



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

## SENATE

FOREIGN AFFAIRS, DEFENCE AND TRADE  
REFERENCES COMMITTEE

**Reference: Economic, social and political conditions in East Timor**

MONDAY, 6 DECEMBER 1999

CANBERRA

BY AUTHORITY OF THE SENATE

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**SENATE**  
**FOREIGN AFFAIRS, DEFENCE AND TRADE REFERENCES COMMITTEE**  
**Monday, 6 December 1999**

**Members:** Senator Hogg (*Chair*), Senators Allison, Bartlett, Bourne, Brownhill, Lightfoot, Quirke and West

**Participating members:** Senators Abetz, Bolkus, Boswell, Brown, Calvert, Chapman, Cook, Coonan, Crane, Eggleston, Faulkner, Ferguson, Ferris, Forshaw, Gibbs, Gibson, Harradine, Hutchins, Knowles, Mason, McGauran, Murphy, Parer, Payne, Tchen, Tierney and Watson

**Senators in attendance:** Senators Brownhill, Eggleston, Forshaw, Hutchins, Lightfoot, Payne, Quirke and West

**Terms of reference for the inquiry:**

- (a) economic, social and political conditions in East Timor including respect for human rights in the territory;
- (b) Indonesia's military presence in East Timor and reports of ongoing conflict in the territory;
- (c) the prospects for a just and lasting settlement of the East Timor conflict;
- (d) Australia's humanitarian and development assistance in East Timor;
- (e) the Timor Gap (Zone of Cooperation Treaty); and
- (f) past and present Australian Government policy toward East Timor including the issue of East Timorese self-determination.

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**Committee met at 9.41 a.m.**

**WHITLAM, the Hon. Edward Gough (Private capacity)**

**CHAIR**—I declare open this public meeting of the Senate Foreign Affairs, Defence and Trade References Committee which is inquiring into East Timor. I welcome to this hearing the Hon. Gough Whitlam. For the record, in what capacity are you appearing today?

**Mr Whitlam**—As elder statesman.

**CHAIR**—The committee prefers all evidence to be given in public, but should you at any stage wish to give any part of your evidence in private you may ask to do so and the committee will consider your request. The committee has before it your submission. Are there any alterations or additions you would like to make to your submission at this stage?

**Mr Whitlam**—No, thank you.

**CHAIR**—All the documents which form part of your submission have been made public by the committee, except for some extraneous material, irrelevant to East Timor, contained in records of conversation between yourself and President Suharto. However, we have left in other records which show that East Timor was not discussed in particular conversations with Indonesian leaders. I now invite you to make an opening statement and then we will proceed to questions from the number of colleagues who have shown up this morning.

**Mr Whitlam**—Thanks, Chairman. Last Thursday, 2 December, I flew to Brisbane to celebrate the election of the Goss government 10 years previously. My government was elected 17 years earlier, and I was reminded that John Howard and Philip Ruddock are the only members of the House of Representatives who were members when I was. Yesterday, many senators were with me in Ballarat. We were celebrating the massacre in that city 145 years ago. That massacre led to the election of a Legislative Assembly in Victoria and the first representative government in Australia. I was reminded that when your committee first sat there were only two senators who were in parliament when I was: Mal Colston and Brian Harradine. Now there is only Brian Harradine. On the way up to Brisbane I had the rare opportunity of reading the *Courier-Mail*, and I was struck by one item which said, ‘It was revealed that former Prime Minister Gough Whitlam would face a Senate inquiry into East Timor on Monday.’ Here I am.

I thank you for your words of welcome and I thank the secretary particularly for sending me the 1983 report of the Senate Standing Committee on Foreign Affairs and Defence, entitled *The human rights and conditions of the people of East Timor*, and my public evidence to that committee, and also five written submissions to your committee which I had sought from you.

I would make the observation in opening that we are meeting in the last month of the 1900s. The kingdom of the Netherlands transferred complete and unconditional sovereignty over the Netherlands East Indies, except West New Guinea, to the Republic of Indonesia on 27 December 1949. The Philippines had become completely independent of the United States on 4 July 1946, and India and Pakistan had become independent dominions in the

Commonwealth in 1947. Thus, North Atlantic imperialism was doomed in the Indian and Pacific oceans 50 years ago. On 20 December this year, China resumes sovereignty over Macau, a Portuguese colony since 1557 and the last European colony in the whole of Asia.

From 1950 to 1972, coalition governments in Australia took no effective steps to end European colonialism in the Indian and Pacific oceans. Portugal never took steps towards self-determination in Macau or East Timor or its African colonies. Not for the first time, Australia has been expected to clean up the mess created by Europe's imperialists in our region. Professional Australian electoral officers and soldiers have been mainly responsible for creating a new nation in our region. The Sherman inquiries have exorcised Australian journalists of their demons over Balibo. This committee can exorcise the devout Right and the rabid Left of their demons over East Timor.

The four most populous countries in the world—China, India, USA and Indonesia—lie to our north, north-west and north-east. The last three are democracies in our sense—that is, they have civilian governments which can be re-elected or replaced at regular intervals. Members of the Australian parliament, on both sides and in both corners of both houses, must try to understand the politics of those four large nations.

I concluded my major submission on 26 March this year by urging the enactment of the International Covenant on Civil and Political Rights, the ICCPR, which came into effect generally in March 1976. The Fraser government took no steps to enact it. Lionel Bowen persuaded the House of Representatives to pass the necessary bill, by 74 votes to 56, on 14 November 1985. Under pressure from the Burke government—it used to operate in Western Australia—the Hawke government discharged the bill from the Senate *Notice Paper* and it did not go back to the House or receive assent. The Keating government did not introduce such legislation, and the Howard government has taken no steps to do so. Both sides of politics, I submit, in this parliament need to support a bill to enact the ICCPR.

I draw a comparison: action against racial discrimination against migrants and the original custodians of this country has depended totally on the fact that my government in 1975 enacted the International Convention on the Elimination of All Forms of Racial Discrimination. It does not depend on the 1967 referendum. It depends on a United Nations convention having been enacted into Australian law, and Australian elected persons and officials are compelled to comply with that international law by Australian courts. If we enact the ICCPR, then our parliament will encourage democracy in all the countries in our region and will secure it in both houses of the parliament of Western Australia, the only legislature in Australia which is not democratically elected, which does not comply with the best international standards.

In December 1989, the General Assembly adopted the second optional protocol for the ICCPR, aiming at the abolition of the death penalty. Bangladesh, China, Indonesia, Japan, Malaysia, the Maldives and Pakistan, in our region, voted against it. In the Americas, the United States alone voted against it. China and the USA remain the most bloodthirsty countries in the world. I am happy to state that in this great forum today. On 27 November this year, the death penalty was abolished by the United Nations representative in East Timor. East Timor has started well.

I conclude by expressing my hope that it will not be long before presidents of Indonesia and prime ministers of Australia can have as candid and far-reaching discussions in each of our countries on all the matters that concern our region, and as I was able to do when I was Prime Minister. Thank you, Chairman.

**CHAIR**—Thank you very much, Mr Whitlam. One of the questions that has been raised by a number of people submitting to this inquiry has been that in 1975 we could have avoided the last 25 years of what has happened in East Timor by being proactive in our role with Indonesia and we could have stopped them by being very blunt diplomatically, or some have even advocated that we should have used force. What is your response to that?

**Mr Whitlam**—I am aware of that supposition. I have given you the complete documents of all the meetings I have had with President Sukarno over breakfast, the future President Suharto after that breakfast in August 1966 and with President Suharto on many occasions, once in this country. In 1973 I went immediately after visiting our other immediate neighbours, New Zealand and Papua New Guinea. That was in February 1973. I also spoke to him in Central Java, in Yogyakarta and Wonosobo in September 1974. I spoke to him in Townsville and neighbouring regions in April 1975. I am very happy indeed that after the consultation, I suggested to you and Senator Brownhill, after I had written to the secretary, that the minister, Alexander Downer, has agreed that all those documents can be declassified. That is what I have wanted all along.

To be specific, at the meeting in Townsville I was speaking on many other matters and I believe that you are releasing the subjects that were mentioned in the five sessions we had. Only one was predominantly devoted to East Timor.

We did in fact spend most time on Vietnam, which was just about to be liberated—and inevitably amalgamated a couple of years later. But there have been suggestions that in effect we could have sent troops in. That is, we could have invaded East Timor. You will notice that after the Portuguese had abandoned East Timor, one of their ministers called on me and put the same proposition that had been put by Prime Minister Salazar to Prime Minister Menzies—that there should be a condominium between Australia and Portugal over East Timor. I gave him the same answer that Menzies gave to Salazar: the people of the territory would not contemplate it; the people of Australia would not contemplate it either. I gave exactly the same reply as Menzies had given in correspondence in 1963 and 1964 and as, also in 1964, his government had given to representatives of the Portuguese government.

There have been suggestions that perhaps one should have communicated with other leaders in the area. Before I became Prime Minister, I had met the leaders throughout South and East Asia, except the Koreas, Taiwan, Bhutan and Nepal. I did in fact meet Lee Kuan Yew, the Prime Minister of Singapore. On 9 August 1975, that is, before Portugal had abandoned the territory. I asked whether we, as members of the five-power agreement and the Commonwealth, and as neighbours of the area, should confer about it, and he would not have anything to do with the proposition.

I remember it very clearly because I stayed overnight at the Istana Negara, his headquarters. I had gone up on a trial flight of the Concorde. It was stranded in Singapore and I had to come back commercially and, as often happened then, he said, ‘Would you stay

with us?’ It was easier to supervise somebody if you stayed with them, and I discussed this matter.

Later, in October, in the Old Parliament House, I twice conferred with the Prime Minister of Malaysia, Tun Abdul Razak. I mentioned it to him and his response was entirely the same; that is, the people with whom we were associated in the Commonwealth and in the five-power agreements would have nothing to do with it.

I noticed that evidence has been given of subsequent conversations here. I have made a point of sending, in my substantial submission to you dated 26 March last, a list of all the people who were with me on all these visits and where they were staying. The amazing thing is that people give more attention to people who leak documents than to the full range of documents which have not been leaked. Leaks from the department of foreign affairs did not originate in the last few months. They have in fact gone on for several years. They even took place under my government—selective ones. If documents are leaked, they have greater authenticity than the full range of documents. I have gone to some pains to show you all the documents that the department and I can find, and there is only one we cannot find. The search was made for that a couple of years ago—a bit over, actually; it was when I was writing my latest classic which came out in July 1977. The deputy secretary looked everywhere for it, and he was the one who took all the minutes.

Many people who have commented on these documents in conversations got all the records. I saw to it that they did. Maybe they did not read them. But there were seven people in Foreign Affairs, there was the head of JIO and there were the heads of the departments of PM&C, Defence and Foreign Affairs. I have not put it before you because it is too much to read, but if you want to get all the details, in *The Whitlam Government* which came out in 1985, I stated the efforts we made right up to November to get all three contending parties together. I must let you ask more questions. The point is, as I said in that book, we could have made big fellows of ourselves by saying, ‘Supply is being held up and we are in a crisis. Let us have a war.’ That is what is being urged now. We could have sent troops in.

