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(Foreign Affairs Subcommittee)

Reference: Australia's relations with the Middle East

THURSDAY, 27 JULY 2000

SYDNEY

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JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE

Foreign Affairs Subcommittee

Thursday, 27 July 2000

Members: Senator Ferguson *(Chair)*, Senators Bourne, Calvert, Chapman, Cook, Gibbs, Harradine, Sandy Macdonald, O'Brien, Payne, Quirke and Schacht and Fran Bailey, Mr Baird, Mr Brereton, Mrs Crosio, Mr Laurie Ferguson, Mr Hawker, Mr Hollis, Mr Jull, Mrs De-Anne Kelly, Mr Lieberman, Mr Martin, Mrs Moylan, Mr Nugent, Mr O'Keefe, Mr Price, Mr Prosser, Mr Pyne, Mr Snowdon, Dr Southcott and Mr Andrew Thomson

Subcommittee members: Mr Jull *(Chair)*, Senator Gibbs *(Deputy Chair)* Senators Bourne, Calvert, Chapman, Ferguson, Quirke and Schacht and Mr Brereton, Mrs Crosio, Mr Laurie Ferguson, Mr Hawker, Mr Hollis, Mr Lieberman, Mr Martin, Mr Nugent, Mr Price, Mr Pyne, Mr Snowdon, Dr Southcott and Mr Andrew Thomson

Senators and members in attendance: Senators Bourne, Quirke and Schacht and Mr Hollis and Mr Jull

Terms of reference for the inquiry:

To inquire into and report on Australia's relations with Middle East nations and the Gulf states, with particular reference to:

- Opportunities and impediments to expanding Australia's trade relationship with the Middle East and the Gulf states;
- Australia's contribution to the Middle East peace process, and the prospects for resolution of the Arab-Israeli conflict;
- The role of the United Nations, and Australia's involvement, in promoting regional stability for the Middle East and the Gulf states, including consideration of the United Nations weapons inspection program and the impact on Iraq of internationally-applied sanctions;
- Australia's defence relationship with the Middle East and the Gulf regions, and the scope for promoting Australia's strategic interests;
- The impact of destabilising influences in the region including the potential production of weapons of mass destruction;
- Progress on the adoption of human rights principles in the region; and
- Social and cultural linkages, given the levels of migration to Australia from the Middle East and some Gulf states and with particular reference to the Australian aid program towards the Middle East and the training programs for students from the region.

WITNESSES

Subcommittee met at 9.16 a.m.

MACDONALD, the Hon. Ian Michael (Private capacity)

CHAIR—On behalf of the Foreign Affairs Subcommittee of the Joint Committee on Foreign Affairs Defence and Trade, I declare open this public hearing in Sydney. Two hearings of the committee's review of Australia's relations with the Middle East were held in Canberra in June, followed by hearings in Melbourne earlier this week. Today is the second day of public hearings in Sydney. In today's evidence we will hear from additional organisations and individual witnesses who will discuss a broad range of issues related to Australia's links with the Middle East. On behalf of the subcommittee, I welcome the Hon. Ian Macdonald MLC. The subcommittee prefers that all evidence be given in public, but should you at any stage wish to give any evidence in private you may ask to do so and the subcommittee will give consideration to your request. For the *Hansard* record, would you please tell the committee the capacity in which you appear today.

Mr Macdonald—I appear in a private capacity but also as the chairman of a delegation of parliamentarians to Palestine earlier this year.

CHAIR—Although the committee does not require you to give evidence on oath, I should advise you that these hearings are legal proceedings of the parliament and have the same standing as proceedings of the House itself. I invite you to make a short opening statement if you wish before we proceed to questions.

Mr Macdonald—The Parliamentary Friends of Palestine New South Wales branch and the federal branch had a delegation that visited the Middle East in January this year. While we did not go to Palestine exclusively—we visited a number of other places as well—our concentration was on the seemingly intractable problems concerning peace in Palestine. I must say, Mr Chairman, as I said to you before these hearings commenced, events seem to be going so quickly in this area that writing the submission a few months back and now giving evidence to that submission is somewhat quizzical in a way because so much has happened since pen was put to paper.

