COMMONWEALTH OF AUSTRALIA

JOINT STANDING COMMITTEE

ON

FOREIGN AFFAIRS, DEFENCE AND TRADE
(Foreign Affairs Subcommittee)

Reference: Relations with ASEAN

CANBERRA

Tuesday, 7 October 1997

OFFICIAL HANSARD REPORT

CANBERRA

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

Members:

Mr Taylor (Chairman)

Mr Barry Jones (Deputy Chairman)

Senator Bourne	Mr Bob Baldwin
Senator Chapman	Mr Bevis
Senator Ferguson	Mr Dondas
Senator Harradine	Mrs Gallus
Senator MacGibbon	Mr Georgiou
Senator Reynolds	Mr Hollis
Senator Schacht	Mr Lieberman
Senator Troeth	Mr Leo McLeay
	Mr Nugent
	Mr Price
	Mr Slipper
	Dr Southcott

Matter referred for inquiry into and report on:

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

. social, legal, cultural, sporting, economic, political and security issues;

. the implications of ASEAN's expanded membership;

. ASEAN's input into and attitude towards the development of multilateral regional security arrangements and processes, including the ASEAN Regional Forum (ARF);

. ASEAN's attitudes to ARF linkages with, or relationship to, other regional groupings;

. economic relations and prospects for further cooperation, including the development of the ASEAN Free Trade Area (AFTA) and possible linkages with CER;

. development cooperation; and

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

WITNESSES

JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE

(Foreign Affairs Subcommittee)

Relations with ASEAN

CANBERRA

Tuesday, 7 October 1997

Present

Mr Taylor (Chairman)

Senator Harradine	Mr Bevis
	Mr Hollis
	Mr Price
	Mr Sinclair

The subcommittee met at 9.51 a.m.

Mr Taylor took the chair.

BROOKS, Ms Lyn, Administrative Officer, International Relations, Australian Vice-Chancellors Committee, 1 Geils Court, Deakin, Australian Capital Territory 2600

HAMILTON, Mr Stuart, Executive Director, Australian Vice-Chancellors Committee, 1 Geils Court, Deakin, Australian Capital Territory 2600

CHAIRMAN—I declare open this session of public hearings on Australia's relations with ASEAN, which is being conducted by the Joint Foreign Affairs, Defence and Trade subcommittee. I have said on many occasions that it is appropriate that we do this inquiry at this 30-year point. It is being done at a time when the membership of ASEAN is changing and when there are some question marks over further extension of that membership. It is a very important relationship for Australia, with the two-way trade exceeding $19 billion in 1996. It is important that we take evidence on all facets of those relations.

We have already taken evidence in Canberra, Sydney, Brisbane, Melbourne, Perth and Darwin. Today we are taking evidence on cultural, aid and some strategic issues. On behalf of the subcommittee, I welcome representatives from the Australian Vice-Chancellors Committee. Are there any errors of fact or omission in the written submission under cover of your letter of 27 August?

Mr Hamilton—No, the submission is a purely factual one and stands as it is.

CHAIRMAN—Would you like to make a short opening statement?

Mr Hamilton—Yes. I apologise for Mr Bob Goddard, who has fallen ill. He was to attend as our Director of International Relations, but Ms Brooks is appearing on his behalf. I would like to comment on a couple of points. The submission, as I say, stands as it is. It is a purely factual submission. We are not making any recommendations or policy observations, largely because ASEAN as a grouping is not an organisation that Australian universities have dealt with as such.

We are deeply involved with individual universities in the region, individual countries and economies, and the Asia-Pacific region as a whole. Most of our initiatives take place at the institutional, national or APEC level. For example, the major association that we have dealings with is the reasonably recently formed Association of Universities of the Asia-Pacific. One of our executives, Professor Don McNicol from the University of Tasmania, is the Vice-President and host of their next conference, which will be held in Tasmania later this year.

Since we wrote our submission, ASEAN has formed an organisation called the ASEAN Universities Association, with which we are seeking a relationship. As far as I am aware, that is the first time ASEAN has operated as a university level grouping. We are yet to see what effect that has.

I draw your attention to the fact that the figures we quote in our paper mostly end in 1995 or 1996. To the extent that we have updated figures on the movement of students, particularly ASEAN economy university students studying in Australia, there is some mixed evidence—such as it is—which shows that there is either a decrease in the rate of increase or an actual decline in one or two cases.

The AVCC is not the body that works for universities in relation to the marketing or issues about overseas students; that is a fellow body called IDP Education Australia. Its figures do show, at the very least, a fall off in the rate of increase in some of our major ASEAN market countries, such as Malaysia and Singapore. It is too early to know what has caused that. There are a number of factors that IDP has drawn attention to, including the current economic problems in some of the ASEAN economies and the greater level of marketing that some of our rival countries, such as Canada and the UK, are undertaking. Where we have been seen in some of the ASEAN countries as the main source, at least after Britain and the US, some other countries are now coming up.

Another factor is that several of the ASEAN countries have very clearly made it their objective over the next few years to be themselves exporters of education services. Singapore is one in particular, but there is also Malaysia. Singapore particularly has made it an explicit object of national policy to turn around the sending of their students overseas and to bring students into Singapore. That is beginning to have some effect. Some people think that the Hanson factor has in some markets at least—possibly Malaysia—had some effect.

That is probably all I want to say in supplementation to the submission. There are a few broad points of a policy nature I could make, but perhaps they could come out in discussion.

CHAIRMAN—Thank you. I should have said at the outset that this committee does not expect to take evidence on oath, but I remind you that these are legal proceedings of the parliament.

Mr BEVIS—Looking at the graphs in your submission in relation to formal agreements, in the last year or two have they reached a plateau, have they peaked or are they on the way down?

Mr Hamilton—It was before my time, but I understand that in 1994 there was a particular push to sign a lot of agreements, but that should really be seen as an aberrant year. If you strike out 1994, in most areas you will find a steady increase. Clearly, when we get agreements with all the leading institutions, one would expect the number of new agreements to gradually decline.

There was an increase over the trend in 1995 and, as I understand it, 1996 was around the same level again. So there was no particular concern there. I think the concern

is more—and we imply it in our submission—that it is very easy to sign memorandums of understanding in many spheres; the hard thing is to then take action to give effect to them so that they are not just pieces of paper that sit in filing cabinets. I guess our preference would be to have, either at the institutional level or at the level of national organisations such as mine, fewer active agreements rather than a large number of pro-forma agreements.

Mr BEVIS—What is your view on the effect of the currency difficulties in the region, particularly in places like Malaysia and Thailand?

Mr Hamilton—It is difficult to draw out, but there is a plateau effect in Malaysia, Thailand and Singapore. I think there are different reasons for that. IDP, our fellow organisation, does speculate that, at least in relation to Malaysia and Thailand, there has been some effect of that, but there is no clear evidence that it is that. The only surveys done recently do not show that as an overwhelming factor, but it is early days on that. You would expect that to show up in decisions being made by students over the last couple of months relating to next academic year. It will show up when we look at the figures for 1998, rather than the figures for now, when most students who are studying now would have made their decisions a year or so ago.

Senator HARRADINE—I notice in the graphs that Indonesia does not come out. It is only our programs with Indonesia. Presumably, Indonesian universities do not rate very highly. Is that right, or am I misunderstanding the graphs?

Mr Hamilton—Which particular one, Senator?

Senator HARRADINE—I saw it before. I am just trying to pick it up when I was asked. By comparison with Malaysia, I noted that there are far more programs in Malaysia than there are in Singapore.

Mr Hamilton—If we look, for example, at the bar chart at the top of page 5, it reflects those sorts of relationships—

Senator HARRADINE—That is the one that I was looking for.

Mr Hamilton—That is the one you are talking about?

Senator HARRADINE—Yes.

Mr Hamilton—That is the most spectacular one. Generally, traditional relationships have been with English speaking countries and with Commonwealth countries. Malaysia and Singapore have the greatest number of connections with Australia. In just about all these areas, you will find Malaysia and Singapore, except in areas such as where we are looking at signing new agreements. If I take you back to the top of page 3, you will see that Indonesia leads the way. That sort of chart is really an indicator of future

intentions, if you like. That is where universities are saying, 'We need to concentrate more so let's sign agreements,' so Indonesia leads the way.

The chart at the top of page 5 reflects more the past. That is where we have had longstanding agreements. That is where universities have gone in and put money into establishing joint facilities. Going back to my earlier point about Malaysia and Singapore's own agenda of growing their education sectors, the Malaysian and Singaporean governments are putting a lot of money into these joint arrangements so that they can learn from us on a campus where a Singaporean university and an Australian university or a Malaysian university and an Australian university have a joint interest. They have a clear national objective there. They are much more willing to establish such universities as a beachhead for their own agendas. So you will see Malaysia and Singapore leading on those sorts of things, both for reasons of where the past relationships were and the national objectives of those particular governments.

Senator HARRADINE—Could you explain to me what the top of page 3 all means with the 116 formal agreements?

Mr Hamilton—Yes. They are agreements individual Australian universities and individual ASEAN country universities—as I say, led by Indonesia—have signed. That is a total number of bilateral agreements between a university, say, in Penang and—

Senator HARRADINE—So that is 1995?

Mr Hamilton—As at 1995, that was the total number, the stock, as it were, of agreements that existed at that time.

Senator HARRADINE—If you go to page 5, the outcomes seem to be rather minimal, don't they? They are talking about off-shore programs.

Mr Hamilton—Yes. That is one.

Senator HARRADINE—And then that is 1996?

Mr Hamilton—Yes. As I say, the top bar chart reflects where we have the established off-shore programs. Off-shore programs are only one element of it where Australia actually sets up a facility or jointly sets up a facility in the country. That is just one part and really only takes place where we have had long-standing agreements and where there is such a level of understanding that you are prepared to do that. If you look at the whole range of activities—which go to student exchanges, which go to source countries for students coming to Australia and which go to research collaboration—it will show a much broader pattern of engagement, although I would have to say that, once again, it shows a focus in the past on the Commonwealth countries.

Mr HOLLIS—Has anyone at any time made any comment to you on the almost exclusively commercial relationship between Australian universities and these countries? I ask this question because the trade committee is doing another hearing into trade relationships between Australia and India. There was a lot of strong criticism coming from the Indian side. What they were saying to the committee was that surely there is more in a relationship than just a commercial relationship. They were quite critical of the commercial relationship that now exists between Australian universities and the Indians.

I know we can never go back to the Colombo Plan days, but we did so much in those years in the training of so many people who are now in middle management throughout these countries. I know that we all live in tough times—we appreciate that in this place—but it seems to me that our whole focus, especially in the academic field now, on looking at ASEAN countries or possible students there is purely a commercial venture. I think we suffer from that. We may gain financially, but from a wider political view I think we suffer from it. Have people made comment? Have you people discussed it at all, or do you leave it up to the individual universities?

Mr Hamilton—No. It is an issue that has been discussed quite actively. Clearly, it is a major export industry for Australia. We are not, by any stretch of the imagination, ashamed of the commercial aspect of it. The export of education services and the bringing of students to Australia or the provision of Australian university services in the countries concerned is only one part of the relationship for universities.

The MOUs that we have signed with a number of countries and which institutions have signed with a number of countries cover at least three or four areas, one of which is the movement of students in that commercial sense. Another is the non-commercial movement of students through exchange programs. We have a program called university mobility in Asia and the Pacific, UMAP, which Japan and Australia jointly provide the secretariat. That is all about exchange of students for experience. Maybe they will go for a semester to Japan or a semester to Malaysia and another student will come back.

Another area that the MOUs deal with is research collaboration. We have an overarching arrangement called APHEN, the Asia-Pacific higher education network, which is a mechanism for sharing research results over the Internet. A lot of research collaboration goes on either via APHEN or, again, under these bilateral agreements, none of which have any necessary commercial flavour. It is all about the normal process of academic inquiry and interchange. Yes, the criticism is made. We would be concerned if it was seen simply as a commercial venture. We are not ashamed of the commercial side of it, but there is a lot else going on as well.

Mr SINCLAIR—Firstly, I am glad to see you in this present incarnation.

Mr Hamilton—Thank you.

Mr SINCLAIR—There are a range of things that worry me about our universities in ASEAN. To a degree, Mr Hollis touched on the first one—that is, whether the relationship is purely commercial or something more substantive. The thing that worries me more than anything comes from these graphs. We have not seen parallel performance by other countries. If we were to see the American, the British and the Canadian comparisons, I think it would be very interesting. Has anybody done such parallel comparisons?

Mr Hamilton—I am not aware of them in this form. My recollection is that there may be some figures that IDP has, the parallel body that acts for universities on this side of things.

Mr SINCLAIR—Would you mind seeing whether they have? It would be very helpful. One of the things that worries me is that we are all in a bit of a fool's paradise thinking that this trade is going to be there forever. You have mentioned the degree to which Singapore and Malaysia are starting to develop their own internal capabilities.

Mr Hamilton—That is right.

Mr SINCLAIR—We keep on upping the ante and the price of tertiary education is increasing, so they look elsewhere. So, firstly, you have got a price disincentive; secondly, you have got the degree to which they are able to develop their own facilities; and, thirdly, there are a lot of other places where they can go. I do not know that we have really addressed those problems sufficiently.

Is the Association of Universities of the Asia-Pacific intended in some way to look at the problems on a more academic basis, to see whether there can be standards set and to set up areas of excellence within the area? What is it all about?

Mr Hamilton—It is not particularly about the commercial relationship; it is really about everything else—about learning from one another, academic performance and quality issues within universities. It is a body which enables each university to understand what one another is doing. A specific example would be qualifications recognition and looking at credit transfer arrangements between universities. So it is really more about the non-commercial side.

Mr SINCLAIR—There is another problem. Australian universities—and we found this out during the couple of inquiries we have done where we talk about university involvement in ASEAN—all fight like Kilkenny cats to get their share of the action within Australia. Everybody says, 'It's my patch,' and somebody else tries to muscle in. They do not necessarily complement what each other does—they compete. Has the AVCC or the big six—or whatever they call themselves—addressed this problem?

Mr Hamilton—The group of eight. I have a couple of points. Firstly, I will see

what I can get in relation to other countries. My understanding is that we have come off a low base. That rate of growth has been spectacular and no-one expects it to continue like that. There are countries like Malaysia and Singapore, as I have mentioned, that are themselves looking to turn into exporters. There are other countries whose potential has not yet peaked, no doubt.

With some countries, however, there are important cultural issues. Mr Hollis referred to the Indian sensitivity. We very much recognise that as an issue. So I do not think we have this naive faith that the upward growth of earnings from this source will continue and that somehow this is the answer to all universities' financial woes—importing students is an ever increasing source of revenue.

In relation to competing with one another rather than assisting one another, universities are, as it were, competing for students. There is a lot of collaborative work that goes on. A good example is the Western Australian universities collaborate in marketing because Western Australia tends to take students from slightly different markets than others. It is largely related to where the airline routes are, frankly. There is some collaboration between them.

IDP, the marketing arm, does a lot of marketing on behalf of the sector as a whole. Frankly, we have had some trouble in this area because of the unclear role of the government agency—the Australian International Education Foundation—which is currently under review. We have certainly taken the view that the first thing that needs to be marketed in selling Australian higher education is Australia as a whole in the broader cultural, scientific, technological capacity of Australia plus its tolerance, its lifestyle and all those things. Marketing the individual potential of particular universities needs to be seen in that broader context.

We have been somewhat disappointed with the fact that the AIEF has not achieved that. We are talking to the government over the last few months about ways to improve that. It is one of the first things I am wanting to talk to the new minister about.

Mr SINCLAIR—We speak a lot of our association with ASEAN, but we have never really had an education ministers' conference. Have we invited the education ministers from any of these countries to Australia? It seems to me to be an area where Australia could very easily take an initiative. We could invite the education ministers of ASEAN to come to a conference in Sydney and identify the problems that there are for their students. You mentioned the Hanson factor. One of the very good ways in which to combat that would be for us to be pro-active and try to get the ministers down here to look at this issue. Whether you should do it bilaterally or multilaterally might be another thing.