**CHAIR**—Thank you, Mr Whitlam. I just have one other question before I pass to my colleagues. In the nature of our relationship with Indonesia over the last 25 years it has been said we have been very compliant, subservient and a second-grade partner in the relationship that really has been dominated by Indonesia and that we have in effect kowtowed to the giant nature of Indonesia itself. We have been bluffed, if you like, into succumbing to their every whim and wish. How would you characterise, from your experience, our relationship? Was it a mature relationship in your experience and how do you think our relationship should develop into the future?

**Mr Whitlam**—In my time, it was a mature relationship and for the first time. I was the only Prime Minister that had ever visited there more than once. Since that time, Malcolm Fraser went a couple of times. Hawke went once and Keating many times. I have lost track of all the foreign ministers we have had since 1952 when I was elected to the parliament or since 1949. I can remember Evatt who never visited Indonesia as foreign minister or as leader of the party. I can remember Percy Spender. I do not think he visited Indonesia. I may be wrong. But he conducted a crusade against Indonesia until Menzies sent him out of harm’s way to the United States.

The only foreign minister that has had a substantial relationship is Gareth Evans with Minister Alatas. Paul Keating knew him very well and Suharto as well. The only persons, prime ministers or foreign ministers—and of course I was foreign minister for the first year that I was Prime Minister and I would act during the numerous absences of my foreign minister—who have had a substantial relationship with their Indonesian counterparts are Whitlam, Keating and Gareth Evans.

There has been an amazing change since the committee was set up and in fact it had started before that. It was brought about by the financial crisis affecting all those countries and the extraordinary environmental crisis that there was in Indonesia. The second president resigned and the next president was a very considerable technical person—engineering and all that sort of thing—but one would not say that he was experienced in foreign affairs. He floated the idea that perhaps Indonesia should just cut its losses as Portugal had and abandon the territory.

I have never met the present president, Mr Abdurrahman Wahid, Gus Dur, although I did get a letter from him last February to which I responded. I do not remember meeting the third president. The fact is the present situation was precipitated by environmental and financial crises in Indonesia. The Australian parliament has reacted to those. I make no criticism of the Prime Minister or the foreign minister or even the defence minister because there have been people on my side of politics who have been equally ignorant and irresponsible.

We must quite steadily bring about the situation where you can have rational and regular discussions with all your neighbours. We ought to be able to do that. It may take some time but, keeping things in perspective, that is the way. It is absurd that the UK and the US have encouraged us to look after the baby and it is not the first time they have done it. What has Britain done in the present circumstance? It has sent in Asian mercenaries. The Gurkhas are great fighters, but you can scarcely say that they are independent Asians.

What happened in Somalia? We went in there at the behest of the Americans. We do have a very good army. When I was in parliament I represented more people in the Australian Army than any other person has ever represented and I respect them. Lance corporals voted Liberal and the lieutenant colonels voted for us. They are a good army. Some of the officers I know that are in East Timor now were in Somalia. They realise that the Americans left because nothing had been left in Somalia. Something has been left, but not enough, in East Timor.

**Senator BROWNHILL**—The chairman earlier mentioned the 30-year rule. I know the chairman is going to make some comments about that by the end of the hearing. You mentioned the three powers earlier and the fact that you basically wrote the same letter as Menzies wrote about East Timor. Would that have been predicated somewhat on Department of Foreign Affairs and Trade at the time having the same point of view? Obviously, you would have written your own letter.

**Mr Whitlam**—No. When I wrote letters, obviously I would set the general tone, but I would want advice from my relevant colleagues and from the department. You will notice that I did not write letters until late in 1974 and 1975. The one that I wrote late in 1974 has

been lost. There is a note from my foreign minister thanking me for having sent him a copy of the letter, but I do not think I sent any other letters until February 1975, when Ambassador Woolcott was to present his credentials and I said, 'Would you give this letter to the president?' Then later, I sent a letter to the president—I forget the exact date, but I think it was about 7 November, wasn't it?—through the Indonesian ambassador, Her Tasning, who had been here many years. He was going home on leave, and I had a discussion with him. I gave him a letter to give to President Suharto about the five people who were killed in Balibo.

Those are the only letters I have written but, of course, I think my conversations and my discussions were fuller than those of any of my predecessors or any of my successors, except Paul Keating. The situation is that when I became Prime Minister, the secretary of my department had been the secretary of the department under Menzies and ever since. That is, from the time of the Menzies-Suharto correspondence, the secretaries of the departments of Defence and of Treasury had been heads of their departments under all of Menzies' successors—I think Holt, but certainly Gorton and McMahon.

They all took the attitude that Barwick took—and I have said a lot of things about Barwick as Attorney-General, but I did say that he needed to be, and he proved to be, a better foreign minister than Attorney-General. The analysis that Barwick put to the Menzies cabinet was mainly based on information given by our consul, Jim Dunn, who was there for a year and a half. You will notice that Barwick's analysis, and the analysis which I got from all the departmental secretaries whom I inherited, was exactly what Salazar said to Menzies and what the Menzies government believed: that East Timor was non-viable politically and economically. That was my view.

I only started to change my view after 1974. You will remember that Barwick said there was no hope of a change of attitude in Portugal until there was a change of government. Salazar was incapacitated and was succeeded by Caetano. On Anzac Day in 1974, there was this Carnation Revolution in Lisbon and Caetano, and the president were rusticated or relegated—the Latin term, therefore, the Portuguese term—to Madeira.

At that time, there was a change. The Portuguese all decided to get out of all their colonies. They handed over to Frelimo in Mozambique and the corresponding body in Angola and also, I think, Guinea-Bissau, Equatorial Africa and Sao Tome and Principe. In Timor, they then fled in August—I think it was the 26th—in the dead of night in a landing barge to Atauro. They left all the weapons to Fretilin. Fretilin was then able—with a few bazookas and even cannons and machine guns—to clean up the other parties who only had hand guns, because they had been people in the police and customs who had been spurred on by Taiwanese merchants in Dili. So you then had the situation that Fretilin took over. Before long, they said, 'Oh well, let's do what Frelimo did. We needn't worry about elections. We'll take over.' From then on, you know what happened.

Some members of the parliament went from our caucus in 1974. John Kerin was their leader. Another one or two went over, but with no sanction from the caucus, in about September. They were carried away by being addressed as senator, as if they were US senators who do make foreign policy.

On my later visits to Indonesia, I would be received by the President. Our ambassadors were very pleased that I was able to get in because another country only takes notice of you if the head of state or government visits. Then they pull out all stops. Foreign ministers do not cut that much ice, let us face it. In 1982, there had not been as many discussions between foreign ministers and prime ministers as I had been able to have. They were very happy because then they were able to get in to see the acting foreign minister and the President.

The same thing happened later on when I went there in the time of Ambassador Morrison. As you realise, I was talking about international conventions, as you would expect me to be doing. We brought something about there. I was able to get in to see the President and our ambassadors were very pleased, because it was the best opportunity they had of a discussion in depth with the President.

**Senator BROWNHILL**—To visit a foreign country, you usually go on invitation saying that you are willing to visit. How many other invitations did you have that you did not accept?

**Mr Whitlam**—I do not think I had any invitations. The 1982 visit, which was the first subsequent visit I made to Indonesia, was at the suggestion of the Red Cross because my government had given what now look like very minute sums, but which were very considerable sums in those times, for the Red Cross. Until the invasion took place, the day after President Ford and Secretary Kissinger were told that it was about to take place, the Red Cross provided the only medical services in East Timor with Australian funds.

The man that I had seen when I was in Melbourne, during the last of the constitutional convention meetings that took place then, was André Pasquier who was the International Red Cross representative in Indonesia and East Timor. He came with Leon Stubbings whom I had known as the head of the Australian Red Cross for many years. Pasquier said, 'I've just come from East Timor and I know that there are 40,000 people who fled into West Timor from Fretilin.' In those terms, 40,000 people was as many as a million Australians getting out of Australia.

Pasquier and Stubbings asked if we could help them with tents, food, medical supplies and radios in West Timor. We sent a RAAF aircraft there. We had sent the Portuguese minister, Almeida Santos, by a RAAF aircraft to East Timor when they still had people there, because we wanted them to do their job to get all the parties together.

When you mention the invitation in 1982, that came to me from the Australian Red Cross. I flew to Darwin and paid for myself to go to Bali. Then the Red Cross paid for me to go to Dili. Their representative there—not the international one, but the one in Indonesia—drove around the territory in Red Cross jeeps and helicopters financed by Australia. We landed where we wanted in the helicopters. We drove where we wanted in jeeps, all around the territory. I have given you my itinerary.

Before going there, in Bali I had met the International Red Cross people who had just been around the territory and I was briefed by them. When I finished there, I went out through Kupang from Dili—I think it was a Friendship—and then to Jakarta.

I met the acting foreign minister, Panggabean, and the Apostolic Pro Nuncio Puente, who now is the nuncio in Britain, and Suharto. You have the conversations there in full because I asked Bishop Brennan of Wagga Wagga—they say he is the next Cardinal Archbishop of Sydney—to send these to Puente. It was August and he said that everyone was on holiday. I had given them to him to try to get them to Puente and I have given them to you. You will notice what Puente said and you will also notice it was because of what the Senate committee found at that time, from both sides, that the apostolic administrator bishop was recalled and Belo was sent.

**Senator BROWNHILL**—You say that you go on invitation after saying that you are willing to visit. You visited a few times, Fraser once or twice and then Hawke.

**Mr Whitlam**—They went as Prime Ministers.

**Senator BROWNHILL**—And then Mr Keating visited a lot more than anyone else? But that may be because he was tied up in commercial interests as well.

**Mr Whitlam**—I do not think he was at that time.

**Senator BROWNHILL**—No, he was not at that time. All I am trying to say then—

**Mr Whitlam**—I should say that on subsequent visits I told our ambassador—Dalrymple I think was still there. The next time I went, I told Morrison because he was a colleague of mine and then I went in there on the way from UNESCO. We got them into the World Heritage Committee.

**Senator BROWNHILL**—The point I am trying to make is that if you obviously become very interested in a country, whether it is commercial or otherwise, you visit more times.

**Mr Whitlam**—Yes.

**Senator BROWNHILL**—You would make numerous visits to the United States and obviously to Europe.

**Mr Whitlam**—If the opportunity arises, yes.

**Senator BROWNHILL**—When the opportunity arises.

**Mr Whitlam**—For instance, I told Dalrymple and I told Morrison that I was coming through there. Then they followed up and asked, ‘Would the President like to receive me?’ and he did. During the 1990s I would have had about four or five visits to Vietnam. Those invitations came because people were interested firstly in town planning through UNESCO in Hanoi, so I went there then. If I am going somewhere like China I would go through the Philippines because in the Philippines I have met every president since 1945, except the present one.

**Senator BROWNHILL**—The chairman asked you questions about being compliant and subservient to Indonesia. I did not quite get the answer that you gave in regard to that. We

are talking about a period of over 20 to 30 years. I would not say that Australia has been subservient in the last year or so—

**Mr Whitlam**—That is right.

**Senator BROWNHILL**—or more. How has that changed?

**Mr Whitlam**—I am not sure if I heard all your question.

**Senator BROWNHILL**—The question was on being subservient and compliant to Indonesia. How has that changed and when has it changed?