We had the opportunity to visit a number of countries around the area that are vitally concerned with the Middle East peace process, particularly the Palestinian phase of it. We spent about a week in Palestine and in Israel, where we had a large number of discussions with Palestinian officials and community representatives. We also had the good fortune of meeting up with a number of leading Israeli parliamentarians, plus very senior officials from their foreign affairs department. It has become clear that even those discussions held at that time, on both sides, have moved dramatically from the positions that were put to us, in addition to the general discussions we had. We were fortunate to meet a large range of very senior officials both within the Palestinian area and within Israel, and also in Egypt and the Emirates. In Egypt we met the foreign affairs minister and had extensive discussions with him about various issues.

I want to make, say, three or four points, and perhaps, if you wish, you can ask me some questions about them. First of all, we were given a number of confidential briefs—I will not go into from whom—when we arrived in Gaza. Suffice to say, there were informed discussions

from our side, the Australian side, in which the failure to have an office actually in the Palestine authority area was seen as an important impediment to the development of our relationship with this emerging or evolving state. At that time, with all the checkpoints, to go from Tel Aviv to Gaza or to go from Tel Aviv into Ramallah or anywhere else within the West Bank was inordinately difficult even for embassy officials. You could see a considerable waste of time at the base line of it all in having to traverse the extraordinarily complicated arrangements at the various borders and checkpoints.

From the discussions we had, it was put to us that we were out of a club that basically support Anwar, which we belong to as key members of Anwar and contributors to Anwar, and that we were one of the rare countries that did not have a legation of sorts or a representation office in either Ramallah or Gaza. There were, I think, 24 countries that had legations in Ramallah, including Canada. Often a lot of our international relations, particularly in this region but also in other regions, parallel that of Canada. But, in this instance, we did not have an office—Canada has an office—and it was felt to be an impediment. It was also viewed by the Palestinians as an example of some bias towards Israel—that is, why wouldn't you open some form of diplomatic representation in the authority? Given that, from a Palestinian perspective, since the Oslo accords, they have taken so many steps with Israel, Australia having an office in Ramallah or Gaza would be a way of reinforcing our sense of being bipartisan in relation to the issue.

Australian officials also raised the fact that there was a problem in fully participating in the diplomatic community that evolves, and has evolved, in the West Bank. As a consequence of Australia not being in that direct group, which meet very regularly—because Ramallah is not a huge city—we were not fully participating in the endeavours of that particular diplomatic community. It was also raised in those discussions that the closure of the Damascus office—I am not sure if that has been reconsidered yet—was seen as a negative step, particularly within the context of the whole peace process and the endeavours to have peace in the area. They raised with us, again, the problem of closing a major legation in Syria. Reinforcing this, of course, is the fact that there are substantial Palestinian and Syrian communities in Australia. So there is a local reason here why we should have a pretty strong and concrete presence in both those areas. That was the first thing that we—as the all-party delegation that went there—felt needed to be put before this committee; that is, the need for us to have an office in Ramallah and to reconsider the decisions relating to Damascus.

In relation to the question of President Arafat, that was handled by the Prime Minister in a subsequent visit to ours, in which the invitation is there. Given the current events, it might be a bit difficult, but we are hoping that, in the not too distant future, we have that visit. The question of the refugees very much disturbed members of the committee. We visited a number of camps in the area. We spent some time at Jabelya, which has to be one of the most depressing parts of this world. We felt that, whatever is happening, not enough real dollars from donor countries are actually getting into these areas to alleviate quite strong poverty levels. As a consequence, we thought—as one of our submissions to you indicates—that doing whatever we can to increase the aid component to refugees, as well as aid in general, would be a very positive step. We note, for instance, that Canada spends considerably more dollars in relation to its contribution to the effort with refugees.

On the question of aid, we have put before you a number of projects which have been there for a while, particularly the technical school at Gaza which has been promoted for some time. We hope to see some endeavour in getting that going, and to be doing whatever we can do to make further aid available to the Palestinians. One of the aid programs that was raised with us was through their national parks and antiquities people. They are trying to establish some of these national parks. They have magnificent antiquities. They have many sites that need considerable restoration. There was a Byzantine church and monastery in the Gaza Strip that we had the opportunity to look at. There is much work to be done there. It is absolutely fascinating work. What is being restored is great, but they need more help to protect these sites and to expand them.

Near Jericho there were also a number of sites which again needed further work to protect them. We thought we would put before the committee and the government some of this sort of work so we can look at some assistance with national park and restoration works. These would not be heavy dollar aid-type projects because what they need, more or less, is the expertise and the direction. That includes management and efficiency techniques, say, with national parks administration, and also with restoration. They made a plea for that wherever we went. Some of the more known sites in that wonderful area have received a lot of international attention. As you might be aware, the European Community put a lot of money into Bethlehem—probably around $60 million—to absolutely change how it looks. It is absolutely magnificent now. But there are these other important sites that need looking at, and any work that we can do in these areas would be impressive and important.

