion worth of coal was signed here. Some of the firms from Brisbane which got involved generated successful business out of it.

The biggest problem we had with the conference was getting Brisbane-based firms to come. Ten days out from the conference, we had about 400 people coming from overseas, about 120 people coming from interstate and about 20 coming from Brisbane. That gives you some idea of the lack of awareness and commitment. I got on the phone and rang people, saying, 'Do you know what's here? Do you know who's coming? You should be here.' Some would say, 'You didn't market it well', but I think it had been marketed pretty well. All of the leading businesses in Brisbane were sent several letters. There were lots of ads and other material. I do not think there was a marketing problem; the problem was a lack of consciousness.

CHAIRMAN—What about your coordination with other capital cities in terms of that conference?

Mr Soorley—There is a conference of capital city lord mayors and we have coordinated it through that. That has worked very well. All the capital cities sent delegations, brought business people and were involved in the conference. As well, I chair the South East Queensland Region of Councils, SEQROC, and the major councils from the region were also invited to participate. They got a lot out of it and were pretty happy.

CHAIRMAN—You talked about Thailand and some assistance that the Brisbane city area will provide in the future. Although it is important to hear about Taiwan and China, let us deal with ASEAN. There was an article in last week's *Weekend Australian*

which is very indicative of the sorts of things you referred to. The article at page 27, titled 'Powering on', is a very good article which highlights inflation and GDP growth rates. Of course, as we all know, we pale into some insignificance when it comes to some of the growth rates within ASEAN. If you are able to talk about it now, what other countries within ASEAN itself might be raised in the cities' conference, for example, the Philippines, Singapore or Malaysia?

Mr Soorley—I guess we have much more limited contact and I have taken a focus, so our contact has been basically with China, Thailand and Indonesia. We have established Brisbane City Enterprises, a company owned by the city of Brisbane which establishes joint ventures with the private sector to bid for work in most of those countries. We have successfully tendered for and we are currently doing work in the Philippines.

CHAIRMAN—Is that the same company that is involved with Brisbane Airport?

Mr Soorley—No. Brisbane City Enterprises is a company established by the city of Brisbane; it has nothing to do with the airport. Its sole aim is to take our technology and expertise which has been developed over a long time and work with the private sector in joint ventures to sell and market technology and services. Brisbane City Enterprises is the company that signed the joint venture with Bangkok and it has done work in Port Moresby, Papua New Guinea, and is now a fair way down the track with planning a new city in the Philippines. That development is being done with the private sector. Brisbane City Enterprises has been established with the sole purpose of establishing such joint ventures.

The airport is a different activity. We established a company to buy the airport when it was privatised and that task force selected Schipol as the operator, the Commonwealth Bank is involved and the port authority has come in. We now have a partnership of the city, Schipol, the Commonwealth Bank and the port which has successfully purchased the airport.

Senator BOURNE—I notice that you have really concentrated on Asia and the Pacific for sister-city arrangements and there is a sister city in Indonesia which is an ASEAN country. What are the advantages for Australian cities developing sister-city arrangements with ASEAN countries in particular and those of the Asia Pacific region in general?

Mr Soorley—The advantages for us?

Senator BOURNE—Yes, for Brisbane.

Mr Soorley—It really depends on the city. In a sense, Brisbane nearly has a whole-of-city government body. We do water, sewerage, and public transport whereas

other city councils do not. There are some real advantages in that we can actually establish partnerships and sell some of the things we have.

I do not see this as an advantage, but as a service. I probably look at these sister-city relationships from an altruistic point of view. I have lived in some Asian cities and towns and I developed an understanding of them over a long time. It is really important to try to establish some win-win relationships that are mutually beneficial. We have had staff exchanges between the city of Brisbane and Semarang, Beijing and Shenzhen. The staff from those cities have worked in Brisbane for certain lengths of time. We have established protocols for that arrangement. Members of our staff have gone to work in their cities. We continue to pay our staff when they are there and they continue to pay their staff when they are here, and the host city looks after the accommodation. That arrangement has worked very well. At the moment there are about nine or 10 senior officials from Shenzhen studying at Griffith University and their practical experience is gained with the Brisbane City Council. We have established that partnership with the university. Those sorts of arrangements are really working very well.

Senator BOURNE—Because there are ongoing personal links which will keep it going.

Mr Soorley—Yes. Hopefully, if they have worked on our water supply system or our waste disposal system or our traffic management system, when they go home and have to buy some of this technology they will at least think of us because they know what we do. Those staff exchanges have worked well and they have been with Semarang, Shenzhen and Beijing.

Senator BOURNE—Do you see financial advantages as well as cultural and social advantages?

Mr Soorley—Yes.

Senator BOURNE—Do other cities do that?

Mr Soorley—I do not think so.

CHAIRMAN—Brisbane city is better equipped than most to do this. Take, for example, my city of Toowoomba which has a sister-city arrangement with Takatsuki in Japan. Quite obviously, the Toowoomba City Council cannot provide the sort of infrastructure and technical and/or academic assistance that Brisbane can. How can some of the smaller cities contribute to the overall tapestry of the sister-city relationships?