**Mr Whitlam**—I think it was in the first substantial submission I sent you, on 26 March, that I explained how I became interested in it. In the last few months of the war I was in the Philippines, and in 1974 I had visited the two extremities of the Dutch East Indies, Merauke and Hollandia, as it was then called. I could see the conditions there. In the Philippines I also noticed the conditions because the Americans had done a considerable amount in education and in health.

When I was in the parliament I was not the only person who had served overseas. In our caucus there were two people, Justin O'Byrne and I, who had served overseas in the Second World War, and there were three—two in the Senate and one in the Reps—who had served in the Boer War, but when I was in the caucus there were none who had served in the First World War. There were a lot of other people who had served, but I happened to be serving in this area, as a navigator. Therefore, I knew the geography and the topography, that is, where the high mountains were, for instance, in West New Guinea. I knew those things, I knew the whole of New Guinea and halfway across the Dutch East Indies to Sumba, and then I knew the northernmost island where we would all go on the way to or from the Philippines. So I was interested in it and I realised that the Japanese had destroyed the European empires; they could never be re-established. I knew the conditions, say, in West New Guinea, and on Morotai, the northernmost island, and the Dutch had done nothing. I flew alongside Timor and Flores, but not over them.

Some people said I had dropped pamphlets there. We did not. I dropped a few bombs—well, we did—between Australia and West New Guinea and in Sumba and so on, but not pamphlets, for a very good technical reason: you flew very low. Because we had very steady planes we could fly low, and therefore fighters could not dive on you or they would dive into the sea. People on radar, as you know, with that straight line, would not see you if you were flying low. So I knew that empires had had it, and right from the beginning, from the middle 1950s onwards, I pointed that out. It was my good fortune that I served there and knew where the places were and had seen some of them, particularly the Philippines, where the Americans had accomplished something.

**Senator WEST**—I am wondering how real were the concerns and whether they were shared by everybody. In 1975 you were being asked questions by both Doug Anthony and Malcolm Fraser about the potential of—

**Mr Whitlam**—A communist state on our borders.

**Senator WEST**—Yes. How realistic were those concerns? And, with 25 years hindsight, what do you think of those assessments now?

**Mr Whitlam**—As you know, I think that both Doug Anthony and Malcolm Fraser have improved immensely in the meantime. Malcolm and I have appeared in Queens Hall in the Victorian parliament in a good cause and I appeared with Doug Anthony in a good cause in the Sydney Town Hall. I am not wanting to make the point, but it did not help that you had the Leader of the Opposition and Prime Minister in waiting and the Deputy Prime Minister in waiting, Malcolm Fraser and Doug Anthony, stirring up that we were allowing a communist state to be established next door to us.

I was hoping that you would all look up *Hansard* on these things because there is nothing like getting contemporary documents, or going to the sources at the time. If you look at what I said then it is pretty rational and relevant. I pointed out that Fretilin had communist influence in it, but they were not all communist; it was wrong to say they were all communists. The communists were strongest in Fretilin, particularly when the Mozambique people came there, but it is wrong to say they were all communists. They were thugs, make no mistake about that—to have 40,000 people fleeing from you after a civil war which took no longer than three weeks shows that—and a lot of people said at that time, ‘We’d rather be with Indonesia than be under Fretilin.’ That is the fact.

It is not only that. As you know, if you want to know what a party is doing, you see what the whip asks because whips never ask questions unless they are put up to it. The position has deteriorated so much now, as I understand, that nobody asks a question on either side of either house without the whip giving permission. Things were rather more relaxed or creative in our day. You will have noticed that Willesee was advised by the secretary of his department to contradict a newspaper article about reports of alleged spying activities by our de facto consul in Timor, Mr Frank Favaro. Willesee arranged for the Government Whip to ask him a question without notice and responded that Favaro did not represent the Australian government in Timor in any capacity whatsoever and was a private citizen. Afterwards the secretary and the minister were informed that Favaro owned not only the hotel in Dili but kept an aircraft with Australian registration at Dili airport and was employed by ASIS. I got rid of the head of ASIS.

But then you look at what the Liberals did. You look at what Dudley Erwin asked. He was the owner of Craigs Hotel in Ballarat—where the massacre occurred, you would remember, 145 years ago. I did not stay there on Saturday night, I stayed at another, boutique hotel. Dudley Erwin, the Liberal whip, was put up to ask questions of me, and of course Malcolm Fraser and Doug Anthony did. What happened was that, when they took over the government of Australia, there was the impression in Jakarta, ‘You now have a government in Australia which says that East Timor is communist, it is under communists.’ Fretilin issued a UDI—unilateral declaration of independence—and called themselves the Democratic People’s Republic of East Timor. That is, they used the terminology of North Korea or East Germany and the others. What is the inference?

Some of the generals were telling Suharto, ‘Look, you should not stick to what you told Whitlam. You have now got a Prime Minister and a Deputy Prime Minister installed who say that East Timor is occupied by Fretilin and they are communists.’ So it did not help. But

I would rather be content with saying what happened when the Indonesians did invade—paratroops and marines landed there the day after Ford and Kissinger were told that they were going to land.

I have reminded you there of what Kissinger said when he was over here last time. After a lunch, the press were badgering him about East Timor and he gave the answer, 'We did not want to get into a blue with Portugal.' The Cubans had gone into Angola, which was Portuguese, and so on, and he said, 'We just thought it was like Goa.' As I have told you, two Goanese priests that I saw in 1982 thought that was what would happen.

I reject the idea—I do not believe it—that Paul Keating had any commercial aspirations in mind. And the former Labor Prime Minister, Bob Hawke, who is a considerable tycoon now, visited there only once and I do not believe he had any such ideas. But something that people do not realise is that there was a bit in it for us to collaborate with the Indonesian armed forces: in my day we carried out a complete aerial survey of Indonesia, and we knew more about the geography of that archipelago than the Indonesians themselves knew.

**Senator LIGHTFOOT**—Mr Whitlam, governments from the Menzies governments right through to yours and the Keating, Hawke and Howard governments seem to agree that the annexation of East Timor by Indonesia—remembering that East Timor was part of Portugal or a Portuguese colony and not part of the Dutch empire in that area—was the best thing for it. It may not have been said publicly as clearly as that but the inference, even if it was not public, was that that was the best thing for East Timor. Given your evidence this morning that Fretilin was perhaps dominated by communist ideology at the time—

**Mr Whitlam**—Strongly influenced. I did not say 'dominated'.

**Senator LIGHTFOOT**—Strongly influenced—I appreciate your correcting me, thank you. Was the dominant reason behind it that we thought we would appease the large neighbour on our northern doorstep and at the same time we would stop the advance of communism into that part of the world?

**Mr Whitlam**—There is no doubt that the Indonesians were obsessed by the possibility of communism. You would notice that I, in my discussions with President Suharto, discounted that. I said, 'Some people have the idea that communists in Australia would be supplying weapons to East Timor. They have not got the resources to do it. The communists have no direct representatives in any Australian parliament.' I do agree that there was probably in our caucus a senator who had tickets in the Communist Party as well as in my party.

**Senator LIGHTFOOT**—But there were sympathisers in your cabinet or in your ministry.

**Mr Whitlam**—They would be aware of the communist point of view. What you have to consider is who visited Bucharest. Bucharest was the point of contact for trade unionists and politicians who were wary of going to Moscow. You can carry out the research on that yourself; I do not want to be more specific. Everybody favoured relations with Bucharest: the British government, both sides, and the Americans—

**Senator LIGHTFOOT**—That was former president Ceausescu.

**Mr Whitlam**—We never had any contact. The first political leader in Australia who had contacts with Bucharest was Burke, from your state, but no other leader. Ceausescu visited here for the bicentennial. I had this out with Bob Hawke a couple of months ago when I came back from Bucharest, and he said, ‘Yes, Burke invited him.’ I have given you a clue for your research in this business: which senators had visited Bucharest at our time or later? They did not go with the authorisation of the caucus or of any faction. Of course, factions were not as strong in my day—I got there on my merits.

The reality is that the Indonesians, particularly under Suharto, were obsessed with communism. I had to hose down the idea that the communists dominated Fretilin or that China had an interest. After all, my government had established diplomatic relations with China and we were in a better position to know about it than any previous Australian government. The leaders of my party—Chifley, Evatt, Calwell—had never visited China nor, in parliament, did they ever visit Indonesia. Evatt never visited Papua New Guinea; Calwell used to visit the Chinese restaurants in every part of Papua New Guinea. From what I knew of China—and I knew more than any other political leader—it would not be interested in East Timor.

**Senator LIGHTFOOT**—But there were members of your ministry or your cabinet that certainly had some sympathy towards Fretilin. Is that correct?

**Mr Whitlam**—Yes, there were.

**Senator LIGHTFOOT**—Given that, then, Mr Whitlam, what do you think of the recent discovery of papers in Cambodia showing that Jose Ramos Horta visited the Pol Pot regime during that awful period of 1975 and 1979? Given his prominent position in Fretilin at the time, would it pose some kind of irritant to Indonesia if Jose Ramos Horta were now to come back and take a prominent role in politics in East Timor?

**Mr Whitlam**—I had not heard that. It does not surprise me. It was never raised, as you can see. President Suharto and I discussed Cambodia, as you know. You might not know that our ambassador in Cambodia at crucial periods was in cahoots with the CIA, as he later was, of course, when he went to Santiago de Chile.

I have only met Jose Ramos Horta once, and that was when we were sitting together before the relevant United Nations committee in New York late in 1982. What I think it would be relevant to say is that Ramos Horta visited Australia at the instance of Fretilin in the hope that he would persuade the Australian Labor government to favour Fretilin’s claims to take over the territory. I said to my members of caucus and ministers, ‘You should receive anybody who comes from any party in East Timor,’ because there were no political parties until the second half of 1974. You will remember that there was Fretilin, Apodeti and UDT, and two of them were in coalition from February 1975 until they split up in April 1975. Then, one or two of them took over Dili because they were worried about the influence of Fretilin there. One wanted to go to Indonesia and one wanted to stay with Portugal.

But I made it quite plain to my ministers, and to anybody in authority, that they were to give no indication whatever that we were favouring Fretilin. We were pursuing, right up until November, efforts everywhere—in Geneva, New York, Washington, and so on, to get the parties together. It is all in *The Whitlam Government* to which I referred you to, but to which some of you might not have made recent reference. We also offered Darwin. We said we would make Darwin available for all the parties to get together, and I think Macau was suggested, and Lisbon, and there were other ones. But whoever was winning, or hoping to win, would not come.

Ramos Horta at that time was unquestionably a representative of Fretilin, and if we looked as though we were favouring Fretilin over the others, we would lose all influence in getting UDT and Apodeti to the conference table in Darwin, or wherever else it was. We would have lost all credibility.

You will remember that later on, when there was a change of government, Ramos Horta was not given a visa to come to Australia. That did not happen until 1983, but until then he was operating under a Mozambique passport—that is, he had diplomatic rights to travel wherever. And whatever his status may be now, at that time he was an advocate for one side in the civil war.