Also, we looked at horticulture and fisheries, two of their major agricultural industries. With fisheries, in the long term—as they have a reasonable coastline—a port is being considered. They have a small fishing industry that will have to be expanded to meet the food needs of the people in the area. It is there, in fisheries, that we have expertise. With horticulture, in particular with grapes, we could assist by sending in personnel who can share expertise and drive change. Those sorts of things were raised with us. They are not heavy money ticket items, whereas, say, building a school might cost several million dollars.

We also had the opportunity to meet with their director of civil aviation. They were very keen to start moving towards cooperating with us on at least the initial protocols with flights. They have received significant aid from a number of countries in Europe—from Holland with some Fokker jets, and also from the Emirates with other jets. They are now expanding their base of flights. I am not suggesting that Qantas fly in there, but I am suggesting that we look at air traffic agreements between us. It is important to consider the potential of the area with the Jerusalem airport coming under Palestinian control. At the moment it is within the Palestinian area but for various reasons it is not being used. It is the most underutilised airport in the world with very few flights and no international recognition.

If I may, I will finish with a couple of comments about the level of recognition that we have here in Australia. As you will be aware, there is a general Palestinian delegation in Canberra. Our delegation came back with the view that we should enhance this. Clearly the Australian government does not seem to be prepared to go down the path of full recognition. It is a path that I would recommend, but I cannot see the current thinking changing at this time unless there is a fully UN-sponsored and fully signed agreement on 13 September or whenever.

We believe that the current status is not good enough. We have come a long way from Oslo in 1993. We should be looking at enhancing the recognition of that office, as they have done in many European countries, to give them a lot more diplomatic status, but short of being an embassy. We would fully recommend that to you and we have recommended it in our submission. Of course, there is the vexed question of a unilateral declaration. Our all-party delegation considered this. We came to the conclusion that, if there is a unilateral declaration some time later this year, we should join with the overwhelming number of countries in the world that will fully recognise it.

The vast majority will fully recognise that unilateral declaration. That became very clear to us in all of our discussions by all stakeholders, including the Israeli stakeholders and including the deputy head of their foreign affairs department, who hosted our visit. It was not an issue that they would receive overwhelming recognition across the world. Because of their endeavours to move towards peace, rejecting all those issues that were such an impediment to peace in the late 1980s and early 1990s, and, given their commitment to the whole peace process, if there is a unilateral declaration under the auspices of an agreement that was signed some years back that it would be in effect by 13 September—a full status situation—I think that the Australian government should give very serious consideration to recognising that state and joining then with the vast majority of countries that will take that step at that point, still working towards preventing an outbreak of severe violence in the area and also trying to encourage a final agreement being signed.

CHAIR—Thank you very much indeed. Did you put out a report on your visit?

Mr Macdonald—Our submission to you is basically our report, although we have more details of our visits and the people we met.

CHAIR—Could we get a copy of it?

Mr Macdonald—Sure.

CHAIR—That could be quite useful. Despite the fact that we have not got officers there, what is the attitude to, or the regard for, Australia? Do they really know much about us? You say that 123 countries are in there. Is it absolutely essential that we physically go in with the 123? The evidence we get would seem to indicate that Australia is reasonably well regarded in the area. Are we at a real disadvantage if we did not go in there for a while?

Mr Macdonald—Australia has a proud record of being involved in a series of peacekeeping missions and being a medium level but important participant in working towards peace. We found a lot of affection towards Australia from the Palestinian leadership that we met—very much so in Israel. I think it could have a lot to do with the fact that many people from both areas in one way or another have ended up in Australia. Also, they have surprising knowledge of some of Australia's multicultural policies and so on and so forth.

Australian trade, of course, is expanding dramatically in the area, so that is increasing the profile. For instance, when we were in Jordan we met with the head of the company that is importing Australian rice into the Middle East. It is not only for Jordan; it was also for

Palestine. They have gone from importing a few million dollars worth of Australian rice a year, to $40 million last year and, if they can get enough production out—unfortunately the drought has limited it a bit—they would import a similar amount, if not more, this year. So it is Australia's role in many issues—the peacekeeping role it has always been prepared to put in and also the trade and community links—that means that Australia gets a higher profile in both Palestine and Israel than many countries that do not have those links. So they were concerned to see a better relationship and a more even relationship develop, but at no point was there any berating of Australia for, say, withdrawing Tim Fischer's invitation to President Arafat. There were no negatives in that sense, so I think many of the committee members were of the view that we should continue to take some positive steps.