You mentioned that the universities do not really look at ASEAN as a group. But has the VCC addressed this? Have they looked at ways by which we might be able to

enhance our relativity? Particularly, either bilaterally or multilaterally, have you thought about trying to organise forums in Australia where you might be able to discuss some of the problems and try to be a bit pro-active in the future?

Mr Hamilton—Yes, we have. But right now it is happening the other way around. The International Issues Committee of the Australian Vice-Chancellors' Committee will be visiting Malaysia in November to meet the Malaysian Minister and Malaysian vice-chancellors to talk about some of these issues.

As you commented, we have not dealt with ASEAN as a group before. The Association of Universities of the Asia-Pacific is meeting in Hobart in December and a number of vice-chancellors and I will be addressing that conference and using that as a vehicle to have just those sorts of discussions. So in both Australia and the South East Asian countries there is quite a lot of discussion, tending to be more about the region as a whole—at the APEC-type level—or about the individual country, rather than about ASEAN. But I think our association will probably want to talk with this new body, the ASEAN Universities Organisation, at the ASEAN level.

Mr SINCLAIR—But that is at the vice-chancellor's level. There has been nothing at a government level in the education field, has there?

Mr Hamilton—There is a South East Asian Ministers of Education Organisation—SEAMEO. I believe that an Australian minister met with that organisation last year. I am not aware of a continuing relationship between that group and Australian ministers. But certainly at the university level there is a lot going on.

Mr SINCLAIR—Would there be any advantage in upping the ministerial contact?

Mr Hamilton—I think that would be excellent. The push that we have always given is that, with a number of these countries, you need government-to-government contact as a way of door opening and as a way of cementing relationships.

Mr SINCLAIR—Is any public policy statement or any press statement made following these AVCC meetings with their ASEAN counterparts?

Mr Hamilton—We will certainly be making a lot of the Malaysian visit when we do it next month, and we will be making a lot of the Hobart visit in December.

Mr SINCLAIR—It just seems to me that that might be a way that we as a committee may be able to do something. If we suggest that there is a role for political interface at a ministerial level, we might be able to do something to up that interchange. If you could give us any information that would help towards that end, it would be very helpful. Think about it and perhaps come back to us.

Mr Hamilton—I will. The Malaysian meeting in November was actually set up following discussions between the governments about better engagement between Australia and Malaysia; that was done at an education ministers' visit. There is some interplay, as it were, between the political and the institutional level, but if there are any other thoughts on that, I will let you know.

Mr SINCLAIR—Thank you very much.

Mr PRICE—Do you see it as being important for Australia's future that we actually have some of our students studying at ASEAN universities?

Mr Hamilton—Yes.

Mr PRICE—Does the government offer any scholarships to encourage that?

Mr Hamilton—The main thing is that scheme I mentioned earlier, University Mobility in Asia and the Pacific—UMAP. It does not involve study for the full three or four years; it might be for a semester or two. There is about $1 million in seed funding from the government for that. We have argued that that should be upped significantly, because it is important for Australian undergraduates to have an engagement with Asian universities on the way through their courses, for obvious mind broadening reasons and for teaching them how to deal with people they are going to be coming across, plus the personal contacts that they have. We have been pushing that fairly strongly over the last few months.

Mr PRICE—I suppose as far as the public purse is concerned we have been disinvesting in universities. This is at a time when there appears to be great change occurring or about to occur in universities. Are there any comparisons between Australia's capital funding and, say, Singapore and other countries that are looking into the university export market?

Mr Hamilton—We have tried to look at some comparisons. The figures are very difficult to come at. The figures that we used in our submission to the West committee were based on government figures of a couple of years ago, unfortunately. We have made a recommendation that Australia be prepared to increase its overall level of expenditure as a proportion of gross domestic product based on the fact that a number of Asian countries have either got such a target or are achieving that much higher level of expenditure. I had better not quote the figures because they are hazy in my mind and if I quoted them I would misquote them, but I can easily let you have them.

Mr PRICE—It would be good if we could have that submission—

Mr Hamilton—Singapore and Taiwan are the two countries that we have figures for. But I will phone those through if that is okay, rather than misremember them now.

Mr PRICE—West has not reported yet?

Mr Hamilton—No, he is coming out with a discussion paper in a couple of weeks time.

Mr PRICE—Five years down the track or 10 years down the track what are going to be the characteristics of a successful university in Australia?

Mr Hamilton—I think that is a pretty broad one, if I might. I think, one that understands—

Mr PRICE—I think that there will be a lot of change, will there not?

Mr Hamilton—Yes. I think there will be a lot more differentiation. We talk about diversity in the university sector but there is not anywhere near as much diversity in Australian universities as, for example, in the US universities or many of the Asian universities. I think universities will begin to look at particular niches, I will not use the word 'market', of activity for both Australian students and overseas students. Some will focus more on the postgraduate research areas and some more on fulfilling undergraduate experience. The line we take is that that should not be mandated, that you should not say, 'You shall be one sort or the other. You shall be a great eight or you shall be a purely undergraduate university.' Universities will begin to make choices between being different sorts of things.

In relation to the point of this inquiry, some will focus much more on research collaboration with ASEAN, some will focus more on the interchange of students and will become known for the different areas of expertise rather than all trying to be all things to all students and all researchers. I think that will be necessary if we are to maintain around 37 high quality universities.

CHAIRMAN—Could I just finish off the point you made to start off with—and I am reluctant to use the term but I will anyhow—the Hanson phenomenon.

Mr Hamilton—Yes.

CHAIRMAN—We have had a lot of anecdotal comment. There is not too much statistical evidence on this, but we would be interested if you have some sort of trending statistics at this point in time. What does the AVCC see, at this stage, in relation to that phenomenon? What are the general trends? What are the danger signs? What are the positives in the whole process? In particular, it has been raised with us in this committee in Melbourne the degree to which one avenue of reversing some of these perceptions in this country, and even overseas, is to get some of the ASEAN students involved in Australian families. Do you have a view on that point?

Mr Hamilton—Starting with your first point, it is anecdotal at this stage. We do hear it from IDP councillors in the posts reporting from missions. That is all a matter of public record, but it is anecdotal. We see the effects in recent months, but to try to attribute those to the three or four factors that we have talked about is almost impossible. But just in summary, we have seen the continued growth in Indonesia. So, that does not seem particularly affected at this stage. We see a sharp flattening of growth in Korea, a further flattening from the previous six months in Malaysia and Thailand, an actual downturn in Singapore and a flattening in Hong Kong and Taiwan also looking a bit shaky.

So we have a mixed picture and to try to attribute the Hanson factor currency to their own marketing efforts, efforts of our competitors and say that is it is pretty difficult. But if you look at where the particular factors are and what the particular sort of press has been on Hanson or where new competitors have come in, you can see a mixture of those affects.

The danger of the Hanson-type factor is not so much in itself that people will or will not believe it, but then at that level of threshold decision the decision will be not will I go to university X versus university Y but will I go to Australia versus Canada or somewhere else. It is very easy for those sorts of factors to be used by our competitors to say, 'Don't look there, remember this, look to us.' It is almost the capacity of our competitors to use it against us that is the concern. We do need to be doing some positive things at that perceptual level, at that threshold level, to turn that round. Having people staying with Australian families is good if they are going back and sending the message back that in fact we are welcoming and racism is not a major problem. We have got to attack the problem though at that very early decision making stage that students and most particularly their parents are coming to—that is, before they have done anything about examining Australia.

Mr PRICE—Just getting back to those universities that specialise in research—and I realise research is more than scientific—we have always had a good record in public research and innovation, but difficulty in translating that into commercial products. My understanding was that the cooperative research centres were really designed to address that problem. Are we defunding cooperative research centres or are they still going?

Mr Hamilton—They are still going.

Mr PRICE—They are still proceeding?

Mr Hamilton—The government has continued funding on those. They are under a shadow with the Mortimer committee recommending that only so-called public good cooperative research centres—

Mr PRICE—That is right, yes.

Mr Hamilton—should continue to be funded.

Mr PRICE—My question to you then is: how do we overcome that problem that, as you say, there will be a shake out in the universities and some will maintain that tradition of excellence in research? How do we overcome the problem, from the public purse point of view, that Australia does not get the full measure of benefit of that?

Mr Hamilton—I guess the continued government investment in the applied end of research is critical. I think one of the things we can learn from discussions with ASEAN economies—and a good example of it was a discussion that the former minister of science, Mr McGauran, had here the day before his demise with his Korean counterpart, which I enjoyed sitting in on—is that countries like Korea are much better at the applied end and are learning about getting more basic research and see Australia as an excellent partner there.

We have got a very good and proud history of basic research, but are perhaps less comfortable about how to get the industrial application. Working with Korea, we each learn from one another. But certainly the basic message of a continued public investment in CRCs is a method of trying to overcome the strange deficit we have had about research application is critical to that.

CHAIRMAN—Thank you very much, Stuart.

[10.29 a.m.]

HUNT, Ms Janet Eileen, Executive Director, Australian Council for Overseas Aid, Private Bag 3, Deakin, Australian Capital Territory 2600

LEE, Ms Penelope Anne, Director Research and Information, Australian Council for Overseas Aid, Private Bag 3, Deakin, Australian Capital Territory 2600

CHAIRMAN—Janet, as always, we thank you for a very comprehensive written submission. Are there any errors of fact or omissions that you wanted to correct on the record before we start?

Ms Hunt—No. I just note that the submission is a little out of date now, but it was current at the time it was written.

CHAIRMAN—You can cover that in a moment. I should point out to you, as I did to the previous witnesses before you came in, that we are not taking evidence under oath, but of course these are legal proceedings of the parliament with everything that goes with that. Would you like to make a short opening statement?

Ms Hunt—Thank you very much, yes. We would like to table some additional documents that have come to hand since we made that submission that might be relevant to the inquiry.

CHAIRMAN—If you would like to just read those into the record, we will take them as exhibits.

Ms Hunt—They are *Generating power and money*, the proceedings of a conference we held in Melbourne in May this year; *Message to Manila*, a statement from an NGO meeting held in Kuala Lumpur last month which was looking at the follow-up in the region to the Social Development Summit; *The prevention of trafficking in women and children in the northern provinces of Vietnam*, the proceedings of a workshop held in Hanoi in January this year; Amnesty International's July report on Myanmar: ethnic minority rights under attack; the most recent report of the Burma Border Consortium on the refugee situation dated 23 July 1997; and *Trafficking in women and prostitution in the Asia Pacific*, a document by the Coalition Against Trafficking in Women of the Asia Pacific.

CHAIRMAN—Would you like to make an opening statement? Will you be drawing on some of those documents?

Ms Hunt—Yes. As most of you know, ACFOA is the peak council of some non-government organisations which between them raised over $162 million from the public last year for overseas development and disbursed some $205 million in overseas aid,

including contributions from AusAID and other sources. Some 27 per cent of those funds were provided to South-East Asia and the Mekong region, and the countries of Cambodia, Vietnam and the Philippines are major recipients of NGO aid.

The engagement of NGOs in the region covers a wide variety of issues, but they are working obviously with people living in extreme poverty or who are economically and socially marginalised. The range of sectors they are working in is broad—agriculture, health, education, water, human rights, trafficking, migrant labour, HIV-AIDS, worker issues, environmental issues, children's issues—including the sexual exploitation of children—refugee issues and working with indigenous people and peasant farmers. So it is from that diverse background that we have drawn in preparing the submission.

ACFOA itself has also developed relationships with the respective peak councils or NGO resource bodies in many of the countries, as well as some of the regional NGO networks. I think it is worth noting the growth of NGOs within ASEAN countries. There are estimated to be some 60,000 NGOs in the Philippines alone. There are some 8,000 in Indonesia, and in the countries in transition—Cambodia and Vietnam—there are around 250 new local NGOs in Cambodia and around 100 local NGOs emerged in Vietnam to date.

While our organisations obviously do work with people in the most marginalised situations, we want to endorse the words of James Wolfensohn last week when he said these countries are not charity cases—they were his words. As he said, these are people with a history as rich or richer than ours from which we can learn. So our view is that we must engage with ASEAN or we will find ourselves marginalised and there must be the leadership to bring the people along. So the value of the kind of people-to-people cooperation that NGOs foster is something that we would not want understated. Already, NGOs are making these kinds of connections and we are simply asking for continuing government support to keep doing it and perhaps expand it.

In terms of the submission itself, there are two key areas that we wanted to comment on: firstly, ASEAN through AFTA as an economic grouping, promoting trade and deregulation and investment in the region; and, secondly, ASEAN as a security grouping through the ASEAN Regional Forum. We would also like to make some comments about human rights in the region and development assistance.

In terms of the economic aspect, obviously we—like everyone—recognise the economic growth in the region, which has been quite dramatic, but which seems to be slowing. It has had huge social and environmental impacts, and considerable dislocation of people has resulted from this very dramatic growth. We are concerned that economic fora in the region are neglecting these issues, and there are some potential major ramifications for the sustainability of the changes that have taken place.

We are concerned, for example, about whether Vietnam can achieve the

requirements for AFTA without considerable cost to their own companies and also—and more importantly, from our point of view—to rural people, particularly rural women. While the movement of capital and goods has obviously been facilitated within ASEAN, the movement of people is still a major issue. There is, as you know, extensive labour migration occurring, but much of the movement of workers is illegal; or people are moving as contract workers and they are in very vulnerable situations, particularly the women who are domestics. There are about half a million illegal migrants in Thailand, more than 300,000 of whom are estimated to be Burmese.

The failure to put in place a legal framework and ensure reasonable working conditions for contract and migrant workers is leaving thousands of people vulnerable to exploitation and abuse. Obviously, the worst form of this is forced labour and particularly the sexual exploitation of children. It is a feature in the region, particularly in Cambodia, Vietnam and Thailand. It is an issue that has to be tackled regionally. Similarly, the trafficking of women and children is a huge issue. The numbers are really unclear—it is a very hard area to research—but even the conservative estimates cause considerable alarm. It is a major regional human rights violation which needs to be tackled.

Related to that is the social and economic impact of HIV AIDS, which is spreading quite rapidly through the region. Bangkok alone has 120,000 infected people and in Burma there is estimated to be half a million infected people. Again, as economic development opens up roads and transport systems, the spread through the region is likely to be exacerbated. So whilst the economic development of the region is benefiting a lot of people who are moving out of poverty, it is accompanied by serious problems which affect the security and wellbeing of other individuals.

In terms of the security issues, we think that the non-military threats to security and the range of sources of conflict—some of which I have already addressed—need to take a higher profile. I think the most recent publicity about the forest fires shows the sorts of trans-boundary environmental conflicts that can arise, but there are also huge health and economic costs associated with those fires and, indeed, with further environmental degradation in the region. Forestry issues generally, right across the region, are posing a threat to environmental security.

Water is another cause for concern. It is a very scarce resource in the region. There are conflicts over multiple use of water. The Mekong River Basin is a good example of where the rights of downstream farmers to water could be jeopardised in the future. There are huge plans for dams; in Laos alone, there are 60 dams on the drawing board. The cumulative impact of all of this development is really unknown, but it could jeopardise water rights for many people downstream. Similarly, urban water is going to become a major problem. In about 20 years time, half the Asian population will be living in cities, and access to water is going to be a major issue. In relation to the Mekong River, Australia is a member of the donor consultative group of the Mekong River Commission. It is very important that we ensure that environmental and social concerns, including

transparency and participatory processes, are attended to in the development of that water basin.

In terms of energy, which is another area related to water use, I think Australia has an opportunity to assist in the search for the application of renewables in lieu of nuclear, dams or the massive expansion of coal as the basis on which to generate the necessary energy for Asian development. Energy conservation and alternative energy options are a must and Australia could be a market leader with a bit of imagination and a bit of R&D.

Obviously, the security situation can lead to refugee outflows. There are some 200,000 refugees in Thailand from Burma and they have very limited protection because Thailand has not signed the refugee convention.