I do not want to go into further people who were involved there, but you look at the history of the various people who have given evidence to you, or who have been referred to in the third person. What were they doing at that time? What you say about Ramos Horta being in Cambodia does not surprise me, but I did not know it. The Indonesians might have known it because that is why, as you know, I was discussing Cambodia and Vietnam and China and the Philippines, all those, in April 1975, with President Suharto—not just East Timor.

**Senator LIGHTFOOT**—Thank you very much for that answer. I have just one more question, Mr Whitlam. Given that Portugal perhaps was not as good as what it could have been, in retrospect, as a colonial master—not in Brazil before that was relinquished, not in Angola, or Mozambique, or Goa, or Macau, and East Timor is no exception—and given that Portugal has escaped up to this point rather lightly in both manpower and in its fiscal contribution to the peacekeeping force in East Timor, is it your opinion that there could be a greater role or a greater contribution from Portugal, out of its perhaps lack of development of both tertiary institutions and secondary industry in East Timor? Should Portugal play or pay a greater contribution in the development of the country?

**Mr Whitlam**—It should certainly pay. I believe it is contributing in escudos. I would be happier if it did it in euros! Would you accept escudos?

**Senator LIGHTFOOT**—I do not want to accept euros either, Mr Whitlam.

**Mr Whitlam**—The point is that there is no doubt that there was culpable neglect of East Timor by the Portuguese for four centuries, and by the Catholic Church. There is no dispute about that. I have made a few relevant comments on those two entities in the letter I sent on 23 November or 30 November, I forget which it was. I made comments on those.

Let's face it, the only colony in which Portugal can take pride is Brazil. Brazil was built by its very great natural resources and its human resources, which the British merchant marine, throughout the 1700s, from the Treaties of Utrecht onwards, supplied from Africa to Brazil. Brazil is half of Latin America in resources, population, wealth and productivity. Brazil depends on its natural resources, which the Portuguese exploited, and on its manpower derived from the slave trade, in which the British merchant marine became predominant around the world in the 1700s.

**Senator LIGHTFOOT**—Portugal is Britain's oldest ally, I understand. Is that correct?

**Mr Whitlam**—Yes, since the Treaty of Windsor in 1386. The Menzies government became involved in this because the US and the UK prompted Menzies to do something about Portugal. At the end of 1961, when there was a great influx of former British and French colonies into the UN as they became independent, a resolution was passed that all the member states of the UN which had non self-governing colonies should make reports to the Committee of 24—of which we were a member until Gorton withdrew—on the political, economic and social development of their colonies.

NATO was terribly embarrassed because France said, 'No, because Guadeloupe and Martinique are departments of France, we do not report on those,' and the Portuguese said, 'Angola, Mozambique, Guinea-Bissau, Equatorial Africa, Sao Tome and Principe, Macau and East Timor are all overseas departments of the Portuguese state.'

As you remember, Salazar said to Menzies, 'We did distinguish between the African colonies and East Timor because there are people who have exercised authority, sure as rebels, in Mozambique and Angola. But in East Timor, there are no people who have had any political, economic or social training.' The UK and the US said to Menzies, 'This is an embarrassment to NATO that Portugal is so intransigent. Perhaps you could write to Salazar because they are next door to you.' So Menzies did. At great length Salazar came back and said, 'No, it's non-viable. It won't live politically or economically.' That was the view.

Nobody realised that until I obtained the letter from the department. I had not kept a copy of it. I had said in this letter which I gave Ambassador Woolcott to give President Suharto when he presented his credentials, 'I've come to think we ought to look at this situation of eventual independence for East Timor.' Nobody—not even the Foreign Affairs rejects who work for some parliamentarians—had found that or read it or their masters had not read it. It does make a difference and you will remember that we did discuss this at Townsville. The Indonesians and the Portuguese had had talks in London—incidentally, President Suharto always referred to East Timor as Portuguese Timor.

It was my suggestion—I think it might have been in Wonosobo or Yogyakarta—that they establish diplomatic representation in Lisbon. Sure, our ambassador did not reside there, as he lived in Paris—he did not visit there much; Paris is a better place than Lisbon—but we did it and then, in London you remember, the president told me that his representatives had had discussions with the Portuguese and there were two proposals. The Portuguese said, 'We're thinking of having an interim administration composed of the three parties and they could get training for three, five or even eight years. Alternatively, you might like to have the Portuguese governor stay there advised by a council composed of those three parties for

the same period.’ The president said to me, ‘We rejected the first and we accepted the second.’

I was the first one to raise the possibility of having independence there. Then we pursued it at Townsville. I would make the point that the great tragedy was that East Timor was kept in a cocoon. The only contacts that East Timor had were with Macau where there was a more or less prosperous gambling establishment and the church had a bishop. The church in East Timor was under him. Then, of course, he was under the primate of the east, the Archbishop in Goa. There was this sudden link with apparatchiks that came from Frelimo in Mozambique after Ramos Horta had come here. Then Fretilin changed. They said, ‘Wait a bit, let’s go the Frelimo way.’ And they left Ramos Horta stranded. His brief was to get us on side and we said, ‘We want all the parties to get together and end the civil war. Have an armistice at least.’

But remember what was first said by President Wahid before he became president, and I think by his predecessor. It was also said by John Howard when he first wrote. It was said certainly by Bishop Belo and by the man who has emerged as the leader, Xanana Gusmao—that they wanted to have a few years getting experience there. Of course, a few rambos on both sides decided, ‘No, let us go for it now.’ They stampeded the UN before there was any of the training period which was accepted by Suharto and the Portuguese by April 1975.

**CHAIR**—Mr Whitlam, I might turn to my colleague, Senator Quirke, who has a question, and then I have a final question, because we are running fairly much over time.

**Mr Whitlam**—The time has flown!

**CHAIR**—It has. It has been fascinating.

**Senator LIGHTFOOT**—It has indeed, Mr Whitlam.

**Mr Whitlam**—I want Senator Lightfoot’s remark recorded because I have noticed from the scripts that I have had that he is the most penetrating participant, and I want his interjection to be recorded too.

**CHAIR**—I am sure it will be.

**Senator BROWNHILL**—Damned by faint praise!

**Senator QUIRKE**—Mr Whitlam, a view was prevalent until 1974 that East Timor would not be a viable entity on its own.

**Mr Whitlam**—That is right.

**Senator QUIRKE**—You said before that you had changed your mind by 1975 about that particular thing.

**Mr Whitlam**—I was contemplating another possibility.

**Senator QUIRKE**—Yes. I have two questions. Firstly, do you think that because of the circumstances under which the Indonesians went in there, and then found themselves in for the entire period from 1975 to 1999 and the brutality of that occupation, that a sensible or even a possible peaceful incorporation into Indonesia became impossible? Secondly, do you think East Timor will be viable given the fact that all its bridges are effectively burnt?

**Mr Whitlam**—On the first one, I thought there was a possibility. As I said, East Timor was cocooned. There were no contacts with West Timor, and there has been no trouble in West Timor. The point is that they both had an indigenous language, Tetum. That was one that they could learn. It was only recently that one of the Jesuit organisations began promoting the knowledge of Tetum in East Timor. But they did have the same language.

There is no question that, but for the arrangement made by Alexander VI and approved by Julius II, each side of 1500, that the island would have been united. It is a pure accident of history that it was separated. It was by sheer Portuguese intransigence, both political and ecclesiastical, that there were no contacts with West Timor. There was a possibility that if they could meet each other, as they would over a three- or five- or eight-year period, that they would learn to communicate.

I was asked the question about the Portuguese contribution. Some people are now saying that Portuguese should be the national language for East Timor. I do accept that French, Spanish and Portuguese are the national languages in the former colonies in Africa, America and the Pacific, because missionaries can be good, as French Jesuit missionaries were in Vietnam. Vietnam is literate because French Jesuits replaced Portuguese Jesuits.

Because Alexandre De Rhodes developed the written language and said, 'Get rid of these political puppets from Portugal, get some good French missionaries,' Vietnam is literate. It is the most literate place. It is not Christian and never will be. It is predominantly Buddhist, but it is literate because of missionaries.

The Protestant missionaries, who were predominant under the British Empire, and the Australian and New Zealand ones, never developed a national language in Polynesia or Melanesia. That is one of the legacies that we have left in Papua, which was British, and New Guinea, which was German. Nobody disputes that Portuguese should be the national language of Brazil, which is a great state, and it is getting bigger, but there was a chance, with proper preparation, that the two Timors could have got to live together.

Perhaps I should say this. Why the US and the UK wanted Menzies to do something about it was because America had commitments to Israel. The Americans could not fly fighter planes, and they could not send military materiel, from the Atlantic coast of the United States to Israel without landing somewhere in between, and there were only two possibilities to do it discreetly. One was the Azores, which was Portuguese, and the other was the Canaries, which was Spanish. There were the bases which the Americans had established with Franco in Spain, but Franco did not have diplomatic relations with Israel—that came about under Juan Carlos—and the Vatican did not have diplomatic relations with Israel until John Paul II came. So at that stage the Americans, if there was a blue in the Middle East where they were committed to Israel, needed to use the Azores.

Because of the Treaty of Windsor that you mentioned, because John of Gaunt had aspirations to be king of Castile, and his daughter became queen of Castile, but I digress—

In the First World War, Portugal was allied with Britain and France. In the Second World War, Portugal favoured Germany and so they did not go to war with Germany. Franco did not go to war with France or England; he went to war with Russia, as all the other stooges did. They sent divisions to Russia—Romania, Hungary and Spain, although I do not think the Portuguese did. But during the First World War, they were allies.

During the Second World War, because of the Treaty of Windsor, the British were allowed to use the Azores in combating the German submarines. And when the Americans came in, they were able to use the Azores also against Germany, riding pig-a-back on the Treaty of Windsor of 1386 made in John of Gaunt's time. They wanted Menzies to do something about East Timor because they could not use Spain or the Canaries, but they wanted to be able to use the Azores. That is how Menzies became involved.

**CHAIR**—In hindsight, the decision not to oppose an Indonesian takeover of East Timor appears to have been wrong, as East Timor is now gaining its independence.

**Mr Whitlam**—Yes.

**CHAIR**—Decisions are, of course, made in the context of the time.

**Mr Whitlam**—Yes.

**CHAIR**—Would you comment on the correctness of your decision in light of the context in which it was made and in light of what has happened since then?

**Mr Whitlam**—What I said in 1975 and what I said in 1982 was completely correct. I went all around East Timor in 1982 and there was no risk at all, but I do believe that from then on the position deteriorated. The turning point was the massacre in Dili, just as the massacre in Ballarat was the turning point. Thereafter, it was pretty clear that the Indonesian military had overplayed their hand. It was no surprise to me that, when the opportunity arose, the number of people who enrolled was about 98 per cent and that the number who turned up of those enrolled was 78.5 per cent in favour of independence. There was no doubt by that stage. That would not have been the position, I would think, in 1982, but things did change after that. That was the only time I visited East Timor. The last time I visited Indonesia was in 1989.

I noticed Bishop Brennan, very correctly, strikingly, refreshingly, referred to the genius of President Sukarno in giving one language to that whole archipelago. But, as I understand it, what President Suharto did was to make the population able to read and write that language. If you look at the figures, such as in the *Statesman's Year Book*, and look at the number of people, religion, literacy and all that, you will see there has been a complete transformation since 1982. I do not know when it started to happen. I was surprised—and I mention it not infrequently—that the Suharto regime had lasted so long. I concluded that it had a great deal of support in the country, and he made the country literate. The whole

family would get together—two families, all the kids, the parents—to learn the language, and once a fortnight somebody would check.