CHAIR—Of the 123 countries in there, who are the leading players?

Mr Macdonald—Canada and the European countries, in a big way. For instance, many of the projects in Gaza and on the West Bank are driven out of Europe, and they are multi-million dollar projects. There are whole transport infrastructures, hotels, businesses and companies going in there at a reasonably rapid rate. But it would be Canada and the European Community that would have the highest profile. What I am saying in relation to the Australian office in Palestine comes from Australian officials—but I won't name them—concerned about some of these issues, in private briefings.

CHAIR—There are parts of the world where we share embassies, and I suppose in that respect there may be a possibility that we could go in with the Canadians—

Mr Macdonald—Anything is possible in a flexible world of foreign affairs.

CHAIR—It is quite interesting. As a cost saving, there are a number of posts overseas where we share—I think the Canadians share with us in Barbados.

Mr Macdonald—They would be creative responses, for sure.

CHAIR—Was the reopening of Damascus principally from the Syrians or was that an overall feeling?

Mr Macdonald—This was from Australian officials with whom we discussed issues over there.

CHAIR—On the aviation agreement, there is a Gaza airport, isn't there? They are operating some flights. Is that the Jerusalem airport you are talking about?

Mr Macdonald—No, there is an airport between Jerusalem and Ramallah, which is in the West Bank area, which is currently used by Israeli aircraft and no-one else. There might be one or two flights a day—that is the sort of usage. The Gaza airport was built with substantial aid from Emirates and other countries. It is fully functional, with a new terminal—the lot—and they are gradually expanding flights into Europe and into Arab countries. Substantial aid was given in the form of aircraft as well, as I mentioned, into that airport. That is the one I am talking

about at the moment. The other one is in the West Bank but it is not in any shape or form, at this point, controlled by the Palestine authority.

CHAIR—And basically they are after an air traffic agreement, even though it is not operative?

Mr Macdonald—Sorry—for the one that is operative they are after agreements and discussions.

CHAIR—But an air services agreement that is just there if need be.

Mr Macdonald—Yes.

Senator BOURNE—Could I ask you about the refugee camps, particularly the one that you went to. We had some evidence yesterday that, because of the legal situation for the refugees in Lebanon, perhaps we should be trying to get more international focus on refugee camps there. From what you write, it sounds like the one that you went to in Gaza was pretty bad. Can you tell us a bit about what it was like?

Mr Macdonald—It is regarded as the most densely populated square kilometre in the world. I think there are 85,000 or 90,000 people in it. It is like a rabbit warren. The streets would probably be half this desk wide. Sewerage and other infrastructure appear to be under great stress. Housing is small, with large families. We visited some families. But I must say that the people who lived in those houses worked incredibly hard to try and eke out a living. They are very reliant on crossing the border and working in Israel. There is a fair bit of that. That was under tension when we were there, but it had been under worse tension prior to that. On every score, you would have to think that it was a pretty horrible place, and a place on which you could spend a lot of money. In our submission we have gone for education things because we say, 'How long is a piece of string in terms of actual housing problems and so on?' We feel that educating the children would be a very important step in improving the life of people there.

Senator BOURNE—You say you were told that funding has been cut back.

Mr Macdonald—Yes.

Senator BOURNE—Is that still the case?

Mr Macdonald—I do not know about the last month or two because the government has made some extra commitment to Palestine. I am not sure, in the overall wash of things, whether it is a vast amount, a small amount, or whatever. There were some cuts initially in the mid-1990s. We believe that any improvement in that area would be worth while, but I cannot tell you just how claustrophobic and hard it must be to live in these areas. Conversely, they are the areas where the Intifada were fought out and it is where the Israelis had terrible difficulty in being able to control those regions because of the nature of the buildings and the crowded structures.

CHAIR—May I recognise Dr Meredith Burgmann, the President of the Legislative Council, who is in the gallery today. I understand that Dr Burgmann was also a member of this delegation.

Mr HOLLIS—What is your assessment of the relationship between the Arabic and Jewish communities in Australia?

Mr Macdonald—I think there is a lot of cooperation in Australia, but it goes across the board in many communities where you would expect to see some antagonism, the old antagonisms, if you like, brought here. I have not seen much, if any, antagonism. There are different points of view. Most Arab people say they want a Palestinian state, et cetera, but I do not think that is an issue in this country, fortunately.