I have two other points before I finish. Much of the development of ASEAN has been under very repressive human rights regimes. We would want to draw your attention particularly to national security laws in a number of the countries—Burma, Cambodia, Indonesia, Malaysia, Laos, Singapore and Vietnam. We would urge, in dialogue between Australia and ASEAN, that Australia presses for the repeal of those laws.

The other area relates to the two major human rights conventions—the Convention on Economic, Social and Cultural Rights and the Convention on Civil and Political Rights. Only three countries in the region—the Philippines, Vietnam and Cambodia—have actually signed those two conventions. So there is a lot of work to do and dialogue to try to encourage those countries to sign and ratify those conventions.

In terms of development cooperation, Australian assistance to ASEAN has been cut by around 28 per cent in the last two years. There have been very significant cuts to Malaysia and Thailand and that may be appropriate as those two countries are developing. The significant cuts to Indonesia, the Philippines and Laos, and particularly to the ASEAN regional program, are of great concern. That regional program, in particular, which was halved, was the area in which a deal of work was being done on some of these regional issues, health issues, population issues, HIV-AIDS issues and so on. We are concerned that a lot of scope for work in that area has gone as a result of that program being halved.

CHAIRMAN—Janet, can I start off with a question in the ODA area. What is ACFOA's view in terms of the Simon's recommendations? If those recommendations were implemented as recommended, what would be the impact, in your view, on ASEAN?

Ms Hunt—There are many recommendations in the Simon's report. I suppose we very much like the thrust of the Simon's report that there should be one clear objective on poverty reduction. I suppose some of the areas where there could be implications might be in relation to good governance, but one would hope that we would approach things in a constructive and positive way rather than a punitive way.

In terms of the geographical priorities set within the Simon's report, whilst we would accept those, I think we would want to see that the third and fourth priorities, South Asia and Africa, do not drop off the map altogether and that actually some percentage perhaps is set for those four priorities so that a certain proportion of our aid goes to each of them—obviously a declining proportion as you go down the priorities. We want to see some proportion of aid going to South Asia and Africa and a greater proportion than the current proportions.

Senator HARRADINE—In terms of the signing of international conventions and the trafficking in women and children, why is the Thai government so lackadaisical? Why does it not insist and enforce its own laws? It has got enough laws to deal with the situation yet it is clear that they have no intention of doing that at all. Why? We are talking about the Thai government now.

Ms Hunt—I agree with you. It is hard to understand. I am not sure why. I think within Thailand there is a reluctance to acknowledge publicly those sorts of problems, first of all. Secondly, there are some officials in Thailand who are probably benefiting from the trade. But I would have thought that they were largely more junior officials on border posts and so on and police who are implicit with the trade and take bribes in relation to that. I do not know whether Penny has any thoughts on that.

Ms Lee—I think too that it is worth acknowledging that it is part of a multi-million dollar entertainment industry which for Thailand is a major export earner. I think that that could be the bottom line there. It is a rather ugly view.

Senator HARRADINE—We often hear justifiable serious complaints about this. What would you recommend Australia or ASEAN do about this? It is not only a dreadful thing for the women and children concerned—not to mention the other people involved—but also one of the causes of the spread of AIDS.

Ms Hunt—Absolutely. I think to keep talking about and keep raising concerns about it is the important thing. We should just keep a bit of pressure on that it is something that is of great concern to Australia and to the Australian community. It is certainly of concern to women's NGOs particularly across the region. I guess some support to them to assist them from within their own countries to continue campaigning against it would be something practical that could be done.

Ms Lee—I think too we need to do some more work in Australia and acknowledge that there is a lot of support for the industry from within Australia. A lot of the people going to Thailand to participate are Australians.

Senator HARRADINE—Would you recommend any legislation in the Australian scene on the matter?

Ms Hunt—Out of the Beijing conference there were some recommendations to do with how women who have been the victims of trafficking are dealt with and I am not sure that Australia's own legislation would meet that standard, if you like. As far as I am aware—and I am not an expert in this area—women who are trafficked are treated as illegal entrants to Australia and hence are deported.

The recommendations from Beijing were that such women should not automatically be deported and treated in that way, but should be given an opportunity to bring a case against those who have trafficked them. That may require them to stay in the country for some time. They should also have the option of what they do—whether they return to the country that they came from or whether they wish to stay in Australia under some form of humanitarian program. Our legislation needs attention in that area, but I am not completely up to date with what has happened since Beijing.

Senator HARRADINE—On the question of human rights, are you aware of what is termed the charter of human responsibilities?

Ms Hunt—Yes.

Senator HARRADINE—Have you had a look at that? I noticed here that in recommendation 3 you urge the committee to endorse the principle of free and independent media flow information. Is it fair for me to ask what you thought about the article contained in the proposed charter of human responsibilities about the media and the urging of the media to act responsibly? Who says what is responsible?

Ms Hunt—Yes, it is very difficult, is it not? I think our quick assessment of the charter of human responsibilities is that many of the articles contained in it are actually already within various human rights instruments. Perhaps it is just bringing together a range of those and placing some emphasis there.

We are a bit concerned about the timing of this, largely in response to the pressure that appears to be coming from one or two countries in this region to challenge the Universal Declaration of Human Rights. Certainly, all our NGO colleagues in the region would strongly reaffirm that that Universal Declaration of Human Rights is something they want to stay in place and to support very, very strongly. If that declaration of responsibilities is used in any way to weaken the declaration of human rights, we would all be very concerned.

Mr SINCLAIR—There are several areas in your submission which interest me. One is that, as distinct from aid to individual countries, we are really looking at ASEAN as a whole. That is why I was interested in your comments about the East Asia regional program and the cuts to it. What exactly does that program do? I was not even aware of it until you mentioned it had been cut. I looked at what you have in your paper and I see that DIFF is somewhere partly in it, and I am not sure whether most of the cut comes

from the DIFF reduction.

Ms Hunt—The cut in the bilateral programs comes from the DIFF reduction, certainly—a lot of it anyway. Although, I might add, a number of those DIFF projects did go ahead, including some that we would have considered should not have gone ahead. Indeed, one that may not have gone ahead if it had been under DIFF guidelines was the Philippines search and rescue vessels, but that is another story.

Within that East Asia regional program, there was a program called the South-East Asia regional program, which provided funds for HIV-AIDS, health, population and the environment. There was a Mekong Basin subregional program. There was an ASEAN-Australia Economic Cooperation Program and an APEC support program, which was very small. I think that was around $1 million. The ASEAN-Australia Economic Cooperation Program was largely a technical cooperation program. Pene might better remind me what areas it was in. It is sort of technologies and economic cooperation.

Ms Lee—It is to facilitate broad based economic cooperation between ASEAN and Australia contributing to the economic integration of the region. That is all that we have in the budget paper.

Ms Hunt—There is a strong focus on energy, telecommunications and the environment.

Mr SINCLAIR—How did we get the aid through? If it was with ASEAN, did we sort of provide our aid to a group of countries and the ASEAN focused it, or did we focus it after consultation? How did it work?

Ms Hunt—I think it worked like that, as far as I know. You would have to actually ask AusAID exactly how it worked but, as I understand it, it was agreed regional programs and that was the criteria. It was meant to be a regional program where a number of countries in ASEAN were cooperating on some project—as I say, telecommunications and that sort of thing—that actually required regional collaboration. That was my understanding of that one.

Mr SINCLAIR—It just seems to me that that is an area that we should have a look at. While the need in each of the areas you have identified is apparent, there is a problem in trying to look at ASEAN as distinct from particular country programs. If there are ways by which we can look at the ASEAN impact as distinct from individual countries, it would be worth while.

I must admit, I do not agree with your recommendation here that we focus development assistance on the poorest countries. For example, you mentioned Malaysia, but the trouble with Malaysia is that the eastern states of Malaysia—Sarawak and Sabah—are significantly less developed than the peninsula Malaysian states. If you say you are

going to exclude Malaysia, you are really saying that nobody is going to try to help those countries. The same applies in other countries, but it is more apparent in Malaysia than others. Somehow you have to try to tell Malaysians that these less advantaged people, particularly because they are minority peoples, have to be given some help.

Ms Hunt—Yes. I guess it is one of those things that we agonise about to some degree in terms of Malaysia and Thailand because there are pockets of Thailand, particularly in the north, that are extremely poor. One of the issues we are facing is that other parts of the world, particularly in Africa, where there are no local resources to speak of to generate local development are competing with those countries. So, if you have to make a choice, one might say that Malaysia has enough of its own internal resources to address that.

The political problem that you draw attention to is something that the regional program could address by having a sort of regional program to try to address people who have been marginalised from the major mainstream development in those countries. I think the whole issue of equity in development in the ASEAN region is quite a major issue.

Mr SINCLAIR—It just seems to me that that regional program might have some advantage because all the other particular areas that you have identified are general social problems. But, if we are going to look at what we can do in our relationship with ASEAN, we probably need to think of ways by which we can address collectively areas which need to be identified in a different way from that which we do through the government programs, or even through NGOs. NGOs tend to be focused in regions but, if we can find a way to do it in an ASEAN fashion, it might be worth while.

Have you had any NGO meetings with counterpart organisations within ASEAN? Obviously, many of your organisations operate under international or national auspices in the region, but is there any NGO incipient movement in the ASEAN region?

Ms Hunt—There is not a grouping of NGOs in relation to ASEAN per se, but there are Asian meetings of NGOs. The one I referred to earlier, the one under the auspices of ESCAP, the ICSW—the International Council of Social Welfare—and us held last month, certainly brought together NGOs from ASEAN but also from South Asia.

Similarly, the prospect of the Asian Development Bank providing some sort of forum for regional NGOs is there. They have just done a major study of NGOs in nine Asian countries, some of which were ASEAN, some of which were South Asian. It is looking like they might host an annual meeting of NGOs to look at an NGO role in development. They are looking at trying to strengthen their working with NGOs in their own programs. So there are some things happening, but there is no ASEAN specific NGO grouping.

Mr SINCLAIR—You have a few ASEANs no doubt working in other NGOs, but

it is just a matter of whether or not any NGO type organisations have yet emerged in those ASEAN countries. The answer to that is no. They are all from outside employing locals but not necessarily—

Ms Hunt—No, there are huge numbers of local NGOs in ASEAN countries.

Mr SINCLAIR—Are there?

Ms Hunt—The Philippines has probably one of the most vibrant NGO communities in the world. It has about 60,000 NGOs.

Mr SINCLAIR—Has it?

Ms Hunt—It is tremendous. The development of the Philippines is very much a partnership between government and NGOs. It is very, very strong. Indonesia has about 8,000 NGOs, despite a much more constrained climate and civil space, but there is still a growing number of NGOs operating in Indonesia.

In Cambodia, local NGOs have started to really develop quite strongly since the peace process. There are now about 250 local Cambodian NGOs. There are about 200 international NGOs operating in Cambodia, but there is a very strong growth of local NGOs in Cambodia. Vietnam has about 100 local NGOs. There are a lot of international NGOs working in Vietnam.

Mr SINCLAIR—Is any support given by us or others to those local NGOs in those countries?

Ms Hunt—It will vary from country to country. There are two programs in the Philippines country program. There is the PACAP program, which is a program operated out of the embassy in Manila, which is directly assisting Philippine NGOs. There has also been—and, again, the future of this is in doubt—a program called PANGOP, a Philippines-Australia NGO program, which has been a cooperative program between Australian and Philippine NGOs.

I am not sure about Vietnam. Pene might know. There is no direct funding to local NGOs. There is some work, again, through Australian NGOs that would be supporting the emergence of local NGOs. In Cambodia there is some small funding direct to Cambodian local NGOs and there is also funding through Australian NGOs.

Ms Lee—I think most of the Australian NGOs would be working more and more through partners. They are not operational themselves. They would be supporting the development of local groups to do their own development work.

Mr HOLLIS—You spent some amount of your report on Burma. Events have

somewhat overtaken what has happened there and your recommendations. I note that one of the recommendations is that the Austrade office should be closed. What do you think our approach to Burma should be now that it is within the ASEAN group?

Ms Lee—One of the reasons we tabled the Amnesty report is that they are recommending strongly that governments and intergovernmental organisations should maintain the pressure on Burma to come into line to really improve their human rights situation. They are also recommending that ASEAN itself maintain some pressure on Burma from within. I do not think our relationship with Burma should necessarily change that much. I think we have to keep the pressure on because the situation is not improving at all.

Mr HOLLIS—It is always an incredibly difficult situation. As you know, I was quite involved in the anti-apartheid movement in South Africa and the argument was always being put up that we should close our mission there. I remember people from the mission had always said to me how important it was to keep contact with various groups, and I think the Australian mission in South Africa did that during the apartheid years.

I heard an interview with our ambassador to Burma last week, and although she did not go so far as to say that, she did comment on the relationship that she had with various groups there. It always is very difficult to decide whether we should take the high moral ground and say that we will have nothing to do with them at all. Although, I must say, in fairness to you, you were not talking about the mission as such; you were talking about the Austrade office.

On another issue, have the various groups that you are associated with, the NGOs, had feedback about the downgrading of Radio Australia? Have you received any feedback on the downgrading of Radio Australia?

Ms Hunt—If I can just pick up on the Burma thing first, the view that we take still is the discouragement of trade. At the moment the policy is neither to encourage nor discourage. We would really like to see the government discourage trade with Burma. If the government does not do it, consumer pressure is going to do it anyway, and it has already demonstrated that it is happening.

In terms of Radio Australia, apart from Aung San Suu Kyi, who was very concerned that Australia actually boost its activities by having a Burmese program, I do not know that we have received direct feedback.

Ms Lee—We have not. We could certainly ask our member agencies if they have had any feedback. We have not had any reported to us, but that does not mean that, for example, volunteers in the region noticed the difference.

CHAIRMAN—It is a dimension of this inquiry that we want as much information

as we can possibly get. Could you take that on notice?

Ms Hunt—Yes.

CHAIRMAN—I think it is important that we give the situation as it is perceived out there. It is still bouncing around—if that is the right term—in the community and we need to make the parliament and the government aware of all the dimensions.

Mr HOLLIS—When you are talking about trade, one spectacular failure, as I have been told, was the year of tourism in Burma which was promoted very strongly right throughout the world. I remember reading, much to my horror, a very flattering article in a Qantas magazine—and, in fact, I made a speech in the Parliament criticising Qantas for that article. I read other glossy articles in many magazines about how wonderful it would be to go on a cruise in Burma and various things like that.

Someone came before our committee, or one of the committees I am on, last week or the week before, and I asked how that year went. We were told that it was a spectacular failure. That is one part of trade that maybe people picked up. It is interesting that people did not go there—maybe not necessarily for a moral reason, as there might have been a whole lot of other reasons—and that, given the amount of promotion that that year got, it did not take off like many people thought it would.

Ms Hunt—There was a small campaign here against that year, and a number of travel operators, in fact, did not promote Burma tours during that year at all and made very public statements that they would not. Student travel was a good example. And there was quite a debate, as I understand it, within the travel industry about that, so that was good.

Mr PRICE—In relation to human rights, do you think Australia has as much moral authority now that we are hacking the budget of HREOC and the Ombudsman and, some might say, being seen to censor the opinions of the Australian Law Reform Commission?

Ms Hunt—The HREOC one is an interesting one because I think one of the good things that has been happening is the way in which HREOC is working with the emerging human rights institutions in the region. Obviously, that is work that is bearing fruit and it is very valuable. It does seem a little bit contradictory that the organisation that has done good work in Australia, that is now playing an important role in the region—and we strongly support what is happening in that regard—is facing such dramatic cuts here. It is an issue we are taking up in the other inquiry that is going on into human rights in the region. We are concerned about the cuts to HREOC.

Mr PRICE—I fell into the trap of suggesting that we ought to update the language in the International Covenant on Human Rights and was roundly shouted down, and I

accept that. Do you agree that the covenant needs to have more modern language associated with it; that is, not to replace the covenant, but in terms of talking about the covenant having much current or modern language and issues, I suppose?