**Senator LIGHTFOOT**—Bahasa Malay, Mr Whitlam?

**Mr Whitlam**—Yes, they are virtually the same. As you know, there are a few differences between bahasa in Indonesia and bahasa in Malaysia, although they did have—I do not know if they still have—a committee which checks the integration of their two languages. You look at the literacy position in Indonesia at the end of Sukarno and at the end of Suharto. Sukarno made Bahasa the lingua franca throughout that archipelago; Suharto, by 1997, had made 83.7 per cent of the adult population literate in that language. That is no mean achievement. But, as I say, massacres can make a change, in Ballarat or in Dili.

**CHAIR**—Thank you, Mr Whitlam. Unfortunately, we need to stop there because we have gone substantially over time and we have some more witnesses this morning.

I want to make a statement in respect of documents which have been tabled as part of Mr Whitlam's submission. Mr Whitlam provided the committee, as part of his submission, with a number of records of conversation between Indonesian leaders and himself. These documents have been provided to him by DFAT at his request.

DFAT advised that there were no public interest grounds on which it could restrict the committee's distribution of the documents, so those documents are now part of the public record and available. In any event, these documents, and many others, are being prepared for release by the Minister for Foreign Affairs at a time convenient to the minister. I just wanted to clarify that. Thank you very much, Mr Whitlam, for appearing before us.

**Mr Whitlam**—Thank you.

**Proceedings suspended from 11.15 a.m. to 11.21 a.m.**

**DARVILLE, Mr Steve, Humanitarian and Emergencies Program Manager, East Timor Section, AusAID**

**DAWSON, Mr Anthony Scott, Assistant Director General, Indonesia, China and Philippines Branch, AusAID**

**BIRD, Ms Gillian Elizabeth, First Assistant Secretary, South and South East Asia Division, Department of Foreign Affairs and Trade**

**DAUTH, Mr John Cecil, Deputy Secretary, Department of Foreign Affairs and Trade**

**MORAITIS, Mr Chris, Director, East Timor Taskforce, SED, Department of Foreign Affairs and Trade**

**MULES, Mr Neil Allan, Assistant Secretary, Maritime South East Asia Branch, Department of Foreign Affairs and Trade**

**POTTS, Mr Michael John, First Assistant Secretary, International Organisations and Legal Division, Department of Foreign Affairs and Trade**

**CHAIR**—Welcome. I extend my apologies to the officers who were scheduled to appear almost an hour ago. In view of the importance of the last witness, I think you can understand why we did go a bit over time. I welcome officers from the Department of Foreign Affairs and Trade and AusAID.

The committee prefers all evidence to be given in public, but should you at any stage wish to give any part of your evidence in private you may ask to do so and the committee will consider your request. You will not be required to comment on the reasons for certain policy decisions or the advice which you have tendered in the formulation of policy or to express a personal opinion on matters of policy. I now invite you to make a brief opening statement and then we will go to questions.

**Mr Dauth**—Thank you, Senator, and thank you for this opportunity. It need hardly be said that since we appeared before you on 13 August an enormous amount has happened. We are not aiming to provide the committee with a further submission to the one we provided at that time. I think a lot of the material in that submission remains relevant, but such an enormous amount has happened that it seems worth while to us to rehearse some of the events and then, of course, to be available for questions. Scott Dawson from AusAID will address humanitarian relief and aid aspects, although necessarily I will have to touch on those a bit in my own opening statement.

Let me begin, just for the record, with a brief summary of the events which have taken place since last we were here. The popular consultation, of course, took place on 30 August and was marked by a remarkably peaceful atmosphere, very high voter turnout and very efficient organisation. The result of that ballot was announced on 4 September, with 78.5 per cent of East Timorese voting in favour of independence—that is to say, they voted for separation rather than for autonomy within Indonesia. The announcement of the ballot result

was followed by an appalling outbreak of widespread violence and destruction across East Timor.

UNSCR, the United Nations Security Council, passed resolution 1264 on 15 September with the cooperation, I should note, of the Indonesian ambassador in New York. UNSCR 1264 established INTERFET with a mandate to restore peace and security in East Timor and to facilitate humanitarian assistance operations. INTERFET then deployed to Dili on 20 September and progressively expanded its territorial coverage, until by mid-October it had established a presence across all of East Timor, including the Oecussi enclave.

On 19 October the MPR—the Indonesian People’s Consultative Assembly—voted to formally renounce Indonesian sovereignty over East Timor, and on 20 October Abdurrahman Wahid was elected President of Indonesia following the resignation of President Habibie. The following day Vice-President Megawati Sukarnoputri was elected.

On 25 October the United Nations Security Council passed resolution 1272 establishing UNTAET—the United Nations Transitional Administration in East Timor. INTERFET has continued to maintain peace and security throughout East Timor while UNTAET has now begun the task of establishing a civil administration and building the institutions of government. Sergio de Mello, the United Nations transitional administrator, the Secretary-General’s special representative, is now in East Timor. He was, of course, here last week. It is expected that INTERFET will transition into a blue-helmeted United Nations peacekeeping operation in late January or February. That is a very striking set of developments in a very short space of time, and I am sure you are all familiar with them. Indeed, several members of this inquiry served as observers to the popular consultation. I simply therefore want to draw your attention to some of the key features of developments in East Timor to date and highlight the major challenges which face us in the future.

The first key feature to note is, frankly, the outstanding success with which INTERFET has conducted itself in East Timor. There has, of course, been very little loss of life. On the INTERFET side, there has been no loss, with the tragic exception of a New Zealand soldier killed in a vehicle accident. INTERFET has achieved its mandate without the loss of force members’ lives in spite of operating in a difficult and occasionally hostile environment. Peace and security have been restored to all of East Timor, including the enclave. Humanitarian assistance agencies are able now to move freely throughout the territory, and the work of reconstruction is under way. In this respect, INTERFET has fulfilled its obligations as set out in resolution 1264, operative paragraph 3, to restore peace and security in East Timor, to protect and support UNAMET in carrying out its tasks and, within force capabilities, to facilitate humanitarian assistance operations.

It is a very significant achievement when one considers the horrific images which appeared on our television screens in early September. That this situation has been achieved with a minimum use of force is a tribute to the thorough professionalism of the leadership and members of INTERFET. They have conducted themselves to the highest military standards and in a short time have achieved outstanding results. There can be no question as to the dedication of our troops and those of our coalition partners serving in INTERFET.

This brings me to my second point, which is that, while Australia has taken a pivotal role in assembling and leading INTERFET, it is a truly regional and international effort. INTERFET currently has 20 states deployed or committed, including key regional states such as Thailand and the Philippines and extending all the way to countries as far-flung as Brazil, Kenya, Jordan, New Zealand, France, Fiji and the United States. While Japan is not able to participate in INTERFET due to constitutional limitations, it has greatly facilitated the participation of developing countries through its very generous \$US100 million contribution to the INTERFET trust fund.

The third key feature to note is the role played by Indonesia. The appalling shortcomings of Indonesia's response to events in East Timor in the immediate post-ballot period have been very well documented. But, since agreeing to the passing of resolution 1264, Indonesia has taken at least some important steps to facilitate the establishment of an independent East Timor. As INTERFET established its presence in East Timor, Indonesia withdrew its troops. The independence vote in the MPR was taken in a dignified manner without rancour or bitterness. Initial problems over management of the border region have been resolved cooperatively, and Indonesia's own Human Rights Commission—Kornasham—has shown a determination to investigate the events surrounding the ballot. Some further commitments, including and continuing to facilitate the return of displaced persons from West Timor, will be necessary on a continuing basis if the international community is to be reassured of Indonesia's bona fides.

There is no denying that our bilateral relationship has suffered significantly in recent times, although it should be said that much working level contact of direct benefit to both sides has proceeded relatively unaffected—for example, on transport issues. We are confident that, over time, the relationship can be rebuilt. But the government's view is very clearly that this will only be done on the basis of mutual effort and mutual benefit. In the future that relationship will be stronger, in our view, for the fact that it will not constantly be undermined by East Timor in the way in which it was for the past 25 years.

Let me turn my attention briefly to the key issues which we face in the future. Without a doubt, the most pressing humanitarian problem is the situation of up to 150,000 displaced East Timorese remaining in West Timor. The government of Indonesia has indicated that those wishing to return to East Timor should be able to do so, but there is clear evidence that militias are still intimidating refugees. The recent visit by United States Ambassador, Richard Holbrooke, and Assistant Secretary of State, Stan Roth, highlighted this situation. The UN, Australia, the United States and many other countries have been pressing Indonesia strongly to bring the militias under control and promote secure access to all refugee camps in West Timor.

The government strongly hopes that the new border agreement, concluded on 22 November between General Cosgrove and the Indonesian military and police, will facilitate the safe and secure passage of all refugees wishing to return home. The border agreement is a highly welcomed development, but we need to see it working on the ground.

The end of assaults and intimidation of East Timorese in West Timor is essential. It only further damages Indonesia's reputation and undermines the climate for reconciliation between

East Timorese themselves, and the indispensable reconciliation between East Timor and Indonesia.

Australia has been encouraged by the very positive attitude of Xanana Gusmao and the new Indonesian government towards reconciliation, but the spirit has to be supported by deeds. Australia strongly believes the geographic and economic realities dictate that Indonesia and the new state of East Timor develop the relationship of good neighbours. The reality of independence must be accepted by all East Timorese and the new East Timor needs to develop a climate where all are entitled to the peaceful expressions of their political views.

The second key challenge which we face is the task of capacity building in East Timor. The scale of damage to essential infrastructure in the early September period was massive. It is difficult enough for any less developed country to commence its life as a newly independent state, let alone one which has been denuded of many of its essential facilities, services and housing. UNTAET will have a massive task on its hands in this respect and key aid donors, including, of course, Australia, will be required to play their part.

The third key challenge that we face is institution building—the establishment of a civil administration in East Timor. Most of the attention in East Timor has been devoted thus far to the security situation and the restoration of peace. Now that that goal has been largely achieved, the focus can turn to building up the civilian administration and establishing the institutions of government. UNTAET will again be charged with the key responsibility in this regard, but it will no doubt wish to draw on Australia's experience and expertise in these fields.

The visit of UNTAET head, Sergio Vieira de Mello, to Australia last week, provided an invaluable opportunity to pursue a number of these issues further. We welcome particularly and support Mr de Mello's intention to consult and work closely with Xanana Gusmao and other representatives of the East Timorese people in the huge task of preparing for full independence.

The future of East Timor is in East Timorese hands and UNTAET, the UN, assistance agencies, bilateral donors and NGOs will assist them to make the most effective use of humanitarian and reconstruction assistance, and the best possible decisions about East Timor's political and economic future. There are many complex issues that will take time, patience, goodwill and expertise to resolve. Australia, as you probably know, is participating in overall development planning that is being coordinated by the World Bank and the UN and we will work closely with UNTAET and the East Timorese people on these issues.