Mr HOLLIS—We had evidence today from a couple of the universities that the number of students from the Middle East studying here has declined. Do you have any views on that? Can you offer any reasons as to why this might be?

Mr Macdonald—I do not have direct evidence on any decline in the number of students from the Middle East coming here.

Mr HOLLIS—Do you think there are possibilities? Is that an area where cooperation could be extended between the two countries?

Mr Macdonald—No question. I do not think we touched on this when we were in Palestine, but I did hear of it in one or two of the other countries. Of course there would be a lot of competitive factors relating to that. The United States, Europe and other countries probably have substantial programs. Any program that would bring students from Palestine to get special technical and other forms of training and academic development would be very useful and well-appreciated. Anything that helps this sort of development across the board would be substantive aid to the Palestinians and greatly welcomed.

Senator QUIRKE—Looking at the map of this—which I have been aware of for only the last few days; in fact, I got the publication yesterday—there is going to be an enormous problem with any Palestinian state in the sense that it is going to be a whole series of separated areas. Did you have any discussions about the geographic limitations while your delegation was over there?

Mr Macdonald—Heaps. We certainly had a lot of discussions about what it means in terms of having a viable state. I think you will find, in the end, that some of the maps you are looking at are the interim steps that have been made where certain percentages of the land have come under A, B or C categorisation. That tends to create a pockmarked type of image in terms of land held under each of those categories. Gradually, that has been expanded with percentage additions to it granted by Israel to the Palestinian authority and, therefore, the removal of checkpoints into certain areas. When we were there, there were three or four checkpoints to get from Bethlehem, where we were staying, to say Ramallah to visit the legislative council. I understand in the latest round of transference of land from, say, category B or C to category A or B that some of those checkpoints have gone.

Although it was only two or three per cent of the total territories under question—that is, Gaza and West Bank—they were significant because effectively they opened up the transport corridors and removed some of those barriers to efficient operating between the areas. So yes, those maps show a very broken up area. But under the more consolidated ones that they are considering now at Camp David—I understand they are talking 95 per cent—there are some lease-back areas and possibly some parts of Israel annexed to compensate for the bits that will not be in the agreement, so it will be a more unitary state in a geographical sense. Then the main question is building a viable corridor between Gaza and Palestine. There is a whole raft of suggestions in relation to that. We travelled on the northern route at one point. Once you left the border at Israel and you got to the border between Israel and Palestine, West Bank, it was quite an efficient journey. That would be improved under any proper arrangement.

Senator QUIRKE—It is quite mountainous in some places, too. Around Bethlehem is fairly mountainous.

Mr Macdonald—Absolutely, and you would be amazed by the agriculture that goes on in land which you think is totally barren. For instance, it has a significant grape industry and the valleys are intensely cultivated—all areas where Australia can play a major role with technical assistance.

Senator QUIRKE—What is the Palestinian population?

Mr Macdonald—There are about one million in the Gaza Strip and about 1.3 million on the West Bank, roughly. There are a number of camps in Jordan and Lebanon where there are another three or four million, which is a very vexed question in itself. I understand that at Camp David—from what I have been reading and talking about to people—they appear to have gone a long way in finding a way around that right of return issue.

CHAIR—From any discussions you may have had with the general population, did you get any indication as to how Yasser Arafat and the Palestinian council are regarded by the people in general?

Mr Macdonald—We did. There is, I think, overwhelming support for President Arafat. There is no question of that. There would be tactical differences amongst some people. Hamas gets about 10 per cent to 12 per cent when there is a vote. You would have people who would take a tougher line on some of these issues and a tougher approach. Of course, that is one of the problems of not receiving and not obtaining a proper final status agreement. Those sorts of forces are given increased impetus. I do not have anything in particular against Hamas but I think it is important at this time that, whilst there is a leader who can command such respect and support within the Palestinian community, the agreement is struck.

CHAIR—Perhaps this is a grossly unfair question, but do you think 13 September will happen? If it should happen, what do you think may be the reaction from the Israelis?

Mr Macdonald—I would not even be prepared to predict it happening. For instance, when we were in the Knesset and in the foreign affairs department meeting with their officials and members of their parliament, there was no way known that even a bit of East Jerusalem would

go back to the Palestinians. The way they were looking at getting around the problem was to name a couple of suburbs outside of Jerusalem and call them part of the Jerusalem local government area so that maybe that could then go across to the Palestinians as their capital. In no way were any of those suburbs, which contained over 200,000 Arabs, to be handed over.