Ms Hunt—Given that those two covenants were quite strongly reinforced in 1993 at the Vienna conference, and given the sorts of pressures that there are, mainly coming from this region, I think NGOs would be very reluctant to open up any debate about rewording those codes in case it led to some sort of watering down. Whilst you may be right that there could be some modernisation, I think NGOs would be very nervous about that in case it led to a loss of rights that are already enshrined in those covenants.

CHAIRMAN—Does ACOA have a view on the recent Wolfensohn comments about globalisation and the social dimension to globalisation?

Ms Hunt—The ones he made in Sydney the other day?

CHAIRMAN—Yes.

Ms Hunt—Actually, I thought it was a very good speech that he made. He is quite right that we are at a crossroads at the moment in Australia. We have an opportunity to engage with Asia, and if we miss it now we will be irrelevant.

In terms of the social aspects of development, I think he is absolutely right, and that is one of the major things we are concerned about—that in the region, the economic fora, whether it be AFTA or APEC, are still not taking those issues on board. APEC has taken environment on a little bit, but these issues of the social implications of the economic development and the human rights aspects are divorced from the economic debates and we are extremely concerned about that.

We also note that the economic ministers in the region meet quite frequently, but the social ministers rarely meet. We see this meeting of social ministers that is happening in Manila in November as a very important step and we think they should be meeting more frequently. I think even the environment ministers meet more often than the social ministers. We see that as really important.

CHAIRMAN—This committee was given some interesting, quite strong evidence in Darwin that corruption in Asia and corruption particularly in ASEAN countries was, to quote the witnesses, ‘normal’ and that we should regard it as part of the tapestry, if that is the right word, and deal with it. How does ACFOA see that? Do you have a view?

Ms Hunt—I think that is an accurate perception. It certainly came out as quite a major issue at the Kuala Lumpur NGO meeting and that was the first time I have heard the whole question of corruption come out so strongly in an NGO meeting. It certainly came out in relation to Cambodia because of the large amounts of money that have gone

into Cambodia since the peace process. It also came out in relation to Indonesia.

It certainly is an issue that NGOs are extremely concerned about, and Transparency International—I do not know whether they are appearing before you—have started to do some quite important work in the region. I think they are probably the people to talk to about grand corruption anyway. But it is a problem certainly and we should not shy away from it.

Mr PRICE—You argued in the submission that we should always maintain a human rights dialogue with ASEAN. Are there any other recommendations that you have in terms of money or human rights amongst ASEAN countries?

Ms Hunt—In the submission we are preparing for the other inquiry that is going on about human rights dialogue in the region, we are really arguing very strongly that Australia should strengthen its relationships with the civil society actors in all of these countries. We should really work quite closely and try to facilitate the organisations in those countries that are trying to promote human rights. So whilst we dialogue at a bilateral level and draw attention at a multilateral level sometimes to serious violations, we also should be working with the civil society as well as supporting the work that HREOC is doing in the region in the Asia-Pacific forum. Those are the main ones.

Trying to get the national security laws repealed is a very high priority because they are being used basically to repress any voices of dissent and to curtail the work of human rights activists and organisations. That is a major problem.

CHAIRMAN—Thank you very much for your evidence.

Ms Hunt—Thank you.

[11.15 a.m.]

HORTON, Mr Warren, Director-General, National Library, Parkes Place, Australian Capital Territory 2600

McKENZIE, Ms Amelia, Manager, Director-General's Office, National Library, Parkes Place, Australian Capital Territory 2600

CHAIRMAN—Welcome. Thank you very much for your written submission. Before we invite you to make an opening statement, do you have any errors of omission or commission in terms of the written submission so we can correct it on the record?

Mr Horton—No.

CHAIRMAN—Thank you. I should also point out to you that we are not taking evidence on oath, but this is a committee of the parliament and, therefore, all that flows from that is appropriate. Would you like to make a short opening statement?

Mr Horton—Thank you very much. The library appreciates the opportunity to submit on this reference and also to meet with the standing committee. This subject is one of great interest to the National Library of Australia, and it is an interest which is complex. We are interested both in the materials that come from ASEAN countries and in helping librarianship in ASEAN countries. We are increasingly exploring opportunities for harder edged services aimed at some of those countries, but we are also interested in the issue in the broadest cultural sense and in terms of what we can do to assist the Australian government.

We have become very aware over the years that relationships we have had with national and other libraries in ASEAN and other Asian countries have actually been of great advantage in terms of building a strong cultural relationship for Australia. We see the cultural relationship as being as important in many ways as economic and other relationships. It is something that we invest considerable time and money in and that we are interested in promoting further and doing more with.

CHAIRMAN—Thank you. I will ask you first of all about the coordinating role of the National Library. For the benefit of the record, could you outline your domestic role in coordinating the library resource and to what extent that spins over into the international scene?

Mr Horton—We have no legal powers at all concerning any other Australian library. However, we have a very broad act which encourages us to lead. The first part of the act says that we should build a collection of library materials for the Australian people. It is very non-specific as to what that collection then is but, whatever else we do, we have for the last decade interpreted it as being primarily the Australian collection and

the Asian and Pacific collections.

The second part of the act says that we will provide infrastructure services to Australian libraries, and most Australian libraries use our infrastructure services for their operations. The third part is the most sweeping. It is a grand statement that encourages our council on the library to cooperate with anyone, nationally or internationally, where it sees an advantage in terms of libraries and information matters.

We interpret that as a mandate to lead, but to lead on a first among equals basis. It does mean we tend to promote very strongly national initiatives. We have, for example, seen ourselves in many ways, along with some key university libraries interested in the region, as being a promoter of Australian library interests into the ASEAN countries.

Mr PRICE—What is a library today and what will a library be in 25 years?

Mr Horton—That is a very good question. A library today, whatever else it is, is usually a facility which is both print and computer based in terms of services now and which usually has some sort of building and some sort of prime client group. A university library, for instance, is primarily geared at a university. The National Library is primarily geared at the nation in the broader sense. Those characteristics are common.

Certainly, in 25 years, the way services are provided will alter. I would not be one of those who would predict the death of print. It is interesting that, as the first technological thing they do from new technology, most people create their own version of print because they find it easier to work with. But, certainly, libraries will hold less material, and there will be much stronger ways of bringing in material from around the world.

As to the physical form the material will take, I would not care to prophesy. In the case of a national library, for example, I would think that it will be not dissimilar in physical form because it will still be collecting the whole Australian imprint. I would think a university library will still have a physical role in terms of navigating for university communities. It will still probably be the cultural centre of the university, but others would argue differently.

CHAIRMAN—Can we just go back to the first amongst equals in a regional sense: can you give us some examples of the National Library dealing with something in Thailand or in Malaysia, just to give us a feel for the sort of thing that you are doing.

Mr Horton—It varies from country to country. Amelia has just returned from being our person in Jakarta, running our Indonesian Acquisitions and Relations Office. She may like to talk about what that means, because that is an actual office that we have in another country.

Perhaps Vietnam is a good example to use. We attempt to collect Vietnamese material very strongly for our collections in Australia. By the same token, we have attempted to promote Vietnamese library services. We have had a very strong link from fairly soon after the Vietnamese war with the National Library of Vietnam. We have trained staff in technology; we have given them technology; and we have now given them and installed an Internet link which connects them to the world. They are now seeking training and strategic planning from us—not telling them how to do it but training in how they do strategic planning. That sort of evolving link is common for a country of that size and a country at that stage of development.

In the case of Singapore, we have very little to do with them in those formal structural terms. Singapore has a very advanced library system. We share information on strategic planning; we share knowledge of systems; we look at each other's systems; and, on occasion, we have considered having joint systems. So it varies from country to country.

CHAIRMAN—But the revenue that flows from those sorts of arrangements, is that minuscule in relation to your overall budget?

Mr Horton—Minuscule. We have very few revenue opportunities at the minute from ASEAN countries, no matter what their size. As we mention in our submission, there is talk about document delivery services which would be dedicated and targeted at those countries, and that may be an option as they develop their technological links. But we gain little money from them. We have not actually seen it as a revenue issue. We have seen it as being to the advantage of the country to put money in. We think that it is part of our international responsibilities.

Ms McKenzie—I will add a few comments to what Warren has already said about the National Library's cooperation with other organisations in the region. The National Library of Singapore is a good example because a couple of years ago it became a participant in our own Indonesian acquisitions program which operates out of the Australian Embassy in Jakarta. As Warren said, I ran the office for three years.

It is primarily a collecting office. It exists to gather Indonesian publications for our own collection, for the collections of several other university libraries in Australia and, as I said, for the National Library of Singapore. So our relations with Singapore are on that equal-to-equal kind of basis. But our Singaporean colleagues have expressed the view that their own collections on the ASEAN countries are not as good as they would like them to be. They have taken this step of building their own collections on their own ASEAN neighbours, which is an interesting development, because it is an aspect of regional libraries' forward strategies that is not very well developed at this stage.

The ASEAN national libraries are not that well attuned to the idea of cooperation with each other. I believe they look to Australia as a model and sometimes they look to us

as a partner in these cooperative kinds of ventures. The National Library of Thailand has had a good deal to do with us in developing their inter-library loan systems within Thailand. I believe that in 25 years time we could see a lot more happening in terms of that regional networking. As things stand now, I believe it is very likely to include Australia wherever that is a feasible part of the equation.

CHAIRMAN—In terms of our report to the parliament, is there a specific recommendation or recommendations that the National Library would like us to put; and, if so, could you expand on that?

Mr Horton—I suppose one area we are interested in is strictly speaking not our business, but it has been our experience in recent years that there is not the same interest in fostering cultural links to ASEAN countries as there was, say, a decade ago, and we are very disappointed at that. We worked very closely with the Department of Foreign Affairs and Trade in a whole range of initiatives which we believed were not only of long-term direct benefit but also of broader benefit in terms of fostering those intangible links with ASEAN countries which go on for many years quite apart from what you are doing. We would like to see a stronger emphasis on the importance of cultural and informational links with the region, whatever else was said. I have no idea whether others share that view, but it is the view of the National Library that we have gone backwards in those terms.

CHAIRMAN—Could you just expand a little on what you actually mean by 'cultural'? I mean, how wide in scope is that cultural relationship?

Mr Horton—We use the term 'culture' in the broadest sense. For instance, we use the term 'culture' to embrace the term 'information', which is fairly unusual. A lot of what many people would call 'educational activities' we would group again under the word 'culture' in the broadest sense. Most of the Commonwealth government's main cultural agencies are grouped in the portfolio of communications and the arts, but we find that others—such as the War Memorial—play strong cultural roles and many of them are also interested in the region. Those who use the term in the same way as we do tend to be groupings such as museums, where there has been great activity in Cambodia, galleries and that sort of activity. 'Culture' is one of those indefinable words but we group nearly everything we do under that term.

CHAIRMAN—Yes, okay.

Mr SINCLAIR—I am quite fascinated by the work you have done up in the region. I confess to my chagrin that I was not even aware that you had been involved and full marks to you for doing so. It seemed to me that there are a number of areas where, given the status that you enjoy, there are links that could be made. I am not too sure whether you have done that. For example, this morning we have been talking to representatives of the Australian Vice-Chancellors' Committee. To what degree do you

work with university librarians? Is there any link made in the courses being offered in ASEAN countries with the contacts that you have, with the availability of literature and accessibility of records and, significantly, with the movement towards computer exchange of information via the Internet? Could you extend your reach through looking at other ways by which you could get your information to the people in the region?

Mr Horton—Starting from the question about the universities, we work very closely with the university libraries and, increasingly, with bodies such as the AVCC. We have had strong links for years with IDP Education Australia. The level of activity in the region for university libraries tends to vary in many cases, depending almost upon the commitment of the librarians in a particular university. It is slightly different from us where we see it as a mission that we must do under our act. With university libraries, it depends to a certain extent on the personal commitment of the librarian. For instance, for nearly 17 years the librarian at the University of Newcastle has had a very strong commitment to helping IDP in programs in Thailand and Indonesia. That is something that he brings to the job. But a significant number of universities have been interested in supporting programs in the region.

There has been a lot of talk in recent years about us either selling to the region or providing dedicated services. So far nearly all of that has been unsuccessful. The obvious example has been the State Library of New South Wales, which made a very strong initiative into various ASEAN and other Asian countries to market services. That was not particularly successful. Part of the reason is that people do not have the money to pay in the way we are used to. Another reason is that it is very difficult to market into the region. It is a complex issue.

As computerised services and databases further develop, there is a very strong interest in returning to that. For instance, we have for some years been working quite seriously with the Australian National University on having a dedicated Asian centre which would bring together our two collections, which is about 70 per cent of what is held in this country, and also target services to Asian countries.

A recent consultancy we did proved that business does not see us an obvious place for such services. That was a lesson to us. We are not seen as being in the business of selling information to such countries or even within Australia satisfactorily. That is an area we have to do a lot of work on.

Ms McKenzie—The notion of us acting in some way cooperatively with universities and with educational institutions is, as Warren said, something we have explored and carried out in the past. I think recent developments are changing that relationship and changing that approach in that many Australian universities are striking institution-to-institution links in the region. The number of memorandums of understanding being signed between individual universities in Australia and in ASEAN has multiplied in recent years.

Library projects either squeak into those agreements or tend to get left out altogether because a university does not necessarily think of library services as part of what it is exploring with its partner institution. Unless that relationship changed or developed further, I am not sure how successful the National Library can be in entering that relationship where it is so definitively between two institutions and it is not a broad sectoral approach.

I do not know what the answer is to that. The answer may lie in Australia itself, in changing the nature of cooperation between universities within Australia and in improving that information infrastructure in Australia and the way it relates to the information infrastructure in the region.

Mr SINCLAIR—But how would a university in Australia enter into an agreement with an ASEAN country to provide access to the literature needed to offer some of the courses that they are attempting? Even these various business courses, which seem to be some of the better enrolled courses, all have a series of texts and a series of mathematical-type exercises required and require access to information, which presumably is relatively standard whether the course is being offered at an Australian university or somewhere else. That suggests that you would have a requirement for a few basic texts. You might not have those texts, but somewhere in your affiliate libraries there would be access to them. It seems strange to me that they would think of offering a course without looking at access to the textbooks required to successfully complete one of those courses.

Ms McKenzie—I would not be able to comment on an educational institution's approach to delivering a library component in such a relationship, but I am quite sure that they would take into account the provision of textbook-type information. What the Director-General and I are contemplating is something a little broader than that in terms of developing a nation's information resources. As we have said in our submission, we develop our relations with national libraries. The issues canvassed between ourselves and our colleagues tend to be the broad information policy type issues to do with legal deposit in a country, distribution of information within a country—

Mr SINCLAIR—Copyright?

Ms McKenzie—Copyright, certainly. These are all issues that our colleagues in the national libraries are extremely concerned about.

Mr SINCLAIR—These days a library is not only written material; it is audio or it is visual material. Do you have exchanges in audio and visual works too?

Mr Horton—We see technological developments, especially the Internet, as offering major opportunities both for us and for libraries in developing countries. That is the reason, for example, that we have managed to get the National Library of Vietnam on the Internet and now the National Library of Papua New Guinea. We see opportunities for

doing that for others because—

Mr PRICE—When you say 'on' the Internet, do you—

Mr Horton—No, get them access to the Internet. If one takes Vietnam, for example, we have given them both the equipment and the training which has enabled them to be able to use the Internet to access the world's information sources.

Mr PRICE—I see.

Mr Horton—We have done the same in Papua New Guinea now. The connection there is ahead of most government institutions. There is still very little Internet access in Papua New Guinea. That gives those countries, firstly, a model to build on of how important this is and, secondly, at least a direct link and training which creates a cadre of people who can train others. In the reverse way, it increasingly gives them access to us. For example, in our library we are putting a tremendous amount of information on our own World Wide Web server. With almost everything we do we try to put something on the World Wide Web server—all exhibitions, a whole range of electronic material and knowledge of what they can get from us. That is giving them a capacity to come to us in a way that was not known before.