Mr Soorley—I think they play an important role in putting in some of the detail. People come here, they feel comfortable, there is a sense of welcome and there are exchanges of culture through song and dance. All of those things are important in creating

unconscious communication, because a lot of communication is, in fact, unconscious. It is important that members of a dance group or a school marching band from another country can spend a few days here, feel welcome and comfortable and go home and talk about that experience. In the last few years of Warana, a city or country became the focus of the festival. When Warana focused on Indonesia, 300 Indonesians came to Brisbane and participated to make the festival really work. Those sorts of exchanges fill in the detail.

Mr BEVIS—Warana being the annual spring festival?

Mr Soorley—Yes.

Mr BARRY JONES—I apologise for being late. I wanted to raise the Cities of the Asia Pacific Conference communique and I note that 29 heads of government were present. What were the implications of Taiwan being present and the People's Republic of China not being present, because obviously you have links with Beijing and Shenzhen? Did you have some discussion or difficulties with the Chinese over the Taiwan issue and have you come out ahead over it?

Mr Soorley—If you want me to answer that, you will have to make the journalists go. Then I will answer it honestly.

CHAIRMAN—Would you mind leaving for a couple of minutes? Thank you.

Evidence was then taken in camera, but later resumed in public—

Mr Soorley—That information will be kept confidential?

CHAIRMAN—It is on the record, but it is confidential. We can use it in a sense.

Mr Soorley—If you like, we could have it typed up and I will read it, maybe clean it up a bit and put it on the record.

Mr BARRY JONES—I think that would be highly desirable.

CHAIRMAN—You will get a copy of the in camera transcript anyhow.

Mr BEVIS—With the sister-city arrangements, does the city get any assistance or advice from any Commonwealth department or agency? Is there any role that you can see the Commonwealth playing to either assist in Brisbane's activities or to encourage other like agreements, given that they will not be as extensive as Brisbane's because of Brisbane's unique position?

Mr Soorley—No, we do not. There is an annual meeting of sister cities, although I never bother going because a lot of it is froth and bubble and is not substantive. It could be a useful sort of activity to try to get some more substance to it. When the conference was on, the Commonwealth finally did come around a bit, but we did not get a lot from it. We invited the Prime Minister to open the conference and the Deputy Prime Minister, Tim Fischer, attended. At that level we did get a bit of support. It could be useful to look at a strategy. The Commonwealth might see a need to develop some strategies so that sister-city arrangements are not merely a froth and bubble exercise. The Commonwealth could offer help to actually put some substance to them.

Mr BEVIS—I would have thought that foreign affairs, Australia Industry and those sorts of schemes in the industry portfolio could have plugged in to both support and encourage the projects. Obviously they have not to date.

CHAIRMAN—That is why I asked about other cities. In some ways, it can be counter productive if there is no coordination involved, which is basically what you are saying: there should be some sort of national coordination. Is that right?

Mr Soorley—Not so much coordination, but the development of a strategy to assist cities so that we can say that these are some of the strategies that could be used to make the sister-city relationship have more meaning. Kaohsiung has 20 sister cities and it is all political for them. Nice had 27 sister cities at one stage; I think that Brisbane was the 27th sister city. We could work out some strategies so that we can use the relationship between cities to our advantage.

CHAIRMAN—Coming back specifically to ASEAN, are there any other initiatives that you would like to see that so far have been untapped or have not been looked at?

Mr Soorley—I have not really thought about it too much. We have tried to develop our involvement in a systematic way so that we could do the most good. I have some history in our involvement with the Philippines, but I have been reluctant to do too much there because we might get confused in the politics of it.

Mr BARRY JONES—When you are having discussions at the mayoral level, to what extent are you really talking about trade and protocol—or are you just being conventionally pleasant? To what extent is it possible to get engaged in fairly serious issues about politics, cultural issues and the broad direction in which things are going? Do you find that they are anxious to engage in discussion on such issues? Do they impose limits on how far they want to go or how far they want to talk?

Mr Soorley—I think it depends on the individual. With meetings involving city leaders, there is a lot of informality. Things happen that national leaders do not and probably cannot do. For example, you have to drink with them, drink for drink.

Mr BARRY JONES—Is that a problem?

Mr Soorley—I assure you, sometimes it is! At a level involving presidents and prime ministers, it is more ritualised in that they have two toasts. At my level, you can actually discuss a lot of those issues and that certainly happens.

CHAIRMAN—Thank you very much. You have been most helpful. Mr Hale could not be here today and we may want to go into a little more detail about BCE's activities. That could be helpful in the overall strategy.

Mr Soorley—BCE has only just been established and Mr Hale has only just come on board. He has just returned from a trip with me, so he could not be here. If you would like some more information, we would be happy to ensure that he prepares something for you. We are experimenting with a model. In this year's budget, the BCE will be allocated about \$270,000. Next year it will be allocated more to cover a full year's activity. Our projections are that by year 3 we will be making money. If we get one good contract, we will be well ahead.

CHAIRMAN—We have not got anything in writing from BCE. Could you take that on notice? We do not want Mr Hale to go to too much effort, but it would be helpful if he could give us a broad outline of what it is all about in budgetary and strategic terms. That will be very helpful. We stand adjourned until tomorrow morning at 9 o'clock.

Subcommittee adjourned at 4.19 p.m.