The amount of work that has been done leading to changes in policy outcomes over the last six months alone would make one very hesitant to say that, in the next six weeks, they cannot go that final distance between them and find a mechanism to get over this problem of the two square kilometres of Jerusalem. I believe that, if it occurs, Israel's response will be more measured than it has ever been in the past in terms of these sorts of issues. But I still do not want it to happen. Every one of us is hoping that President Clinton can get back on his bike and can sort out an agreement over the next six weeks to eight weeks. The Palestinians have said 13 September, but they have also at other points said that it may be later in the year. I am looking at a very positive side of it.

CHAIR—From your comments today, I would not consider you to be an absolute pessimist on it.

Mr Macdonald—Let us face it, 10 years ago the PLO had the position that Israel had no right to exist. That was generally the position adopted right across the Arab world. The position has changed dramatically. While positions appear to be immutable, the vast majority of people in the area, both Israelis and Palestinians, want peace.

CHAIR—In terms of trade, you have suggested that there are some real opportunities for Australia. You mentioned the rice sales and the rest of it. Are there any other areas that you could identify as being possible examples of future two-way trade between Australia and Palestine?

Mr Macdonald—I think that will be difficult in the short term. They have substantial craft industries and that sort of thing. At this point I would not want to comment on what could be the big ticket items that could be exported from Palestine to Australia. But, over time, with the substantial investment that is already occurring in Palestine and that will continue to occur, there would be opportunities for processed and manufactured goods of one form or another to be imported into Australia.

CHAIR—I thank you very much indeed for your evidence today. That was most useful. If there are any matters that we need to follow up, the secretary will be in contact. We will send you a transcript of the evidence to make any corrections if necessary.

Proceedings suspended from 9.55 a.m. to 10.09 a.m.

HADDAD, Dr Louis, Member and former Deputy Chairperson, Australian Arabic Communities Council Inc.

HADDAD, Mr Nikolai, Member, Australian Arabic Communities Council Inc.

HAJAJ, Mr Khaldoun, Member, Australian Arabic Communities Council Inc.

CHAIR—I welcome members of the Australian Arabic Communities Council. The subcommittee prefers that all evidence be given in public, but should you at any time wish to give any evidence in private, you may ask to do so and the subcommittee will give consideration to your request. Do you have any comments to make on the capacity in which you appear?

Mr Haddad—I am representing the Australian Arabic Communities Council. Mr Khaldoun Hajaj is a Palestinian Australian with a history of activity in the community. Dr Louis Haddad is a member of the management committee of the Australian Arabic Communities Council and is a senior lecturer in the department of economics at Sydney University.

CHAIR—Although the committee does not require you to give evidence under oath, I should advise you that these hearings are legal proceedings of the parliament and therefore have the same standing as proceedings of the House itself. I invite you to make a short opening statement, if you wish, and then we can proceed to questions.

Mr Haddad—I will say a few words about the Australian Arabic Communities Council and Khaldoun will proceed to make the opening statement about the submission. The Australian Arabic Communities Council is a peak organisation representing Arab Australians from communities of the 22 countries of the Arab world. It is an organisation that provides a range of services to the community, including family support, youth services and a problem gambling service. It is the organiser of *Arabic Carnivale*, a month long celebration of Arab-Australian cultural life—the opening day of which last year attracted in excess of 40,000 people. The Australian Arabic Communities Council has a history of quality and accountable services and is regarded as having an active and diverse membership.

Mr Hajaj—I have an introductory statement which is a summation of what we prepared in our submission. Hopefully, it will be used by the bench to prime discussion. Harold Wilson commented that a day is a long time in British politics. Imagine how we Arab-Australians feel when we look at Middle Eastern politics. In the time since we put our submission in, we have had the president of Syria die, a new president elected, Israel leave Lebanon, and Camp David resuscitated and then die again. A week is a very long time in Arab politics!