Mr PRICE—In the future will all your information be on the Internet—that is, will I be able to access a book, a research paper or whatever via the Internet by booking into your national library?

Mr Horton—No, for several reasons. The first reason is that print is growing; in the same way as electronic access is growing, so is print. The Australian print industry, for instance, is alive and well. The second reason is copyright, which bedevils almost everything we do. We recognise the need for a copyright regime, but we live in fear that the electronic regime will make it even more difficult for us, and we are already bound by great restrictions.

A third reason is that while much material will appear electronically, most of the material we already hold will never be in an electronic form—the cost of digitising is still very expensive. This means that, when you hear that the US Library of Congress, for example, is digitising its collection in its American memory thing, it is not doing that at all; it is digitising a minute part of its collection.

We are digitising parts of our collection. We are increasingly putting our pictures on the World Wide Web—instead of having to come to Canberra to look at an item, you can look at it on the World Wide Web. But that is a very small task compared with the overwhelming material we hold. We hold some five million items and most of them will not be digitised back into an electronic form in my lifetime.

Mr SINCLAIR—But you will identify and index what is there, won't you?

Mr Horton—Yes.

Mr SINCLAIR—So that you can say—

Mr Horton—Yes. Nearly all our catalogue is on the World Wide Web.

Mr PRICE—Are the new items being digitised?

Mr Horton—We are not digitising most, but a lot of material is beginning to appear electronically. We have a major project which it is known by the acronym PANDORA—I cannot remember what PANDORA stands for. PANDORA is saying that this country has to think differently in terms of how it preserves electronic material. We will preserve some of it, but a lot of it has to be preserved at the point of origin, which may be the publisher. In the case of mapping, it may be a once a month slice through a digital record. We are trying to preserve it in such a way that you can then get at it electronically. That will also be a major breakthrough for people.

Mr PRICE—Do you have a responsibility in your act to advise the government?

Mr Horton—There is nothing in the act that says we should advise the government. We spend a lot of time trying to advise the government and ministers. We do take our leadership role very seriously. We are not the only body in the country interested in these issues, but we have a long history of leadership going back some 40 years. We do take it seriously and we do participate actively in government initiatives, especially in electronic copyright and other areas.

Mr SINCLAIR—So it was your own decision to get rid of all those European references that you said you were going to pass off?

Mr Horton—No, that is an example of recognising the emerging world. We can get at most of that material electronically.

Mr SINCLAIR—But you just said that everything is not available electronically; therefore, a lot of those wonderful records that we need as the basis of our culture, and which you put emphasis on before, are now being passed over so that you have to get them via the Internet.

Mr Horton—I did not expect that to come up today. But I have to say that we can get nearly all those overseas serials electronically or by fax within 24 hours. There is one service in America alone that has 20,000 serial titles on it in full text. We can get things out of that in 24 hours. That is why we do not hold them in Australia so much now.

CHAIRMAN—I want to come back to your earlier comments on coordination and culture, bearing in mind we are hearing from the Australia Council next. To what extent do you work with bodies like the Australia Council? Can you give an example of what you do with Mr Lynch's organisation?

Mr Horton—At the moment we tend to work primarily within the library community and within bodies such as AusHeritage which are beginning to market to the region. We are very conscious of the interest of the Australia Council and other cultural bodies. Michael has actually held some meetings, which I have been to, to talk about a more coordinated approach, but it has not been more than that for us.

I think we have an advantage, in a way: we are very targeted; as Amelia remarked in the submission she wrote, we are long standing—we have been doing it for a long time; we have very good relations in the region; and we are fairly clear on what our priorities are. To that extent there is not that much that we have needed to do in terms of coordinating with other bodies, but we are increasingly interested in things like exhibitions and the opportunities for that as a cultural initiative. In electronic terms, that is a major opening for us.

Mr PRICE—How do you benchmark a successful national library? What are the characteristics of it?

Mr Horton—A connection in what terms?

Mr PRICE—Benchmarking a successful national library. How would you rate the Australian National Library with other comparable libraries?

Mr Horton—Being as disinterested as I can, I would rate us very highly. We are a more complex national library, I would say, than any other in the world in terms of the number of tasks we have. There are very few which are both the national infrastructure and the national collection, and then there is also the strong leadership role. Some have two, but there are few examples of having three.

Mr PRICE—Obviously Hilmer has not got to you.

Mr Horton—The national infrastructure is a collective. If it were to be privatised out people would start charging for their records that they give us free. So there are some cases where national initiatives are useful.

Mr PRICE—I apologise—that slipped out.

Mr Horton—Having said that, we certainly are a leader electronically in our thinking—and that is not boasting. One of our very senior staff has just done a month's tour of Europe looking at what we can learn and looking collectively, and our thinking is

probably ahead of the world. But we have to be when we are in Australia, because we are at the end of a long chain and in different time zones. So I would rank us fairly highly as a national library. I suppose the best judgment, though, is history, because things like building your collections are judged by later generations.

Mr SINCLAIR—Several areas flow from that. Firstly, what sorts of collections do countries like Canada, New Zealand and the United States have in respect of ASEAN? You say that ours is ahead, but would it be ahead of New Zealand, for example, in respect of the South Pacific?

Mr Horton—For some 15 years or so we have tended, with the National Library of New Zealand, to work on an informal arrangement which has increasingly become formalised. The arrangement says that, while we are interested in the Pacific, we expect many of those countries to take the primary role; Asian countries, especially south-east Asian countries, expect us to take a primary role—they are not strong at all. In terms of where we rank globally, we are very strong in collections for some countries, but Amelia probably knows better than me.

Ms McKenzie—Overall, the National Library's Asian collections are amongst the best in the world. Certainly, our Indonesian collection may well be the best contemporary Indonesia collection in the world. It is a very difficult statement to make because many other major libraries collect in this area.

One of our colleagues recently visited an Asian research institute in Denmark and they greeted her with the words, 'The National Library, the best Asian collection in the world.' That was their perception from what they have learned by visiting our website, seeing the range of materials that we have and probably consulting our catalogue.

Mr SINCLAIR—But that is country by country, what about ASEAN? The French would have a fair better collection than you on Indochina—Vietnam, Cambodia and Laos—wouldn't they?

Ms McKenzie—Yes, historically, that is very likely to be true.

Mr SINCLAIR—Historically?

Ms McKenzie—We call our collections contemporary collections although we have great strengths in them retrospectively in some areas, which we have built through acquisition of microfilm and formed collections.

Mr SINCLAIR—I would have thought the British collection on Burma, Malaysia and Singapore would be a lot better than ours.

Ms McKenzie—For modern materials, ours are better than their's for Malaysia and

Singapore. I have visited our counterparts in the British library who have wonderful strengths in the 18th and 19th centuries, which they have not completed cataloguing. They admit that, for contemporary materials, they have the same problems as all other libraries in building collections from the ASEAN region—that is, dealing with book suppliers, getting replies to letters and all those very practical issues.

Mr SINCLAIR—You mentioned in your paper that you are developing Australia's collections in South-East Asia. What about some of the other countries? Are any of them trying to do the same thing? For example, I noticed the other day they are doing up the national opera house in Hanoi because there is to be a meeting of the regional francophone countries. I presume the French are trying to build up a collection in the French language, but is anybody else trying to build up collections in South-East Asia?

Ms McKenzie—Indeed. Several of the US university libraries specialise in particular parts of the region. I think the major US institution besides the Library of Congress, which collects from Vietnam, would be the University of Washington. The Americans have taken a broadly cooperative approach to building Asian collections, with the Library of Congress itself being responsible for much of that collecting activity. The Americans have taken the distributed model whereby each university and each major research institution takes responsibility for a particular country.

Mr SINCLAIR—With your Jakarta office, does just have just an indigenous Indonesian responsibility or does it have a wider responsibility?

Ms McKenzie—It is primarily Indonesian.

Mr SINCLAIR—Is there something to be offered by that office having a wider responsibility in terms of ASEAN or is that not practicable?

Ms McKenzie—It is probably not practical now given the expense involved in having an officer in the region and in building these collecting operations. The approach that we have taken is to join with the Library of Congress and to use their program for collecting from the peninsular South-East Asian countries.

Mr Horton—The important things about our collecting is, firstly, that it roams across all the countries in the region and, secondly, it is a very well organised collection compared with a lot of others, which means it is much more accessible than many others. In a recent initiative we have developed our own Chinese, Japanese and Korean vernacular computer system. That is a world first which now has some 15 Australia libraries sharing it on that same principle of cooperation. Not only do they get records from it but we know what is held where. That is a major development again which will broaden in terms of knowledge of what is in the country.

Mr SINCLAIR—I do not know whether we have touched on this. I presume there

is a national library or something like a national library in most ASEAN countries. Do you have direct national library links? How do you make your contact in each of those ASEAN countries?

Mr Horton—We have very strong links. It depends on the particular country as to how strong the individual link is. For instance, in the case of Vietnam, we have a very strong link. In the case of Indonesia, we have a very strong direct link in a whole series of ways.

We attempt to relate to the whole regional group through a body called, grandly, the Conference of Directors of National Libraries in Asia and Oceania. In 1995 we brought all the members of that, with us paying for most of them, to Brisbane for a meeting. It is a body that roams very widely. It goes to Mongolia in the north, to Australia in the south, across to take in the Pacific Islands and across in the west roughly to Pakistan. We got them together to talk about the further possibilities of regional cooperation.

We have since made some proposals for further regional initiatives which we will fund, one of which is to set up what is called a Gabriel web site. It is a European system on which we would list information about all of them. Increasingly, they are all beginning to get access to the Internet, so we would run the information system for all of them so that the world can find out more about them. A lot of them have no capacity to actually run something like that, as distinct from having a look at it. There are a whole series of initiatives like that that we are looking at.

It is very hard to do things regionally across the board because of the different sizes of the operations—even on issues like access. I for a long time have personally wanted to do more to help Burma, but we have great difficulty in getting access and finding appropriate ways of doing developmental work there, no matter that we are seen as disinterested.

Mr SINCLAIR—Part of the purpose of that question was to find out whether any historical material was held which has somehow been kept free of all the political involvements over the years in countries like Burma, Cambodia and Laos? You can think of any of these countries. Vietnam, for example, would have had some wonderful records going back 1,000 years or more. Are they still accessible? What has happened to all those records?

Mr Horton—I think it depends country by country. Again, Amelia might know more than me. In the case of Cambodia, we have very strong collections which we would hope to microfilm for Cambodia to have copies because of what happened there in their trouble period. There are very strong collections of historical material in most countries, but it varies from place to place. How expert are you on this, Amelia?

Ms McKenzie—If you are referring to materials held within the countries themselves, yes, there are some wonderful collections.

Mr SINCLAIR—Are they still preserved?

Ms McKenzie—By and large, yes. There have been several overseas efforts to preserve the material—through microfilming projects, for example. There have also been, by the same token, difficulties encountered in terms of the objectives of the two sides. For example, let us say that a major US research institution wanted to microfilm materials—basically for the interests of American researchers—and the institution in the region, which perhaps has different priorities, did not. Some of those projects have encountered difficulties.

The National Library's own approach has not generally been as direct or as possibly intrusive as that, but we have adopted other ways of conveying the importance of preservation activities. We have conducted workshops on actually carrying out the technique of preservation rather than sending experts to physically do it for them. The project with Vietnam, which the director-general described, is one way we have adopted of making sure our colleagues actually catalogue their own materials onto a computerised catalogue which can then be accessible from outside the region. That is, again, an indirect way of making sure that we can, in the future, get access to those collections.

Mr SINCLAIR—I have one final question and that is about regional collections on Australia. All this is about what we know of them. Is anybody interested in us?

Ms McKenzie—I am very glad you raised that question because I put it in our submission. My experience is that collections in the region on Australia are woeful. We have, over the years, progressively provided donations of materials to our colleagues in the national libraries, and those collections show every year an addition of material on Australia. They tend to be major reference works and that kind of material. But the level of information about Australia that is generally available in all of the ASEAN countries is very low. I would be delighted if the Australian government could find some way of changing that situation and providing a stream of simple book donations even through the cultural relations network.

CHAIRMAN—Maybe that is one of the recommendations we could look at in the context of this inquiry. Are there any final questions?

Mr PRICE—No, but I would like to say that it was very interesting to have Ms McKenzie appear before us.

CHAIRMAN—I thank the witnesses for their appearance.

[11.55 a.m.]

LYNCH, Mr Michael, General Manager, Australia Council, 181 Lawson Street, Redfern, New South Wales 2016

CHAIRMAN—I welcome the representative from the Australia Council. Before we start, I should point out that we do not expect you to give evidence under oath, however, we are a committee of the parliament and, of course, all that flows with that follows. We thank you for your written submission. Do you have any matters—omissions or errors of fact—in the submission that you wish to comment on?

Mr Lynch—No errors of fact as far as I am aware, Mr Chairman. I do have some introductory comments on the submission. From my perspective, it looks a little thin if we talk about the specific area of our relationship with the ASEAN countries. It might be beneficial for the committee to know something about the broad policy directions of the Australia Council with regard to the broader area of our relationship with the Asia-Pacific region.

About six years ago, the council issued a policy directive to the organisation to direct up to 50 per cent of the funds being spent on its international activities to the Asia-Pacific region, with no particular emphasis on ASEAN. I would have to say that, through the range of changes and the range of activities that have been undertaken by the council—a number of them being major initiatives of government; for example, the major promotion in India under the New Horizons banner last year, the New Images project in Britain this year, and a range of the internal changes that have been taking place within the council—those aspirations of six years ago have not been met. There has been a fraying of our strategic direction in terms of the Asia-Pacific and, I think, specifically in regard to ASEAN.

One of the issues we have tried to highlight is the amount of contact that happens on the individual artist basis or with some of the organisations that we support. It is really at the point where the Australia Council as an organisation needs to think seriously about what its future connections are going to be with the member countries of ASEAN. There is a range of specific issues mentioned in that. We are at a point where it is important to build upon a lot of the individual contact that has taken place between artists and arts organisations and to perhaps set, as part of our strategic direction, a more cohesive view of what we should be doing with our ASEAN partners.

In terms of priority, China, Japan, Indonesia and, more recently, India have tended to be the areas where we have had greater direct experience. Certainly in my three years at the council I have had quite a lot of contact in regard to our relationship with China, including visiting China as a guest of the Minister for Culture. I have spent some time in India as part of the New Horizons promotion. I have had quite a lot of contact at the Australian end in regard to Japan. I have had substantial contact with Singapore, Malaysia

and Thailand in bringing people down to participate in a range of events that take place in Australia, particularly in the performing arts and the visual arts markets. As in the document that the government has outlined, I think there are specific directions that we as an organisation need to pay some attention to.

CHAIRMAN—Quite apart from the governmental direction, what is the interplay between the council and, say, UNESCO? Are there are any specifically ASEAN-type projects through UNESCO?

Mr Lynch—I mentioned in the report that there had been a number of meetings. The ASEAN-COCI meetings have happened. There was also some recent contact through UNESCO with the council. We have had involvement in some of their committees through Australia Council representation. In terms of direct contact, the connection with UNESCO is one that we have really revitalised over only the last 18 months.

CHAIRMAN—But does it have substantial potential for the future?

Mr Lynch—I think it does have potential. One of the issues we are grappling with is that we have had quite a lot of direct contact with UNESCO on the Pacific, on a range of the initiatives which have flowed out of the South Pacific Commission and on the relationships that we have developed there. We have always been closely involved through the South Pacific Festival of Arts, which happens every four years. The Australia Council has had carriage of that festival on behalf of the Australian government. There has been quite a lot of contact through that.

The South Pacific Commission and UNESCO are looking at a number of projects in which the Australia Council can play a significant role. At this stage, I think the initiatives directly within ASEAN are still somewhat fledgling. I cannot give you the specific detail, but I would be more than happy to provide that information.

I would note that at this stage there are no specific proposals for relationships between ASEAN and UNESCO that involve the Australia Council.