These issues naturally raise the important question of international burden sharing. The burden of restoring peace and security to East Timor and of building an independent state is not one for Australia alone to bear. The international community as a whole must share the burden, especially those states which have a history of involvement with East Timor and its aspirations for independence. This will be an important issue in the months and years ahead.

The fourth key challenge will be to address, in a substantive and just way, the crimes committed in the pre- and post-ballot period. The investigation of human rights abuses in

East Timor and the bringing to justice of the perpetrators of serious crimes is an important part of the healing and reconciliation process. By international agreement, investigation of abuses is rightly now in the United Nations court and is under way. Australia will facilitate those efforts by identifying relevant Australian forensic experts and acting as an intermediary between them and the UN.

It is also worth noting that the Indonesian human rights commission, Komnasham, a body that Australia has consistently supported and encouraged, has produced a strongly worded report from its preliminary investigation into human rights abuses in East Timor and has announced its intention to question senior military figures. These developments are positive and highlight the changes within Indonesia that support the end of a culture of impunity and should assist in promoting a cooperative investigatory effort into the abuse of human rights in East Timor.

The investigation of human rights abuses was outside INTERFET's mandate but it has collected, stored and safeguarded important evidence. The office of the UN Commissioner for Human Rights has commended INTERFET for the support it provided to the first of its investigators who were in East Timor earlier this month. Having run through the events since we last met and outlining the key challenges for the future, I will stop there. I know you will have some questions. My colleague Scott Dawson will make a brief statement from the AusAID perspective.

**Mr Dawson**—AusAID does not intend to make any further formal written submission to the inquiry. I would like to update our previous submission with some brief remarks on humanitarian development assistance to East Timor since the autonomy ballot. The violence associated with the ballot necessitated the withdrawal of all project staff from East Timor and the suspension of all aid activities. Post-ballot, the immediate priority for the aid program was to respond to critical humanitarian needs for food, water, shelter and medical assistance.

Before a presence could be established on the ground in East Timor, AusAID worked closely with the World Food Program to deliver over 180,000 daily rations to isolated areas within East Timor using Australian Defence Force aircraft. Recognising that there would be a critical need for transport and logistical support for the international relief effort based in Darwin, Australia also moved quickly to set up warehouses in Darwin to receive relief goods from international agencies and Australian NGOs, to secure commercial air and sea transport to move supplies quickly from Darwin to East Timor and to procure trucks and other vehicles for land transported supplies within East Timor. These contributions of transport and logistical support were widely acknowledged by international relief agencies as having greatly enhanced the effectiveness and the responsiveness of the international relief effort.

As displaced East Timorese began to return from West Timor and as INTERFET secured the major supply routes within East Timor itself, it was possible then to work with international agencies and Australian NGOs to provide assistance to family groups to re-establish themselves in East Timor. Family packs containing emergency shelter and household material were distributed to over 18,000 people. About 30,000 farming packs, containing hand tools and seeds, were distributed to allow planting before the wet season

commenced, and other assistance was provided with positioning of supplies at border crossings in preparation for large scale returns.

Through September and October, the government announced \$14 million in total in emergency and humanitarian assistance for East Timor through international relief agencies, especially the World Food Program, the United Nations High Commissioner for Refugees, the International Committee of the Red Cross and Australian non-government organisations. On 22 November, Mr Downer announced that aid program funding for East Timor in the current financial year would be increased by a further \$60 million, of which \$23 million would be provided in response to the consolidated international humanitarian appeal for East and West Timor.

This appeal, which totals over \$300 million, has identified key areas of urgent humanitarian need over the next nine months and provides a framework for donors to coordinate their assistance. The details of Australia's contributions to the appeal are being finalised now, but they will focus strongly on assisting return and resettlement of displaced East Timorese from West Timor, the restoration of basic health and education services, urgent work on water supply and sanitation, and support for peace-building and initiatives involving local East Timorese groups.

Approximately \$3 million will be provided specifically for health and other activities in West Timor, on top of \$2 million already provided. Taken together, Australia's humanitarian assistance to the East Timor crisis this year will total approximately \$37 million, which is the largest ever Australian contribution to an international humanitarian relief effort. Running in parallel with the management of this program of humanitarian relief, AusAID has also provided assistance with reconstruction for longer term development needs.

As Mr Dauth indicated, the World Bank took the lead in organising a joint assessment mission comprising representatives of bilateral donors, UN organisations, the Asian Development Bank and East Timorese technical experts. The IMF also conducted a parallel assessment mission. This mission was a very important exercise in longer term planning. Australia provided significant logistical support to the mission, including two specialists in agriculture and community development and water supply and sanitation.

The mission identified immediate economic priorities, including restarting the flow of goods and services, establishing payments and banking systems and organising a budget. The mission also identified a range of key development challenges, including restoring agriculture, re-establishing basic health and education services, rebuilding essential infrastructure, creating a new civil service and judicial system and training East Timorese in rebuilding communities.

The total cost of these activities over three years is estimated to be in the range of \$US260 million to \$US300 million. The results of the mission will be discussed at a meeting of international donors in Tokyo later this month. That Tokyo meeting will also provide an opportunity to confirm donor contributions, including to proposed trust funds for UN administration of East Timor and for longer term reconstruction and development.

The Tokyo meeting will also provide an opportunity for donors to coordinate their contributions to ensure the most effective use of aid and to confirm the importance of close consultation with East Timorese representatives in the planning of future international assistance.

Australia has already been asked to provide advice to the UN transitional administration on a number of recovery and reconstruction matters, including assessment of immediate needs in water supply and sanitation, the provision of an expert adviser in that sector, and advice on telecommunications needs and other areas. We are responding positively wherever possible. Australia is also providing assistance with building the capacity of local non-government organisations, redeploying some longer term project staff and picking up work which was commenced before the ballot.

In summary, after a very intense period of immediate humanitarian assistance, the focus is now starting to shift to planning for longer term reconstruction and recovery, but there will continue to be a number of serious challenges on the humanitarian side; in particular, achieving the return and resettlement of up to 150,000 displaced East Timorese still in West Timor and ensuring adequate shelter and care for persons during the current wet season. I would also be happy to take any questions.

**CHAIR**—Thank you very much. If no-one else wishes to make a statement, we will turn to questions.

**Senator BROWNHILL**—Mr Dauth, over the years I guess there have been a few changes in policy positions, even between Menzies—and you will correct me here, I guess—and Whitlam, who said they wrote the same letters about the same matters, basically. Just after that, I think the opposition changed its policy to what has basically happened in East Timor at this very time. I have here a *Hansard* quote from the Labor Party national conference in 1977 which was to the effect that if they voted for independence as their choice, if they were in government, they would have abided by it. But then it changed over time. Has the department remained consistent or did the department only do what the government of the day wished?

**Mr Dauth**—That is absolutely the case. I cannot speak for a disembodied organisation over the years; I can only speak for the department of the day. We like to think we are consistent these days but you are quite right: we only do the government's bidding, and that is the good thing about the system we all live and work in.

**Senator BROWNHILL**—It was suggested that Australia has been compliant and subservient to Indonesia. Is that correct or not?

**Mr Dauth**—It is certainly not government policy now. Whether it has ever been is not for me to comment on; that is really for historians. I did make the point in my opening remarks about how the government wants to take forward the relationship with Indonesia, which is certainly not on any basis of compliance. It will be a relationship between equals. That is very much the intention of the government today, although at the same time I think we are seeking to, on the basis of mutual benefit, rebuild that relationship over time.

**Senator BROWNHILL**—Are those relationships getting back to normal?

**Mr Dauth**—We are not yet at a point where you would describe the relationship as easy or straightforward. There is still quite a lot of rebuilding to do and I think it is going to take some time, but we do have quite a sound working relationship with Indonesia at many levels. In many parts of the relationship things have proceeded in a satisfactory sort of way. The sector in which I illustrated this proposition in my opening remarks is the transport sector, where we obviously have great national interests, and so do they, and where our respective working levels have continued to work well together. Having said that, at the political level, the strains are evident and they are not going to be resolved quickly.

**Senator BROWNHILL**—I have two quick questions to Mr Dawson, because I know Senator Payne, who has just returned from East Timor, would like to ask some questions. I refer to the burden of the share of rebuilding of East Timor; how much of a part is Portugal going to play in that? The second question relates to the tying of donor money to the restructuring, which has happened in other places at other times, to the effect that ‘We will give you so much money for reconstruction but we want you to buy our motor vehicles, roofing tin’ or whatever it happens to be ‘from our country if we give you aid.’ Part of that question relates to the coffee restructuring on the agricultural side.

**Mr Dawson**—In dealing with burden sharing first, I think we are yet to see the extent of most countries’ contribution to both humanitarian and longer term development. There have been a number of announcements that have been made by a number of donors to date, particularly the United States, Japan, Portugal as well, and the European Community. We would expect that the precise pledges, particularly in relation to the longer term development, would come out of the donors’ meeting in Tokyo later this month. At this stage I think Portugal has indicated some general areas of interest and support, including support for payment of salaries of local civil servants, but it is not possible at this stage to put a single number on that.

With regard to the question of aid tying, one of the outcomes that we would expect from the Tokyo meeting is the setting up of some trust fund arrangements to look after both the United Nations administration and also to provide some resources for longer term development activities. The exact form of those trust fund arrangements and what they might mean in terms of tying of contributions are also yet to be discussed and that is also a subject which we would expect to get into in some more detail at the meeting in Tokyo.

Undoubtedly, however, a number of donors will conduct bilateral programs and those programs, we would assume, will be conducted under their normal procurement procedures which, in many cases, does involve some tying of goods and services. I do not think that is necessarily a bad thing, as long as they are coordinated in an overall way and they match the particular needs which have been identified through various assessment missions.

**Senator BROWNHILL**—One of the reasons for that question was that I read a newspaper article on the weekend which made the point that some companies give vast amounts of aid, whether it be medical aid, for something that is not going to actually be a part of the requirements for that particular area. In other words, they might give malaria pills for people in cold country areas that gets rid of all those pills that are getting close to the

use-by date and that sort of thing. Who monitors that? Even though it might sound like a lot of money, it is pretty useless medical aid.

**CHAIR**—Can I just intervene there? It gets down to a question that I have raised throughout this whole hearing, and that is the prioritisation of aid. Aid is not being thrown willy-nilly at the East Timorese, but it may well be absolutely useless, a waste of resources. I think that is getting right to the point of what both Senator Brownhill and I have been concerned about.

**Mr Dawson**—One of the key functions of the UN transitional administration will be to establish mechanisms for setting aid priorities. We expect that there will be a dedicated position in the Office of the Secretary-General Special Representative which will have that function. That function will obviously need to be carried out in very close consultation with East Timorese representatives through the consultative processes which are being established now.

Certainly everything that Australia has provided has been under the humanitarian program in close consultation with the UN coordinating authorities, which have identified priorities and tried to match donor resources against those priorities. Anything which we will do in terms of longer term development will be in accordance with the priorities which the transitional administration sets down through its consultative mechanisms with the East Timorese representatives.