Australia's primary concerns in the Middle East centre around commercial and cultural links. According to the most recent Austrade statistics, the total value of Australia's exports to the Middle East in the year 1998-99 was some $4.2 billion, while the total value of imports from the region amounted to around $1.549 billion. As such, Australia benefits from a $2.63 billion balance of trade surplus with the Middle East. The highly favourable trade relations that

Australia is currently enjoying vis-a-vis the Middle East suggest that it would be useful to consider the geopolitical implications of Australia's foreign relations in the region. Given that some $2.5 billion of surplus is derived through direct trade with the Arab countries of the Middle East, it is important that Australia be regarded as pursuing a foreign policy in the region that is objective and impartial. Even considering the recent increase in the price of crude oil, which can only have a positive effect on the economies of those countries, Australia enjoys a positive trade balance. There is a significant potential for further enhancement of these commercial links. While the current terms of trade are highly favourable, there is certainly some margin for improvement. The realisation of the potential of commercial links with the region can only be furthered by a more balanced and realistic Australian foreign policy in the region.

Australians of Arabic background have long regarded Australia's foreign policy in the region as unjustifiably biased towards Israel. They point to the positive terms of trade with Arab countries and compare this to the negative terms of trade Australia experiences with Israel. Journalists writing in local Arabic language newspapers have consistently pointed out the contradictions of such disparate engagement with the Middle East. They argue that such a mode of action can only contribute to a diminished image of Australia in a part of the world which may be of enormous potential importance in economic and cultural terms. The Australian Arabic Communities Council submits that an Australian foreign policy that is perceived as being impartial and objective would only enhance efforts to promote and expand trade. Further, such a policy would work towards promoting real and long-term peace and stability in the region, which in turn enhances the facilitation of positive commercial and cultural links.

Australia's involvement with the Palestine-Israel conflict has been characterised by a consistent bias towards Israel at the expense of Palestinian national aspirations and human rights. Australia was one of the first countries to forward full recognition of the State of Israel while at the same time refusing to this day to offer any legal, diplomatic or otherwise official recognition of Palestine nationhood or supporting the legitimate aspirations of the millions of dispossessed Palestinian refugees for a return to their homes. For years Australia has pressured the Palestine Liberation Organisation to fully recognise Israel's right to exist. Various Australian governments have even made the issuing of Australian visas to Palestinian activists conditional on the PLO's recognition of UN resolutions 242 and 338.

Australia has used its diplomatic influence to pressure the Soviet Union and Arab countries to allow their Jewish citizens to emigrate to Israel under the pretext of Israel's racist 'law of return' which only gives Jews the right to emigrate to Israel. Again, the Palestinians felt the full force of Australia's ambivalence towards their human and political rights as no Australian government has ever lobbied or demanded that Palestinians be granted the right to return to their own homes. Australia's partiality towards Israel is evidenced further through the activities of the joint US-Australia spy station at Nurrunger, which was revealed in 1996 to be supplying Israel with 'vital military information in its wars with its Arab neighbours'. It was further revealed that Australia would supply Israel with direct, daily, round-the-clock military surveillance information on Arab countries which reaches Israel within seconds. Australian governments have consistently ignored that, for the past 52 years of conflict in the Middle East, Israel has been the aggressor and has enjoyed a massively overwhelming asymmetry of power with its neighbours. Israel is the only country in the region which has nuclear weapons. It has a massive arsenal of chemical and biological weapons. It has one of the most advanced militaries

in the world, and enjoys the total and uncritical support of the United States of America. Israel illegally occupies parts of Lebanon and Syria as well as most of the West Bank and is still, to this day, prevaricating on the Oslo and Wye accords. It has the worst compliance record of any country with United Nations resolutions.

Australia's biased support of Israel has always been at the expense of legitimate Palestinian human and political rights. Since the PLO's 1988 peace proposal, over 123 countries have recognised the Palestinian nation and established full diplomatic relations with it. Palestine has also been accepted as a full member of the Non Aligned Movement, the Islamic Summit and the Arab League. In 1998 the UN upgraded Palestinian membership to an unprecedented semi-member state. In spite of all this, Australia still has not articulated clear support for Palestinian statehood. The more Australia ignores the Palestinian quest for a homeland, the more the bias towards Israel weighs towards an unsustainable and unjust peace.

Recently speaking in Australia, the Palestinian scholar and activist Hanan Ashrawi pointed out that through its intransigence in the peace process Israel has principally been responsible for derailing the process to suit its own political priorities. This is particularly true for Jerusalem. The past 50 years have been witness to the creation of facts that have resulted in the changing character of Jerusalem. Israel has been responsible for undermining the historical, cultural, territorial, demographic and spiritual character of the city through a concerted policy of settlement, land acquisition and expulsion, and exclusion of Arab inhabitants of the city. Israel constantly imposes its own facts on the ground, and against all international law proclaims that the city will be under its sovereignty forever. This was affirmed yet again by Israeli Prime Minister Ehud Barak following a recent summit meeting with President Clinton. This is an illegal position that only the American Congress supports outside of Israel, and even then the US cannot do so explicitly as it violates official US policy and international law.