CHAIRMAN—If you would take that on notice. If you have something that you could give, we would appreciate it.

Mr Lynch—Certainly.

Mr HOLLIS—It seems to me that the Australia Council very much responds to what I like to call ‘country flavour of the month’. For a while China was very much the flavour of the month, and the Australia Council was there. Of course, last year India was very much the flavour of the month. Do you work in with Austrade or the Department of Foreign Affairs and Trade? Do you do your own thing or is it part of a coordinated approach with them? For example, if Austrade were mounting a major exhibition or

something in Vietnam, would you people be involved in that on the cultural side, or would Austrade go and do their own thing?

Mr Lynch—I suppose one of the major directions of my time over the last three years has been to try to do something about the connection between an organisation like ours which provides advice to government—not only to the portfolio in which we sit—and the Department of Foreign Affairs and Trade. We have always had quite a close relationship on specific initiatives such as these major country promotions, of which India was the most recent. To some extent, the view in the past has been that the foreign affairs or trade objectives have somewhat overwhelmed the cultural objectives. I do not believe that to be the case and I have pushed quite hard to develop a better relationship between the Department of Foreign Affairs and Trade and the Australia Council.

As to your comments about India, that promotion was a major government initiative which was funded by government across a range of portfolios. The Australia Council had ongoing relations with India, but certainly from the Australia Council's point of view they were very much on the individual artist basis of people going there or people coming here. We saw it as a major opportunity for the council to connect to a country, particularly a country where the language barriers are minimal, so we moved to support that promotion over the 18-month development period and through its execution.

We justify our involvement in that promotion in India because the reason for the promotion was to change the perceptions and images of Australia. In my personal experience, there was no question that the images of Australia in India through the period that I was there were somewhat out of date. We think the cultural program we took with the Department of Foreign Affairs and Trade made real attempts to redress that balance.

Mr HOLLIS—Do we have cultural attaches in—

Mr Lynch—We almost have none left any more.

Mr HOLLIS—They are some of those who have got the axe.

Mr Lynch—Over a number of years it has been one of the battle grounds in terms of questions of priority within the individual diplomatic posts not only throughout the ASEAN region but also throughout the world. You now have one in Britain, which is a locally engaged position. Nearly all of the positions are now locally engaged, and most of them are shared amongst a range of other responsibilities.

Mr HOLLIS—What sort of image are we trying to present of Australia from a cultural perspective in ASEAN or other countries?

Mr Lynch—That is a tall question, Mr Hollis. I have to talk from the Australia Council's position. We believe there are great benefits to Australian artists and to

Australia by connecting with Asia. We see ourselves as working alongside the diplomatic and the trade directions of government. We see ourselves as creating an image that represents what Australia is about: that it is a diverse nation which is comprised of a range of people that have lots of individual connections with the countries of ASEAN and of the Asia-Pacific.

While there is a great amount that we can learn from their cultures, we also have a very high skills base. We have a developed arts and entertainment industry that is becoming of more interest to them in creating their own arts and entertainment industries. We see opportunities to export Australian work on an individual basis; we see opportunities for Australian companies to be able to expand their audiences and to expand the economic base of their operations by moving in to the ASEAN countries and the other countries of Asia.

Mr SINCLAIR—Is the role of the Australia Council to promote Australian culture; I mean, do you actually have a role to bring other cultures into Australia?

Mr Lynch—Not really. If you look at the Australia Council Act, the act outlines a number of functions under which we work. These include fostering the expression of a national identity by means of the arts, promoting the knowledge and appreciation of Australian arts by persons in other countries and providing advice to government on the arts and associated matters. Our principal interest is in Australian artists and Australian arts organisations—the role that they play in Australia and the role that we would like to see them play in the world.

Mr SINCLAIR—With our Australian arts—I suspect it is a little like the National Library—there is a lot more interest in Australia in the arts of the countries of ASEAN than there is in the countries of ASEAN in the arts of Australia; wouldn't that be true?

Mr Lynch—I think that would be true at the moment. With the earlier point I made about the range of companies that are now developing circuits through Asia, we are now starting to find commercial opportunities opening up for Australian arts companies, particularly in the performing arts but also in a range of other areas. There is a lot of exchange in the visual arts and there is a lot of exchange between individual writers and publishers there. At this point I would say the interest is minimal, but it is starting to change.

We have a performing arts market that we hold every two years in Australia. We have had two of them, and the third one will be in Adelaide to coincide with the Adelaide Festival in 1998. We have had substantial interest from Singapore, Hong Kong and Indonesia in the previous markets; we expect to see an even greater interest next year in being able to buy Australian acts to move into the Asian touring circuits.

Australia became a member of the FACP, the Federation of Asian Cultural

Promotions, for the first time last year. That organisation represents all the major cultural performing arts, cultural houses, in Asia and the range of entrepreneurs that work there. There are also some significant venues being built which will change the way that those countries operate.

Singapore will open one of the leading international performing arts centres at the end of 1999. Shanghai will open probably the biggest and boldest performing arts centre in 1998. There are several buildings in Malaysia for classical music and a range of the other performing arts. I think there are some real opportunities.

There has been a range of commercial product touring out of Australia into Singapore—some of it completely unrelated to the Australia Council. Productions by the Really Useful Group of *Les Miserables* and *Cats* have toured into Singapore. We are at the point where we are somewhat ahead in terms of our technical and creative capacity to produce product that is able to go out on the road. We are in a pretty good position. *Tap Dogs* has just done seasons in three major cities in China, as well as in Korea and in Hong Kong. There will actually be an Asian touring company of *Tap Dogs* from early next year, and that came out of the Sydney Theatre Company.

Mr SINCLAIR—The performing arts market, is that organised by you?

Mr Lynch—It has been organised by us in the past. We have now gone into a joint venture with the Adelaide Festival, the arts department of South Australia and the tourism department of South Australia. The market will happen partly funded by us but also funded by those other partners.

Mr SINCLAIR—But the Australia Council is not involved in the Adelaide Festival, the Sydney Festival or the Melbourne Festival—

Mr Lynch—We have had some involvement. Under an initiative called the major festivals program, which was funded in the budget before last, we have been given money to develop new Australian material to go into those festivals, with the expectation that the works would then be able to move around the circuit of Australian festivals and then to move into some of the festivals outside Australia. We have given one-off support for a range of activities within most of the major capital festivals and we also support a range of the organisations that are part of those festivals.

Mr SINCLAIR—What actually happens at this performing arts market; what do you do?

Mr Lynch—We bring a range of people from around the world—entrepreneurs, promoters, festival directors—down here to look at us. There will be 35 different performing arts groups from across Australia presenting work. We have a formal marketplace where a range of individuals and organisations are able to sell to those

people, hopefully making connections and finding work that they are interested in to take out on their circuits.

Mr SINCLAIR—I notice from our notes that a Mr Choo Whatt Binh is apparently Chairman of the ASEAN Committee on Culture and Information. Has anything been done to try to get him down?

Mr Lynch—At the moment DFAT are looking at bringing him down here. One of my staff was recently in Singapore with DFAT representatives at a meeting in regard to the research agendas, and a proposal was put forward after that meeting. That is due to happen either later this year or early next year.

Mr SINCLAIR—In the nature of your forward programs, if your main emphasis is on Australian performers as distinct from international performers, do you try to accommodate one or two guest artists within them? The symphony orchestras generally tend to look at guest conductors and guest performers per year. Do you have a calendar year where you look at inviting half a dozen acts or a number of performers from overseas? You have mentioned that you have given priority to Japan, China and Indonesia and perhaps one or two other Asian countries, but do you try to set a schedule forward and say, 'We would like to try India this year' or 'We might do Thailand next year' or whatever?

Mr Lynch—We do not actually bring down groups. We are not funding groups that will be coming into Australia. We work closely with foreign governments in coordinating tours. The festivals are obviously the major mechanism for bringing in those groups. We will look at opportunities of establishing co-funding arrangements between other parties. But we see it as our priority to fund either Australian artists or Australian arts organisations to go out rather than to be bringing other countries in. That is merely a factor of budget. We try to use the expertise of some of those organisations and we will also fund joint ventures. That is one of the new directions.

Under the major festivals program, a number of companies are starting to develop projects between Australian companies and overseas companies, which they would then hope go on the international festival circuit. There was a co-production between a Japanese company and an Australian company going into the Adelaide festival. There is a co-production between the Meryl Tankard dance company and a European quartet. We have funded that because we see it as an opportunity to be able to see the dance part of that project on an international circuit.

CHAIRMAN—Mr Lynch, you may have heard me ask the national library whether they have a specific recommendation that they would like to see reflected in our report. Apart from, what I understand you to be saying, the general need for a rejuvenation of the cultural element of our dialogue with ASEAN, do you have a specific recommendation that you would like to give to the committee in relation to this inquiry?

Is there something specific you would like to see us take to the parliament?

Mr Lynch—My only real comment is that I think in the document *In the national interest* there is a section on public diplomacy and cultural relations, but that really is the only reference to the whole area of the cultural connection between Australia and its ASEAN partners or to the range of other partners. I think it is important that government institutions like mine are brought into the debate in as constructive a way as they possibly can. I see it as important that we are able to engage with them, particularly the ASEAN countries.

We are looking at an opportunity to bring down the cultural ministers from ASEAN to perhaps establish some form of formal dialogue with our own minister or with the range of ministers here to be able to not only look at issues where we might be able to establish some more formal agenda that utilises the expertise and the skills that undoubtedly exist here to help them but also establish some mutual opportunities, which I am sure over the next three or four years are going to increase. I know that a range of other countries are aggressively pursuing the opportunities that exist there.

There is a Danish government initiative coming into Australia over the next couple of months. The Danish government has actually committed some millions of dollars on a cultural program to try to improve the level of understanding. I think they are the sorts of initiatives that one would like to be able to better establish given a somewhat improved budgetary context.

CHAIRMAN—At a time when we have closed the embassy in Copenhagen?

Mr Lynch—I think that is probably a very difficult situation. The closing of the cultural positions has made it somewhat difficult, I think, to get that level of dialogue on the ground. From the Australia Council's point of view, we brief all outgoing high commissioners or ambassadors going into those posts. But without some sort of formal infrastructure within our posts in the devolved context that most of them are working, it really requires a lot of effort from either individuals who are interested or from council to be pursuing individual initiatives. So I think that specifically is an issue that we would be keen to support.

CHAIRMAN—Was the Denmark one dealt with through Stockholm?

Mr Lynch—Yes.

CHAIRMAN—You were reliant on Stockholm?

Mr Lynch—Yes, I think it was unfortunate that the Danes had embarked on this project well before we had decided to close the embassy.

Mr SINCLAIR—Have you any programs which look towards scholarships for Australian performers and artists generally?

Mr Lynch—We fund Asialink, the organisation out of Melbourne. Our major interest in that program is sending arts administrators and a range of artists on secondment to various countries throughout, principally in the ASEAN region. We see that as a really beneficial program. I think it picks up Mr Wolfensohn's comments last week. The big issue that he is concerned about is the lack of direct contact with the people who are going to be the people who we would want to be dealing with.

CHAIRMAN—The social dimension.

Mr Lynch—The social dimension.

Mr SINCLAIR—So administrators as distinct from performers.

Mr Lynch—We are sending both. We are sending artists and most recently administrators so that they will find ways to deal with the opportunities that are going to be there and also to provide expertise to a range of these new venues and the companies that are being set up. The formal western notion of a performing arts company is still somewhat undeveloped in a number of these countries. They have long established classical tradition and a range of companies that have been supported, some for hundreds of years, that the idea of actually setting something along the lines of the subsidised or the commercial structures that we have is obviously of interest, particularly to countries like Malaysia and Singapore.

Mr SINCLAIR—You do not have any actual links between the Australia Council and any similar councils in these countries, do you?

Mr Lynch—We have some links with all of the English speaking bodies—the equivalent bodies throughout the world. With the meeting of cultural ministers we are hoping to also coincide a meeting within the ASEAN or broader Asia-Pacific region to be able to get the equivalence of the Australia Council or the ministry of cultures within those bodies to be able to establish some broader agenda over the next five or six years I would hope.

CHAIRMAN—Yes, we took some quite valuable evidence in Melbourne from Asialink and AusHeritage on some of the issues you have just referred to, so I think we probably have quite a lot of evidence on that. Thank you very much for coming. We appreciate that.

Luncheon adjournment 12.21 p.m.

[2.04 p.m.]

THAYER, Associate Professor Carlvle Alan, Director, Regional Security Studies Program, Australian Defence Studies Centre, Australian Defence Force Academy, Canberra, Australian Capital Territory 2600

CHAIRMAN—We have received your written submission. Are there any errors of omission or editorial changes that you want to make to that written submission for the record?

Prof. Thayer—I would only observe that Cambodia did not become a member as predicted so you can take some of my testimony now with a grain of salt.

CHAIRMAN—Would you like to make a short opening statement?

Prof. Thayer—I point out that I am not representing the Australian Defence Force Academy. I have not prepared a written statement, but what I would like to do is just reiterate the points made in the very last paragraph of my submission. I feel that an expanded ASEAN of nine or 10 will not have an adverse effect on Australian interests. It will have what I consider a variable effect on Australia's economic, political and defence security interests depending on the issues.

The economic relationship is not just one between Australia and ASEAN but also involves a host of other organisations such as APEC and the World Trade Organisation. Australia already has well established defence and security links with the region and therefore it will not be ASEAN versus Australia on defence and security issues. There is, indeed, a regional forum in which Australia participates.

Finally, regarding political relations, I believe it is unlikely that ASEAN will emerge as a unified bloc with complete unanimity on all or perhaps any political issues and, because of differences within ASEAN, Australia will have scope to forge special bilateral relations and to pursue coalition building with like-minded states on particular issues of concern. My bottom line is that Australia should welcome the enlargement of ASEAN as contributing to regional peace and security and should, where possible, find the resources to assist in the development and integration of the newer states—Laos, for example, and down the path in the future, hopefully, Cambodia.

CHAIRMAN—I wonder whether I might start with the Ranariddh situation in Cambodia. What impact do you think his exclusion, at this stage, from the processes would have in terms of stability in Cambodia and, indeed, the wider stability within ASEAN?

Prof. Thayer—If we take the issue of Ranariddh, if he is not allowed to participate and contest the election scheduled for May of next year that will lead to very

serious problems of the United States objecting to the normalisation of Cambodia's relations with the world. If he does participate, I believe he is yesterday's man anyway. Even prior to the July so-called coup in Cambodia his own party had taken steps the previous year to remove him from leadership.

Having been in Cambodia as a UN observer from 1993 and having followed developments there since 1981, my firm impression was that Funcinpec has not done the hard work in the provinces or in building a political apparatus that could take on and have any political muscle to deal with the Cambodian People's Party which is in power. They have not done it and they have frittered away a major opportunity. There are other leaders in Funcinpec willing to take up that particular cause. So if Ranariddh comes back and contests the elections, my feeling is that he will not gain much of the vote but the elections are not likely to produce a result where any one party has a two-thirds majority. We, therefore, can look forward to a coalition government and instability in Cambodia, unfortunately, for the foreseeable future.

CHAIRMAN—On the other hand, what about the strength of Hun Sen? Is he going to maintain—strongman is probably not the word—the strength?

Prof. Thayer—I would say 'strongman' is the word. He is a person who does not shirk from using force when he wants to. I would make two comments. Firstly, yes, he is firmly in control and he has elements of the military and the private guard loyal to him as well as a patron client network that extends into the provinces. Secondly, the Cambodian People's Party is not a monolith. There are elements of that party which I could name—the Deputy Prime Minister is co-minister for the interior—who would like to see a semblance of democratic elections and other members who actually feel that Hun Sen, by some of his recent antics, has brought the good name of Cambodia into disrepute and ought to have some of his wings clipped a bit because he is too powerful. Their own positions become threatened if he is allowed to continue in that vein.

These elements would like to see, by Cambodian standards, reasonably free and fair elections. They have been working for a long time on the electoral law to bring that about. They must now have external pressure applied to Cambodia to aid them in that quest to make May 1998 a bit more democratic than May 1993.