**Senator BROWNHILL**—My last question was about coffee.

**Mr Dauth**—Could I just add a point there, Senator. We had some consultation last week with the Secretary-General's Special Representative, the administrator of East Timor, Sergio de Mello. I do not know whether any of the senators had the opportunity of meeting him when he was here, but we had been very impressed by him in our contacts with him in New York. I have to say that my own dealings last week with him very much added to those strong impressions we have of him. I think he is really quite an outstanding person. I have to say I was really very impressed by him. Although it is very difficult, of course, with resources from one country to set up an administration from scratch, when you are trying to do that drawing on resources from many countries, it is that much more difficult. If there is one person who is going to set the priorities in the right way and monitor the delivery of humanitarian and other assistance to East Timor, it is Sergio de Mello. We are very impressed by him, and I hope very much that will contribute to a rapid reconstruction in East Timor.

**Mr Dawson**—In relation to the coffee industry, our understanding, particularly from the World Bank organised joint assessment mission, is that the current year's harvest has largely survived intact. Most of it has been able to be stored and can be removed from storage and processed. There has been, as we understand it, relatively limited damage to the normal processing facilities. There is certainly an issue in terms of storage facilities at different stages of the process, but I think the expectation is that the industry could make a very quick recovery to good levels of productiveness. It has been an area where the United States, through USAID has provided particular assistance, and our expectation is that they would continue to do that.

**Senator PAYNE**—Mr Dawson, to follow on from that I have a question pertaining to AusAID. Is AusAID represented on the Office for the Coordination of Humanitarian Affairs meeting group?

**Mr Dawson**—There are a number of working groups that are set up under OCHA which look after particular sectors. There is also a daily coordination meeting. AusAID has a representative in the Australian mission in East Timor, and that representative attends those meetings on a regular basis.

**Senator PAYNE**—Mr Dauth, in your opening statement on the border agreement, I think you said that there needs to be some effort made to ensure that that works on the ground.

**Mr Dauth**—Correct.

**Senator PAYNE**—What sort of effort do you think Australia can make in that regard to facilitate it working on the ground?

**Mr Dauth**—General Cosgrove has contributed from the INTERFET side very substantially to making that work, and in that respect his dealings with the new regional Indonesian military commander will help. General Syahnakri has taken over as the regional commander and he and General Cosgrove have quickly established a good working relationship. Australian officers have had an effective relationship with General Syahnakri in the past as well. I think they are the sort of, as it were, on the ground dealings that can make that border regime work.

**Senator PAYNE**—In terms of the time frame in which this needs to happen, I think Mr Dawson referred to 100,000 or 150,000 East Timorese who are still in West Timor.

**Mr Dauth**—We do not have a precise figure there, of course, but as you know, it may be of that order. They are the best estimates available to UNHCR.

**Senator PAYNE**—Is there a plan to facilitate the movement of those people who wish to move from West Timor to East Timor before the wet truly sets in?

**Mr Dauth**—I think that the wet has pretty much arrived, hasn't it?

**Senator PAYNE**—In my observations last week, it can get a lot worse.

**Mr Dauth**—That is right. This is largely being managed for the international community by UNHCR. I think they have made quite a lot of progress. Our figures suggest that 112,688 people have returned. They were the figures as of yesterday. The logistics of how you move the remaining displaced people are really for UNHCR, rather than for us, but we will be doing whatever we can, including through INTERFET, of course, to facilitate that.

**Senator PAYNE**—I understand from briefings last week that much of the movement may be done through Suai in the south-west corner which—as I was an observer from the air on Thursday—simply no longer exists. Will Australia be making an extra or a special

provision to assist in that whole process that you are aware of, or is that still part of the UNHCR negotiations?

**Mr Dauth**—The responsibility is with UNHCR. We will do whatever we can to help the UNHCR, including, as I say, through INTERFET on the ground.

**Mr Dawson**—When Suai in particular was being set up as a potential crossing point, UNHCR certainly came to us with a number of requests for assistance, particularly establishing some water supply in the area to cater for large numbers of people crossing. That was done.

**Senator PAYNE**—I understand Australian engineers are largely responsible for the colorbond corrugated roofing that has reappeared in Suai in recent weeks, but that is the extent of restoration of what is a completely destroyed territory with no electricity and so on. So I envisage that will be an enormous challenge.

**Mr Dauth**—Indeed.

**Senator PAYNE**—In relation to the gradual departure of various aspects of the INTERFET coalition, I understand that the United States, for example, is moving some of its people out in 10 days, particularly those operating in the Civil Military Operations Centre. That will leave Australia largely carrying a great deal of that responsibility.

**Mr Dauth**—Which we have been doing in any case, as you appreciate.

**Senator PAYNE**—In CMOC, indeed. One observation I would make out of that visit is that much of the equipment which was supporting CMOC came in through the Americans and the Canadians. When they leave one imagines it will depart with them. Do we have plans in place to replenish that equipment?

**Mr Dauth**—I simply do not know. That is a question which you would really have to ask of the Department of Defence.

**Senator PAYNE**—The defence minister. In relation to the operation of the Commission of Inquiry into East Timor, I think that there has been universal support for the efforts that they have made so far under a relatively restricted mandate from the UN decision.

**Mr Dauth**—I am sorry. I missed the first part of that.

**Senator PAYNE**—The Commission of Inquiry into East Timor, which Sonia Picado is heading up, did have a very short visit in East Timor. I think they made significant endeavours to interview as many people as they could. They have concentrated particularly on women who have suffered in this whole process. You referred to INTERFET collecting, storing and safeguarding evidence, although this was not in their brief. Has that already been handed over to the commission of inquiry?

**Mr Dauth**—I believe so.

**Senator PAYNE**—I understand the commission was not able to get access to West Timor. Similarly Komnasham have not been able to gain access to East Timor as yet.

**Mr Dauth**—I am not sure about that. I think Komnasham have been to East Timor.

**Senator PAYNE**—They have. Thank you. Do we see the restrictions on the commission's activities, particularly going into West Timor, as restricting the efficacy of their investigations?

**Mr Dauth**—I guess so. We would obviously want to ensure that the commission had the fullest possible access that it wants so that is the case.

**Senator PAYNE**—Do we know whether they will be interviewing anybody who might apparently be in Australia?

**Mr Dauth**—I do not, I am afraid.

**Senator PAYNE**—I have in previous discussions emphasised also the importance of working with the East Timorese in this whole process. It is not our country we are rebuilding; it is their country. One piece of anecdotal feedback which I found interesting from last week's very short visit was many Australians saying to me that about 20 per cent of the population voted for autonomy with Indonesia. It is very important to realise that the leadership to whom we refer regularly does not represent all of those people. I wonder if we factor that into our efforts and our deliberations?

**Mr Dauth**—I am not sure we factor that into effort.

**Senator PAYNE**—I stress that this was anecdotal feedback.

**Mr Dauth**—Indeed. In addition to the very sound point that a number of East Timorese did not support independence, a lot of them have left East Timor and have no intention of returning.

**Senator PAYNE**—I do not think they would feel very comfortable.

**Mr Dauth**—The other analogous point that is worth observing in this context is that the leadership of East Timor is not, like the Liberal Party of Australia or the Labor Party of Australia, a single political organisation. It is a rather loose coalition of political forces. We would expect a diversity of view more generally. I have to say that in this respect I have admired the maturity of Xanana Gusmao and other East Timorese leaderships who contemplate such diversity with equanimity and look forward to an East Timor that is not a one party state. We are certainly aware of the likelihood of a diversity of views and factor it into our judgments and the way we will carry our own interests forward in East Timor.

**Senator PAYNE**—I am sure the joint standing committee, of which I am but a humble junior member, will address this issue later on.

**Mr Dauth**—We are very humble witnesses.

**Senator PAYNE**—I just say that we were very grateful for the efforts that were made by your department in relation to facilitating that visit and for the support from James Batley and Alan Sweetenham from the consulate.

**Mr Dauth**—I very much appreciate that. Thank you. Our colleagues in East Timor have operated under extraordinary difficulties. Quite properly, everybody has spoken well of the Australian Defence Force. They have done a magnificent job, but I am glad to have our colleagues remembered as well. Thank you.

**CHAIR**—I have a range of questions. I know Senator Lightfoot has some questions and I do not know about Senator Eggleston. We may need to come back in view of the fact that we lost that bit of time.

**Mr Dauth**—We are at your disposal.

**CHAIR**—In his letter to President Habibie on 19 December last year, Prime Minister Howard affirmed that Australia's support for Indonesia's sovereignty was unchanged and that it was:

. . . a long standing Australian position that the interests of Australia, Indonesia and East Timor are best served by East Timor remaining part of Indonesia.

What was the basis for the government's adherence to this view and what was the reasoning which led the government to continue to express the view that East Timor's interests were best served by the territory remaining part of Indonesia?

**Mr Dauth**—We are, of course, talking about a time when East Timorese independence was not on the table. It was not an issue being considered. At the time of the dispatch of Mr Howard's letter it remained an option that no-one was contemplating—not the Indonesians, no-one else. That was the historical context of the letter. You spoke with Mr Whitlam about the need for actions to be seen in the historical context.

The possibility of independence for East Timor did not arise until after President Habibie announced that there would be a ballot in January. That is very much the historical context. The judgment remained then, as it had been for many years on the part of people from all parts of Australian political life, that East Timor, as a small resource poor territory, would flourish better the more its economy was thoroughly integrated with that of its large neighbours in other parts of Indonesia. That was in no sense to suggest that it was in the interests of the East Timorese that they should continue to suffer the repression which had so often characterised Indonesian rule. It was a point very much made in the context of judgments about the economic viability of East Timor.

**CHAIR**—When did the government finally abandon its declared preference for East Timor to remain as an autonomous territory within Indonesia?

**Mr Dauth**—When the people of East Timor voted for independence. We made clear always to the Indonesian government throughout the course of this year that we respected

their sovereignty until such time as the processes which President Habibie put in train delivered a different outcome.

**CHAIR**—In his letter to President Habibie, Prime Minister Howard urged consideration of:

. . . a means of addressing the East Timorese desire for an act of self-determination in a manner which avoids an early and final decision on the future status of the province.

Specifically, Mr Howard proposed consideration of an autonomy package with the review mechanism along the lines of the Matignon Accord in New Caledonia. Why did the government favour a process which could have deferred a referendum on the final status of East Timor for many years?

**Mr Dauth**—Because it was our judgment that if a satisfactory process of integration for East Timor into Indonesia was achievable then that was in East Timor's interests and ours and Indonesia's too. But it presupposed a great deal and that is the burden of Mr Howard's letter. It presupposed that repression would have ended, that over a period of time the East Timorese themselves would have come to the view that they wanted to stay with Indonesia. Mr Howard's letter was saying that that was obviously not something which was the case then or could be achieved in a short space of time. But better managed, better governed than East Timor had been for 25 years, the prospect existed of the East Timorese choosing differently from the way they chose.

**CHAIR**—Thank you. In his letter to President Habibie, Mr Howard said that successful implementation of the autonomy package would allow them to convince the East Timorese of the benefits of autonomy within the Indonesian Republic. Was it realistic to hope that the East Timorese could be persuaded to remain within Indonesia?