Mr SINCLAIR—I have a series of things I wanted to follow through with you. One of the obvious interesting parts in looking at Australia and ASEAN is that there are two sides to it. ASEAN has expanded and you have come out with, essentially, an optimistic view that it is going to be more powerful and it will work. Essentially, it provides a buffer between China and each of them and provides a more cohesive hold. Is it not also true that with an expanded ASEAN you are going to have two ASEANs—the old ASEAN and the new ASEAN—and consensus, which has really been the basis on which they have been able to operate, is going to be less achievable without the old ASEAN taking the lead and saying, 'You'll take this or else.' ASEAN will be a different

creature expanded than it was small.

The other complicating factor that I am not too sure about looking into the future is that we all expect that Malaysia is going to come out of its problems with the ringgit and Thailand, the Philippines and Indonesia with their currency instability and they are not going to be able to maintain the pace of economic growth that they have. Their financial ability to accommodate the expectations of the newer members is not as great as perhaps, for example, West Germany's capacity to handle an integrated East Germany and yet even for West Germany there had been enormous problems.

While it would be too much to say there are signs of inherent instability, the ASEAN that Mahathir and the others had projected while the economies were going like that is not going to be achievable. One factor is that ASEAN is going to be diminished. It is going to be divided. Its economic growth rates are not going to be as great and there are not going to be the funds to do things.

On the other hand, you have got the view that they are all growing a lot faster than we are. The North Asian countries—and South Asia, too, to a degree; certainly, India—are also starting to come away and Australia is going to be, essentially, irrelevant. I do not know how you pick these alternatives and whether you think there is something Australia needs to do in the latter scenario to make us more relevant. In the first scenario, is it really time for us to say, 'If we are going to get over all these problems, why doesn't Australia make an application to join ASEAN now and get in it and try to help them through their problems.'

Prof. Thayer—They are some very good questions, Mr Sinclair. In my paper, I outlined a series of benefits and costs to ASEAN. If I do come out being optimistic, it is not being unguardedly so. I think there are some very severe problems that ASEAN would face. The rich and the poor is one way of dividing ASEAN, as you have done. I posit perhaps other ways that ASEAN could be fractured. It could be strategically between island and mainland South-East Asian states. It could be between the more democratic and the more authoritarian—and some of the newer members are very authoritarian and they are joining organisations where the Philippines has gone through a very decided democratic movement which has led to some of the problems I mentioned in accepting Myanmar into membership.

Already ASEAN has developed a formula whereby it can no longer maintain consensus when it grew to six members and it was referred to as the six minus X formula. If consensus could not be achieved, and this is particularly the case in economic issues where Singapore's developed status made it opt out of a variety of things that ASEAN did, they moved along to six minus the member that did not participate. ASEAN leaders and some of the strategic analysts are today saying that the consensus formula is a thing of the past. It is desirable. It is the ASEAN way, but it is unlikely so they will have to form a working coalition on particular issues and try to move forward that way. That is

not particularly a ground for optimism though because we are used to seeing a cohesive, well developing ASEAN as an actor.

That gets me into the second part. It may be too early to make the judgment, but my reading of the statements of leaders of the World Bank, et cetera, is that South-East Asia will overcome the current currency problems of high growth forecasts. I think in any estimate of the future, we would be best to look at a range of possibilities from the continued high growth rates to others that are less so. That, to me, calls in the questions of those regimes which rely on political legitimacy on the basis of their ability to deliver the goods. That would not be a country like Malaysia—which does have elections, the opposition can win in a particular state and the strength of the opposition in parliament can change with each election—but would be other countries in South-East Asia that do rest political legitimacy on the ability to deliver the goods. If there are slow growth rates—and I would be targeting Indonesia and Vietnam as two examples here—the very foundations of order can be undermined, because what other bases of legitimacy do the governments have? So that would be a very worrying scenario.

Australia does not belong to ASEAN. I think as long ago as 1989, Senator Evans in a statement on comprehensive engagement could have put at the very end of that document a bar graph showing the size of the Australian economy, in GDP terms, being greater than that of all of ASEAN together. That is no longer the case. I think ASEAN's total GDP is now double that of Australia's, but that does not mean we will become irrelevant—it is if we do not work hard at it. I take the broad thrust of the government's white paper, *In the national interest*, as being a pretty fair way of developing where Australia should go. We have to be clever. We have to work hard in a whole variety of areas.

I would prefer to answer part of that from my strength in the military side. Much has been said about the revolution in military affairs—for example, the technology that led to the Gulf War—in papers and statements increasingly being released that may foreshadow something in the strategic review. It is basically that the United States is going to remain the strongest military power because it has developed that technology.

Australia is one of the few countries in the whole Asia Pacific—Japan, South Korea, Taiwan being the others—that has the ability to be in the second tier below this very, very important strategic development. Our participation in that revolution in military affairs makes us more relevant to the United States as a coalition and alliance partner and prevents the deterioration in our technology edge that is occurring as South-East Asian nations acquire new platforms and move into more modern forms of electronic warfare, other countermeasure censors, et cetera.

Australia will not become irrelevant. We will remain a middle power with our own niche. As long as we keep developing the initiatives—and I go back to Australia's involvement in Cambodia and the creation of the Asia-Pacific Economic Cooperation

forum as just two examples—keep thinking very seriously about strategic developments, make these proposals and suggestions, take the lead on a regional chemical weapons initiative and do a whole host of things like that, we will constantly be at the forefront of strategic discussions in the regions and we will not be ignored.

Also, we are not the United States. Some ASEAN countries that do not want to formally develop military relations with a big power can have defence cooperation with Australia and feel comfortable in joint exercises in a way they would not with the US. That is because we are seen to be on the leading edge in the military and technology side in operations.

The revolution of military affairs, I should also hasten to add, is not just about computers. It is about the systems that put them together, joint command and a culture—and this is a very important thing that Professor Paul Dibb has written about—that is flexible and adaptive to those changes, and some of our regional counterparts have not got that yet. So we will remain, by using that one example of military technology, highly relevant to the region and not irrelevant.

Mr SINCLAIR—I think you are being a bit optimistic. I can see that for the next decade, but I suspect that when you look at the volume—they have 500 million people; their economy is already, as you say, in total, twice the size of Australia; their rate of growth is significantly greater; and you are going to have a good deal of investment from North Asia, particularly from Japan and Taiwan, although both are investing in China—there is a lot of new investment going in there.

What worries me is that I think we are a bit too complacent in our attitude towards the ASEAN countries. About people you can rely very much on the present and the past—everything you have said is certainly true there. I wonder for how long and whether there are particular measures we need to take rather than just relying on our friendship and association with the United States.

Prof. Thayer—Joining ASEAN in the next 10 to 15 years, and even further down the track, would constrain a liberal democratic country with a freewheeling, open, democratic system. To join an association that works by consensus, that works at trying to maintain a comfort level—there are aspects of some of their behaviours. Is that the club we would want to join and be quiet on certain issues, like human rights or environmental degradation? The answer to me would be, 'I do not think we would and I do not think the Australian public would.' Our publics would not be as quiescent as some of those in the ASEAN nations. Joining that would be at a huge cost to our political culture. For that reason, it is not on the cards. It would also constrain the independence that Australia would prefer to operate with.

I think our future is more secure in pushing through our membership in APEC, and particularly as ASEAN grows in strength our relationships change. Japan is more

important to us and South Korea has overtaken the United States as our second largest trading partner. In a sense, the forces of globalisation are leading to regionalism in South-East Asia but reshaping the Asia-Pacific. Australia may very well find itself in the company of a unified Korea or Japan as our major colleague rather than in ASEAN. ASEAN will not remain unimportant, but it is true that we send our trade through the region, we invest in Europe, and we deal and sell more with Japan and South Korea.

The ASEAN relationship is not all that important in a very broad and substantial strategic terms. It is very important, but there are the other relationships at the moment that are likely to continue to be dominating in the early decades of the next century.

Mr HOLLIS—A little bit related to that is that over the next few years there will be something of a generational change as leaders move on and are replaced by the younger ones. Do you think, like you are saying, that it is almost a preordained march forward, that everything will go on? Or do you think that there would be dramatic changes with some of the leadership changes that inevitably will come over the next few years?

Prof. Thayer—We could take any moment of history, look at the events that immediately followed and say, 'Who could predict them all?' I attended an overseas conference where I specifically joined the committee that worked and looked at leadership change. There is a 50-minute lecture I give to the various service staff colleges on security issues in South-East Asia and a whole host of issues that could bump up and affect a sort of benign, optimistic, security scenario. Generational change, leadership change and regime change are all quite separate issues and are likely to have an impact. Not all leadership changes are going to have a strategic impact. Definitely, a consensus of some analysts would be that when President Suharto passes from the scene there will be a very major reshaping of the constellation of forces within Indonesia that keep that government in power, from the new order.

Some scenarios would be: a more nationalistically inclined Indonesia, touted to become a very large economy, moving up to among the top 10 in the world, would find itself constrained within ASEAN. It may seek to play a much more independent role in the UN in Islamic councils or other bodies. That would be a complete change from its softly, softly approach to ASEAN at present. Or take a country that I know very well, Vietnam, which is experiencing this generational change at the moment. An authoritarian old guard is trying to sit on top of mounting pressures from below caused by their shift to a market economy. They are trying to manage that change, but if economic downturn occurs and the legitimacy of the regime is cut, turmoil or instability could very well arise in that country, and it is a country of 74 million people. We have seen past instability has led to the outflow of large numbers of boat people. I would have thought continued instability would have other people take to the boat and that would impact on the region. The SLORC regime in Myanmar—Burma—is another example of a regime that has made absolutely no attempt to provide for generational transfer. If pressures build up on it we could see an intensified civil war in Burma arise.

In three very large countries, Indonesia, in particular, Vietnam and Myanmar, generational leadership and even regime transition could have a major strategic impact. These are developments arising internally in the country; something we have little ability to affect. We have to sit back and watch them develop. We cannot shape them.

Mr SINCLAIR—The ASEAN Regional Forum is obviously the only regional security vehicle there is to talk about major issues. It seems at the moment to be functioning reasonably well. It is still relatively young. ASEAN has a number of these dialogues. ASEM is one to which we wish to belong. The ASEAN countries are also members of APEC and on trade and commercial issues meet there, but because there is also an APEC heads of government meeting in a way, do you think it can become more significant than, certainly, ARF? All the ASEM countries are not part of APEC, but I do not know whether all the ARF countries are part of APEC.

Prof. Thayer—No.

Mr SINCLAIR—You have got different forums. Do you have an appraisal of how you see ARF developing and its relationship to other forums in the area?

Prof. Thayer—ARF has got to move from being a talk shop to actually getting things done. Their arguments would be that by dividing up, by having the three phases of development, and by having a lot of inter-sessional groups working on search and rescue and other things, that they are advancing; also, that this year, by including defence representatives for the first time, they are doing so.

But if a crisis of a military/defence/security nature should arise that affects the region it is unlikely, during the next five or 10 years, that the ARF would be an appropriate forum to handle it. So a firming up of defence cooperation or having—and the United States has pushed this but it is probably too early—meetings of local defence chiefs would be things that I would be recommending to be looked at in the future. There are some hard issues that are being swept under the carpet.

It is the ASEAN Regional Forum, not the Asian Regional Forum. There is a tale in that: that ASEAN wants to be in the driving seat. It explicitly, as you have indicated, includes states in North-East Asia, but it cannot deal with one of the most major problems, the re-unification of Korea, or the issues of nuclear proliferation and unification with Taiwan. There is a very strong push, and it is in the United States East Asia Strategic Initiative II of February 1995, to try and create a forum to deal with security issues in North-East Asia. ARF may have overreached itself in trying to cover the entire Asia-Pacific. It will not move on certain hard issues, Chinese naval modernisation in the region, for example, that need to be addressed in another forum. I think that in time these other fora may arise.

On the Asia Pacific Economic Cooperation Forum you are absolutely right. It is the

one venue where the heads of government from Asia and the Pacific meet. It has long been remarked that when they are walking down the corridors, and having breakfast and lunches, they are raising security issues. It is too important a venue not to have broad security issues addressed. Perhaps in time that would take place and that would be a development that I would recommend. It is needed at that level.

To go back to your earlier question, it is a way that Australia can maintain the initiative, not being a supplicant to ASEAN but in a higher forum—in another body where we have firmer allies, operating with them. Indeed, most of those firmer allies, South Korea and Japan, strongly recommend that Australia participate in the Asia-Europe summit meeting, the ASEAN process of which you have spoken. It would be in Australia's longer-term interests to use that APEC forum to discuss those issues and to use the backing of our friends there to get the entree that we have been seeking.

Mr SINCLAIR—The other issue, for reasons which I would endorse, is that you feel it is not appropriate for Australia to become a party to ASEAN, but you did not speak about PNG. Obviously PNG and its relations within itself, and with Irian Jaya, are going to be fairly significant regional security issues for us forever. Have you any views about PNG and its possible membership of ASEAN?

Prof. Thayer—Yes. As you know, PNG is an observer. That is a kind of confidence building measure that ASEAN states are not to use force or the threat of force in their relations with each. The specific case of West Irian brings up Indonesia and Papua New Guinea in a potential conflict. By making PNG an observer, it put it in a more protected status than it would otherwise be. But my understanding is that, and this relates to the foreign minister's comments about reforming the UN, there are distinct benefits for Papua New Guinea to remain in the South Pacific forum—that is not a UN grouping—rather than join ASEAN. It is a big actor and it has a distinct interest.

But the globalisation and regionalism that I have been talking about has obviously brought the South Pacific nations, or some of them, closer to ASEAN. PNG has formed that bridge by being an observer. They are developing other types of membership rather than full membership. One could be a sectorial member or one could be an associate member, so ASEAN could devise whatever means it wants to and call it membership category Papua New Guinea and deal with Papua New Guinea rather than having to admit it as a full member.

CHAIRMAN—With the problems with the baht and the ringgit in recent weeks, what are the short-term and medium-term security implications, if any, of those runs?

Prof. Thayer—Some of the military wish lists in the region are being trimmed, particularly in Thailand. The government is going to have to embark very much on an austerity program. As a political scientist I think I have already alluded to the kind of security issue that does arise. There is some economic restructuring. A period of maybe up

to two to three years is going to be involved with four of the nations affected—Thailand and, in particular, Malaysia—to get things right. In Malaysia I do not see that as having a direct threat on the stability of the government. At most, it just might see a deputy Prime Minister replace the Prime Minister. That would be an orderly transition and would not affect Malaysia. Indonesia has not been as seriously affected but any economic downturn would affect the generational transition.

Finally, it occurred in Thailand at a very delicate moment when they were debating a whole new constitution for the country, one that would try to make the place more democratic and trim the powers of the military, and the military is the one group that stands to lose the most from all of this. As I say, the immediate security implication there was that their spending has been cut. But, because of the way Thailand has changed, they had to be at pains to indicate that they would not undertake a military coup during this period of instability. It is just not on. The Thai public would not support it. Those two areas are the most obvious security implications as I see it.

CHAIRMAN—In the case of Thailand, if we take the recent carrier jump jet acquisition and the problems with the baht, what implication does that have for that particular acquisition? Is that a power projection vehicle in your view? Where does it sit, or is it just on a wish list that the military machine wanted and it happened?

Prof. Thayer—My understanding is that in 1987, when a summit of ASEAN was being held in Manila and the Cory Aquino government was being threatened by the Reform of the Armed Forces Movement and ASEAN leaders were debating whether or not it was secure and safe enough to go there, President Suharto of Indonesia took the statesman-like decision to go and support an ASEAN state. In doing so, he brought a naval force so that he could leave Manila via the bay if need be. The other ASEAN heads were brought on.

Talking to both Thai military officials and Australian naval officers, it seems around that time the idea was born that there was no ship that could bear the Thai king to the style that he should be accustomed to. The idea was born, 'Well, if we have got a vessel, what else could it do?' So we have a mini or pocket carrier that can mount a short take-off craft that has been designated for search and rescue and natural disaster, but these, I am reliably informed, are capabilities that were invented after the fact to justify what it would be for.

Being more serious, Thailand has both an east and west sea coast. The extension of the UN Convention on the Law of the Sea with exclusive economic zones has actually meant that Thailand shares overlapping claims with India. An Indian naval base of some sort being constructed in the Andaman Islands has been a cause of concern. Thailand also has strategic interest in the offshore oil rigs and other developments for gas that they are building on their west coast.

It remains to be seen, but it is possible that the pocket carrier could be used for sea

control and be deployed, on occasion, on the west coast just to demonstrate a Thai interest that this is our area of sovereignty and we can project a kind of power there against potential threats or just a warning to states like India.

CHAIRMAN—So what you are saying is that it could come in handy with a power projection dimension to it.

Prof. Thayer—It is a very slight power.

CHAIRMAN—Perhaps power projection is putting too strong a word on it.

Mr SINCLAIR—Are you suggesting that the carrier is the way the monarch must be carried? I can see that we might be able to get a few naval supporters for the monarch in the course of the convention. On a microsecurity issue, one of the things that has worried me for a long time, and worried people in the region, has been piracy in the South China Sea and piracy generally about the waters of ASEAN. It still seems to be a major problem. It is not an issue that seems to have won that much support, yet to me it indicates increasing difficulties as you get the volume of traffic that is moving in that part of the world with the Malacca Straits and the rest of it. Do you have any views about what we might be able to do about piracy?

Prof. Thayer—Yes. I was remiss earlier in looking at initiatives that Australia could pursue. This is probably one area where we could make a very major impact. Piracy does exist in the Malacca Straits and in South-East Asian waters. It is quite serious. High speed boats which are armed accost oil freighters, board them, rob the safes, bail up the crew and leave these ships set on predetermined courses chugging through the water until relief is found. It is only a matter of time before a major collision or oil spills create very serious damage in the region.

Various nations over the years, through the International Maritime Organisation, which has a headquarters based in Malaysia, have been gathering data. Regional navies have begun joint patrols in the Malacca Straits. They have begun, bit by bit, to share information. Within the ASEAN regional forum and its groups, discussion of maritime cooperation is being bandied about. Here, again, it is stymied in a sense because some nations do not want to have observers on their ships, et cetera.

We can use Australian reconnaissance craft cooperating with other navies and forces like Singapore, which is similarly equipped for aerial reconnaissance. We can have joint centres to analyse and sift through the data and information and provide protection patrols. These sorts of cooperative naval activities could very much help to suppress piracy and, in a sense, by just being there, stiffen the backs of regional states to take action themselves.

In relation to the area around the Horsbourgh lighthouse in the straits of Malacca,

it must be obvious from what countries the pirates are coming. They are not coming from over the horizon; they are coming from very close in. That should be a matter for regional states to get on with. There is piracy elsewhere, but in these very congested sea lanes which you alluded to some of the potential damage is caused by collisions of major tankers running aground spilling oil. In this particular area, it could potentially be quite serious. It is not only time to take action but also being increasingly discussed in the regional fora.

Mr SINCLAIR—It has not been done, but at least it is still being discussed. Nothing has happened yet, which is a problem. Do you have any views about the Five Power Defence Arrangements, FPDA, and ASEAN? Where are they going? How do you see them at the moment?

Prof. Thayer—The Five Power Defence Arrangements—there is a mantra in the literature—are confidence building measures essentially between Malaysia and Singapore. The Five Power Defence Arrangements will only advance at the pace that both those particular parties are accustomed to and comfortable with. Without an Australian commander, it is unlikely that Singapore and Malaysia could cooperate in the way that they do. There are certain sensitivities, particularly Malaysia towards Singapore. It is Singapore which would like to expand the scope, the complexity and the dimensionality of FPDA exercises. It is Malaysia which is quite concerned that Singapore would gain some sort of strategic advantage.

The Five Power Defence Arrangements, in my opinion, have been revitalised since 1989. They have stepped up the pace and scope of exercises—probably proceeding too slowly. The real question is: should the integrated air defence system be extended to East Malaysia and should Brunei join? Brunei's membership seems to be a non-starter at the moment. The extension of this air defence system to embrace East Asia would also allow Singapore planes to overfly territory the Malaysians are sensitive with.

At the moment it is one of the more effective alliance relationships in the region. I would make the point that, although ASEAN is marching down the path of cooperative security through the ASEAN Regional Forum, certain alliance relationships—FPDA being one, and Australia's bilateral relations with certain countries, the agreement with Indonesia and MOUs with the Philippines—have indicated that some of them are hedging their bets. They will not do it as an organisation, but individually they still want to retain and develop certain military capabilities. I think the FPDA in terms of its air defence role—it could be expanded—will not remain a vibrant or vital security arrangement; nonetheless it will be an important security arrangement in the next decade. It is not going to be written off. The two countries—Singapore and Malaysia—are getting benefits from it and so is Australia.

Mr SINCLAIR—The other thing that I was very keen to push in days gone by was getting some commonality in defence procurement in elements of equipment which

are not necessarily seen as directed against the persona of individual states. I know that we talk about a few odd defence trade commissioners in the region: have you any views about reciprocity in defence design and manufacture with ASEAN by Australia and Australian defence suppliers?

Prof. Thayer—It is not an area I am very knowledgeable about. The only comment I could make is that ASEAN is about technology transfer and it is about co-production. So, building things in Australia and selling them in South-East Asia has already been seen as not the way to go. The Transfield bid in Malaysia is probably the model of the future. ASEAN does not want to buy any weapons system or defence system off the shelf, except if it is top-line technology which they cannot make. They want to get in there and find out what is technology and have the benefits of manufacturing. Indeed, many are developing indigenous defence industry.

There is scope for cooperative arrangements amongst friends, but not ones where ADI goes off and develops something and tries to sell it as a package. I would say the Transfield type project in Malaysia that involves substantial technology transfers and highly cooperative activities would be the way to go, and I would hope Malaysia will make a decision finally.

Mr SINCLAIR—I think an end will be put to that by—

CHAIRMAN—I am off to Darwin this afternoon for a hearing tomorrow, and then to Christmas Island in relation to—

Mr PRICE—Haven't you got a tough job!

CHAIRMAN—The Australia-Indonesia maritime delimitation treaty. It has been suggested that the way that has been negotiated on a bilateral basis between Australia and Indonesia could perhaps be a model for some sort of solution to the Spratlys in relation to some of the ASEAN countries and the PRC. Do you have a view? Have I caught you unawares or are you—

Prof. Thayer—You have caught me unaware of what Australia and Indonesia are doing specifically on this maritime issue. But what immediately strikes me is that it is bilateral, as you stress, in the Spratlys Islands: five conflicting states and one non-state—Taiwan—are involved. A lot of work has been produced, particularly by Mark Valencia from the East-West Centre, on cooperative arrangements in the South China Sea. Just take this one: what do you do on an oil rig if there is a murder? Whose jurisdiction applies? It begins to get you into the vast complexity of moving beyond the bilateral level to a multilateral level. I do not think any of the cooperative arrangements for the South China Sea—without making reference to your Indonesia-Australia model, which I am caught unawares on—are appropriate.

China is, in fact, playing a double game. It really would like to solve things bilaterally. The notion there is that its joint development means, 'We jointly develop areas that overlap that are in your territory but not in ours.' That is probably being a bit facile. The other game that it is playing is giving some lip-service to multilateralism because it puts the United States off side.

There has really been no evidence that China would move towards a multilateral settlement. In fact, it claims the whole of the South China Sea, not just bits and parts. In that, it shares the same claim as Taiwan, and directly opposes Vietnam. Although it claims it will look at modern international law, its claims and its maps so far have been based on the right of history and very ill-defined hatch marks around the area saying, 'This is ours.'

What it does do is keep it in the region as a player. We can have no solution to the South China Sea problem without China being involved. If China got its way, it would be a South-East Asian power, it would be 30 or 40 kilometres off the shore of some of the regional states. I do not see progress there.

CHAIRMAN—There has been some anecdotal evidence that the PRC sees this particular bilateral arrangement—and I agree with you that it is bilateral—as a possible avenue of solution to Malaysian and Philippine claims and counterclaims in some of these areas. I tend to agree with you: you are starting to get into a multilateral scene which it may not be possible to resolve to everybody's satisfaction, particularly the PRC's.

Prof. Thayer—I would agree.

Mr SINCLAIR—I do not think there is any doubt about that. I was interested in your comments about our relationship with Japan in the strategic defence area. I think Japan is far more important to us than we tend to suggest, but the acceptability of Japan is such that we can promote Japan beyond the attitude of the public. I think most people in Australia, and generally in ASEAN, are far more reluctant, as yet, to embrace Japan than some of the remarks you made earlier might suggest. But that does not mean that you do not think that way too. I think that is one of the problems in promoting our Japanese-Australian defence relationship.

Prof. Thayer—If I could make an advertisement here: I was on a working party at the Defence Academy looking into the introduction of Asian languages and we did a survey of the first-year cadets. Because of the structure of their course, none is allowed to do an Asian language in the first year. In second and third year they go off and do Japanese and Indonesian at other Canberra universities—not something our host university is very happy about. But in doing this poll we found that one-third of the entering class at ADFA had studied either Japanese or Bahasa Indonesia to year 12 level. Large numbers put their hands up and said they would be enthusiastic volunteers to study Asian languages from first year onwards. I take that as a sea change of generations.

Mr SINCLAIR—You would be interested to know that I put exactly that to your then chiefs-of-staff about 15 years ago and I had one hell of a battle. I thought an Asian language, or at lease an Asian cultural segment, was absolutely essential in first year ADFA. I just could not persuade them as to the relevance of it. It is amazing how times have changed.

Mr PRICE—Have you seen Professor Ball's comments about the cost of regional engagement?

Prof. Thayer—Yes, I have.

Mr PRICE—I think he put up the figure of $500 million on it, did he not?

Prof. Thayer—I do not recall the figure offhand.

Mr PRICE—What would you estimate as the cost of regional engagement?

Prof. Thayer—I would have to take that on advice and report back to you. His comments were made several months ago. If we are trying to sharpen the military end, which is going to cost money—and we have seen from recent comments a foreshadowing of not just holding defence spending but, because of block obsolescence, having to spend more—and you add to that the cost of regional engagement, training, and defence cooperative programs that bring people here, in a sense you wind up with the resources being too limited to support both objectives.

If you are looking for regional engagement and our neighbours are acquiring weapons and capabilities and we are happy for them because that means they can do their own defence, yet at the same time we are saying that we have to keep another edge, there is a kind of contradiction between that. Particularly, if you have a set pile of money to spend or even if it does expand, how can you do both?

Defence cooperation does not sharpen the end of the defence capabilities, it just improves on another dimension your ability to conduct diplomacy. In the sense of what the Defence Force is really for—the defence of Australia against all possible credible contingencies and you are putting your money there—where is the money going to come from? In this post-Cold War era, I do not think it would be wise to suggest it comes from health, education and welfare areas.

CHAIRMAN—Would you like to take that on notice and give us some comments. If you would, we would be very appreciative.

Prof. Thayer—Yes.

Mr PRICE—How do you think defence should be changing or developing in

terms of defence regional engagement?

Prof. Thayer—I hear continually at conferences that deal with Australia and the region that a very major feature in the last half decade or so has been the rise in importance of the defence establishment in conducting Australia's relations overseas. Not enough attention is given to that. We have a vast officer corps, many of whom know the languages and have studied in the schools there. At times I use the example of that 'recalcitrant' issue in our relations with Malaysia, but at FPDA level, on the military side, those relations were kept intact and continued to be quite strong in areas on Indonesia.

In the ASEAN Regional Forum they are looking for further cooperation in the exchange of staff and personnel among other places' defence academies. That has moved very slowly. There are negotiations to bring Japanese cadets to ADFA, and perhaps the reverse. I think we have been a bit timid, but the government, in a sense, has pre-empted me by raising the level of dialogue now with very key countries that I have indicated—Vietnam, Thailand, South Korea and Japan.

That is a very important development, but the human side has got to be expanded. Here we face a tough choice. I am led to believe that the premier institution that is engaged in this—the Australian College of Defence and Strategic Studies—is cutting back a one-year course to six months and collapsing that in with the teaching of the Joint Services Staff College. In this whole defence reform program that is emerging they are talking of co-locating staff colleges in Canberra. This is an area that you will know well.

Mr PRICE—And Mr Sinclair and Mr Taylor.

Prof. Thayer—In my opinion, and this is a very personal one, ADFA is a resource that more can be gotten out of, particularly with some of our staff. We were born with a golden spoon in our mouth 10 years ago and, by comparison with our academic colleagues at Kensington who teach hundreds of students and twice the hours, we can do more to service the military service colleges. If they bring them to Canberra, I think a re-look has to be done of the higher education services.

We are providing a masters degree at one level and the service colleges are providing training at the other. The principal of the ACDSS did not want to give academic accreditation, but that is increasingly the name of the game. I would like to see how these colleges should function revisited. I would make it go further. The defence minister recently put out five priorities: Asia-Pacific literacy, language, information, technology and management—and not all had to be together—but he wanted the ADF to be Asia-Pacific literate.

I go around giving lectures to all of these colleges on roughly the same topics. We are dealing with people at various stages of their careers. There should be some view of combining and pooling the facilities, the library, and getting some of the staff at ADFA to

contribute a little bit more. We are also getting paid separately for it. I do not do the lectures to earn that money, but it is a kind of redundancy, so I voluntarily expose our perks in the system. I think we can get much more out of ADFA in providing that service and level of service.

Another self-advertisement would be that I have been involved in delivering distance education this year to ADF personnel in the field—an experimental program that has now been approved. We are hitting Townsville, Brisbane and Sydney. We hope to expand. Our neighbours, Malaysia and Indonesia, send students to the course under the defence cooperation program. If you are going to go to Darwin, why not beam in, Scotty, to Malaysia or Indonesia? As the Chief of the Defence Force is looking at flexible education and whole of service education, I think there is a greater scope and perhaps this—and I am happy you raised this question—is another area that Australia can contribute to in a large way.

I had an ASEAN diplomat to dinner the other night and he remarked that in his country, of all things, Asian studies was rather underdeveloped. They studied their own country very well. There was a regional centre in another island republic nearby, but boy was he impressed with the strength of Asian studies, particularly at a rival institution across town. What I am getting at—and I will end this long response—is that institutions here in Canberra could be made to cooperate much more and, particularly, I think you can squeeze more out of the Defence Force Academy's civilian staff with expertise in this area.

CHAIRMAN—Yes, I would agree with that. Mr Price and I might disagree in terms of the military after the next report. As there are no further questions, I thank you very much. As a final message, bearing in mind this de-limitation treaty—

Mr PRICE—Can Ian and I submit the recommendations of that report as a submission to this inquiry, after the prompting of the good professor?

CHAIRMAN—Yes, but he agrees with me! Just a little comment about the maritime delimitation treaty, bearing in mind that this treaty is water-breaking territory in terms of UNCLOS and other things, I am surprised that your centre is not aware or is not making a submission in terms of this ratification process.

Mr PRICE—They are too busy with the undergraduates.

CHAIRMAN—I wonder if you would have a look at that. The treaty secretariat here in Parliament House would be very pleased to hear from you—Peter Stephens is the secretary. We would be very pleased to have some sort of submission from the centre, because it does have security dimensions in terms of the treaty.

Prof. Thayer—The director of the centre, who is formerly from the staff of the

Royal Australian Naval College at Creswell, is well versed in maritime affairs, and I am often accused, because of my Duntroon background and having taught there, of having a more continental view, so I will be delighted to take back this request.

CHAIRMAN—Thank you very much.

Resolved (on motion by Mr Taylor):

That the subcommittee authorises the publication of the evidence given before it at the public hearing this day.

Subcommittee adjourned at 2.47 p.m.