**Mr Dauth**—Over a substantial period of time, with a different manner of government administration, yes, I think it was. Let me just refer here to the Matignon Accord process in New Caledonia. I can tell you, Senator, from my own experience as Australian Consul-General in New Caledonia that in 1986 it did not look very likely that a large number of the New Caledonians would opt to remain a part of France, but they seem very much more content to do that now 10 or 12 years further down the track.

**CHAIR**—Right. In respect of East Timor, was this review based on the survey of East Timorese opinion conducted by the department earlier in 1998?

**Mr Dauth**—I think that was undoubtedly a part of our judgment, yes.

**CHAIR**—And what were the main conclusions of the survey?

**Mr Dauth**—I think the main conclusion of the survey was that there was a great diversity of opinion and that certainly many East Timorese did see a future for themselves with Indonesia.

**CHAIR**—Was that diversity of opinion regionalised in any way?

**Mr Dauth**—I cannot remember, Senator.

**CHAIR**—I just thought you might know—it just might have been of interest. Given the fact that the results of the survey were presented to the Indonesian foreign minister in September, could the committee be provided with that report at all?

**Mr Dauth**—I see no reason why not but, if you will just forgive me, I will need to check with Mr Downer that it is acceptable to him.

**CHAIR**—No—that is fine, Mr Dauth. Was it true to say that a major factor underpinning the government's approach in December 1998 was to say that it had a concern that a rapid movement towards self-determination would involve a high likelihood of conflict?

**Mr Dauth**—We were certainly concerned in December 1998 about the prospect of conflict. In effect, I think, one of the motivations in policy at that time was a concern that unchecked, without decisive intervention by the government in Jakarta, there would be a slide into independence, or whatever, in a violent way. We were genuinely worried by the real prospect of continuing violence in East Timor—which, of course, at that time, as you will recall, Senator, had been on the rise throughout the months immediately beforehand.

**CHAIR**—That would be violence on whose part?

**Mr Dauth**—There was a lot of violence.

**CHAIR**—The militia, the TNI, or a combination? Remember that at that stage people were talking about rogue elements.

**Mr Dauth**—Indeed we were; that is right. The use of the expression 'rogue elements' of course related to TNI.

**CHAIR**—Yes, I understand.

**Mr Dauth**—But certainly it was the activities of militia, pro-Jakarta forces that were intimidating the population of East Timor.

**CHAIR**—What reassessments of the situation did the government make when President Habibie rejected Mr Howard's urging of a strategy of delay?

**Mr Dauth**—It was a surprise to us, and the strong prospect of both a vote in favour of independence if a successful ballot could be held and the prospect of violence in the context of a vote was immediately apparent to us.

**CHAIR**—When DFAT secretary, Ashton Calvert, held discussions in Washington and New York, was he expressing government policy in respect to East Timor?

**Mr Dauth**—Absolutely.

**CHAIR**—The record of conversation between Dr Calvert and Assistant Secretary of State Roth says that they agreed President Habibie's 1 January 2000 timetable was 'unreal'. Was that the government's view?

**Mr Dauth**—We certainly thought that it was going to be very difficult to achieve a time frame of that sort.

**CHAIR**—Dr Calvert also observed that some reality needed to be injected into East Timorese thinking concerning the nature and extent of possible forms of international assistance? Was it the government's view that the East Timorese were being unrealistic about the assistance the UN and countries like Australia were prepared to provide?

**Mr Dauth**—Dr Calvert, I think, at that time was talking as we would today about the need for East Timorese leaders to take their own destiny in their own hands and certainly, for most of this year, it would have been extremely difficult to get the international community engaged in the way in which they finally did become engaged. The reality is that the international community became engaged as a result of some very active diplomacy by Mr Howard and the government in the face of the most appalling events, events which we did not predict and which were not occurring earlier, even when there was violence, as there was, of course, in April.

There was terrible violence in April and that led Mr Howard, of course, to contact President Habibie and to suggest that they meet in Denpasar. At that time we were urging that there should be the maximum degree of international participation in the process. But the notion that at that time we would have been able to achieve the sort of international intervention which subsequently occurred with INTERFET was, of course, absurd.

**CHAIR**—The record of conversation between Dr Calvert and Mr Roth also indicates that Dr Calvert emphasised that one of the central themes to achieving a resolution was to convince the Timorese that they had to sort themselves out and to dispel the idea that the UN was going to solve all the problems while they indulged in vendetta and blood-letting.

Given the fact that the government was already well aware of the TNI's role in organising and arming the pro-integrationist militias, why did the government put such emphasis on the need to persuade the East Timorese to 'sort themselves out'?

**Mr Dauth**—I think that it is worth recalling in this context that the East Timorese have sorted themselves out and did so during the early part of this year in a very impressive sort of way. The CNRT represents a very recent coalition in a body politic which has been traditionally very fractious and I think that the interests of the East Timorese people have been advanced very significantly by the way in which East Timorese leaders have been prepared to put differences aside.

**CHAIR**—The record of conversation indicates that the major point of difference between Dr Calvert and Mr Roth was on the issue of peacekeeping, with Dr Calvert stating that Australia's position was 'to avert the need for recourse to peacekeeping' in East Timor. Dr Calvert noted that Australia was planning for a possible military deployment, but he

described this as 'a worse case scenario'. Would it be true to say the worse case scenario did eventuate?

**Mr Dauth**—Pretty much, yes.

**CHAIR**—I am very much aware of time, and I know that other colleagues have questions, but there is one other thing that I think needs a comment from DFAT. Throughout this inquiry, there have been more brickbats than bouquets for DFAT. If you have read the *Hansard* that will show itself to be fairly true. There has been a claim—and these are my words trying to paraphrase a number of people who have put evidence to us—that DFAT has failed in its advice to the government, in its advice to the parliament; that DFAT is a secretive organisation; that it tends to treat those outside the brotherhood and sisterhood of the DFAT organisation as mushrooms—and we know how mushrooms are treated. I am surprised that in your response to us today that issue was not in some way addressed, because there have also been claims by some people appearing before us—rightly or wrongly; I am not siding with anyone on the evidence—that there should be an inquiry into DFAT and its shortcomings over a long period of time, whether it be 25 years ago or even today. Do you have a response to that?

**Mr Dauth**—No, Senator, I do not.

**CHAIR**—Thank you.

**Senator LIGHTFOOT**—Mr Dauth, I want to ask two questions that are peripheral to the central issues of East Timor, but nonetheless are on an integral part of the area. With respect to Aceh and the Acehnese, with two predominant groups there, the Catholics and the Muslims, is Australia expected to take refugees—Catholic refugees, I suppose—from Aceh? Will they stay there? Do you have any contingency plans for the evacuation of Acehnese refugees if Australia, through your department, is asked? Or are they likely to go to the predominantly Catholic Philippines or to East Timor, now that the fires are out in East Timor but the place is still smoking, whereas Aceh seems now to have the spluttering touch paper going towards the powder keg?

**Mr Dauth**—That, with respect, is largely an issue for the minister for immigration rather than for my minister. But I must say I had not heard any suggestion that Acehnese might go to East Timor. It is the first I had heard that.

**Senator LIGHTFOOT**—Given the geographical proximity of it.

**Mr Dauth**—They are not very proximate, I have to say.

**Senator LIGHTFOOT**—I mentioned the Philippines as an alternative too.

**Mr Dauth**—Ambonese are closer. They are not, on the whole, Catholic, as I understand it; they are Protestant.

**Senator LIGHTFOOT**—No, I am talking about Aceh.

**Mr Dauth**—There is a very great deal of distance.

**Senator LIGHTFOOT**—Yes, but there is a very great distance between East Timor and Perth, and we have a lot of them in Perth, so that is really my question. You are saying your department has no contingencies, or any plan whatsoever, or information that there may be an exodus or a request for an exodus of Acehnese to Australia, to East Timor, or to any other country, for that matter?

**Mr Dauth**—No, that is correct. What I would add is that Aceh has been a place where there has been appalling repression. The shocking record of the Indonesian military in Aceh is much the subject of debate in Jakarta, apart from being quite properly exposed to public comment in this country and many other—

**Senator LIGHTFOOT**—When you say the military you mean TNI?

**Mr Dauth**—We mean TNI, yes. But throughout that debate—and that is not just a matter of the last couple of months; it is something which has been going on for some time, as has the repression there—I have not heard reports of large scale exodus of displaced persons.

**Senator LIGHTFOOT**—Yes. But you would agree that Aceh is a whole different kettle of fish from East Timor as the province is an integral part of Indonesia rather than one that was annexed by the Indonesian army?

**Mr Dauth**—Absolutely, yes, quite a different situation—historical background, different in many respects. Predominantly Muslim, of course.

**Senator LIGHTFOOT**—Yes. My last question may seem rather obscure, but I have had reports from Indonesia that there is a worry in the religious hierarchy—I am not quite sure what that means, but that was the expression—in connection with the advent of ‘refugees’ coming from Iraq, Iran and Afghanistan who are predominantly Shiah, rather than the more peaceable Sunnis, and there is a religious leader in Gus Dur, as Abdurrahman Wahid is affectionately known. There is a worry about this penetration and a growing element, although small, of Shiah religious influence in Indonesia. Does your department have any comment on that, or has your department heard of any of those things that I have expressed?

**Mr Dauth**—Not especially. There is undoubtedly a good deal of people trafficking going on from the Middle East, and you are quite right to focus on particularly Iraqis who have been out of Iraq in camps in other places in the Middle East. The end point of that trafficking is Australia. I do not think there is a particular concern in Indonesia about an influx of Middle East refugees. The numbers are extremely small—and in a society which is very large. As you know, Indonesia is a country of 210 million people, over 100 million of them on Java alone. I do not think there is a particular concern in Indonesia about that.

**Senator LIGHTFOOT**—But that is concern at the top end of government rather than at the provincial end of government, you are saying?

**Mr Dauth**—No, I do not think there is a concern in Indonesia about this at all.

**Senator LIGHTFOOT**—At any level of the government?

**Mr Dauth**—No.

**Senator LIGHTFOOT**—Limitation of time prevents me from proceeding, but I do thank you for your answers.

**Senator EGGLESTON**—I have some questions about education and health services which I will put on notice. One more political question, which I would like your comment on, is whether or not the vote for independence in East Timor, seen together with what is happening in Aceh and some other parts of Indonesia, in any way suggests what people feared might happen, and that is the fragmentation of Indonesia. How well do you think the territorial integrity of Indonesia will hold together with this growing number of independence movements in various parts of the country? And does that represent any problem for Australia in terms of our relations with the country and the region?

**Mr Dauth**—To answer your second question first, yes, it undoubtedly is a problem for us. We have been very clear in public in saying, as successive governments in Australia have said over a very long while, that it is fundamentally in our interests that the territorial integrity of Indonesia should survive. I think that East Timor really is *sui generis* in that respect; it is quite a different case from any of the other areas of Indonesia where there are separatist pressures—quite a different history, a different organisation, a different manner of integration in Indonesia, and so, really, a case apart. I have no doubt—

**CHAIR**—I will have to stop you there, Mr Dauth. It is nearly 12.30 and we have no permission to sit beyond 12.30.

**Mr Dauth**—We would be happy to come back at any time.

**CHAIR**—We will probably need to speak with you and officers from the department again. We will advise you of that in due course.

**Committee adjourned at 12.30 p.m.**