The Australian Arabic Communities Council regards the continuation of settlement expansion and creation as the main impediment to peace. Such unilateral altering of demographics to suit the political needs of Israel in maintaining a permanent presence in the occupied West Bank and Jerusalem places serious strain on the peace process. The Barak government's own statistics show that the number of new settlement homes and settlers has skyrocketed under the regime at a rate surpassing even that of his predecessor, Benjamin Netanyahu.

There is a role for the Australian government to be more active in international efforts to halt all settlement activity, not just to save the little land left for Palestinian people but to save any hope for peace. Every stone added to expand or create a new settlement chips away at Palestinian and Arab goodwill towards the peace process and the international community that has confirmed the illegality of such activity but offers little support in halting settlement expansion. It is imperative that the international community take tangible steps to use its influence to save Palestinian land, the Palestinian people's future and any hope of bringing a true, lasting peace to both Palestinians and Israelis.

Australia's foreign policy with regard to the Lebanese and Syrian tracks of the peace process has traditionally centred around support for the efforts of the United States in being the main broker of negotiations between the regional protagonists. While this would at first seem the

most realistic option available for Australian foreign policymakers, a deeper understanding of both domestic and international issues would suggest that it may be in Australia's interest to take a more independent approach. While it is unrealistic to envisage a retreat from a fundamental position of support for the role of the United States, a more independent Australian policy would assuredly be viewed more favourably by Australia's trading partners in the region and at home amongst Australians of Arab background.

A more favourable perception of Australian foreign policy in the region would conceivably increase Australia's prestige both locally and internationally. A just and lasting settlement of the conflict in the region is more likely to be realised if both parties feel that the negotiations are brokered in a neutral and balanced fashion. An approach that is deemed as one sided will only frustrate efforts to bring security and stability to the Middle East. Any brokership of negotiations that does not recognise there are historical and legal rights to the occupied Golan Heights, as well as Israel's security, will meet limited success. The Australian Arabic Communities Council submits that a qualitative alteration in the strategic assessment of the conflict needs to take place in order for Australia to steer a more balanced course which factors in the requirements of the Arab people for long-term stability and peace.

Finally, I come to Iraq. The sanctions led by the US are being sustained without any concrete purpose and have cut short the lives of over one million Iraqi citizens, most of them children. This has resulted in serious anti-Western sentiment, not just in Iraq but throughout the Arab and wider Islamic world, potentially alienating Australia and its people in the process. In essence, what the sanctions are accomplishing today is nothing more than the murder of innocent civilians and the destruction of the infrastructure of a once prosperous and advanced nation. According to a UN report submitted to the Security Council in March 1999, infant mortality rates in Iraq are the highest in the world, and 23 per cent of infants have abnormally low birth weights. Chronic malnutrition affects every fourth child under five years of age. Only 41 per cent of the population has regular access to clean water, and 83 per cent of all schools need substantial repairs. It would take $US7 billion alone to rehabilitate the energy sector to its capacity before the sanctions were imposed in 1990.

The sanctions have been in place for almost a decade. Their ostensible purpose now is to force compliance with weapons inspections. However, it should be noted that the United States has signalled that it does not intend to allow a lifting of the sanctions regime even if Iraq does comply. Speaking at a symposium on Iraq at Georgetown University in 1997, Secretary of State Madeline Albright stated:

> We do not agree with those nations who argue that if Iraq complies with its obligations concerning weapons of mass destruction, sanctions should be lifted.

It should perhaps be recalled here that on 12 May 1996 Albright was interviewed for CBS by Leslie Stahl, who asked:

> We have heard that half a million children have died [in Iraq, as a result of the sanctions]... I mean, that's more children than died in Hiroshima. And—and you know, is the price worth it?

Her response was:

I think it is a very hard choice, but the price—we think the price is worth it.

At that time Albright was prepared to acknowledge that the blockade sanctions regime was causing deaths. Senators and members of the House of Representatives, what we are witnessing—and what Australia is actually participating in—is genocide. It is criminal to support the sanctions. These are murdering and killing millions and millions of people. The toll on Iraqi children and women—and all adults—will actually be maintained at its current state long after the sanctions have actually lapsed. The war and the methods that were used against the Iraqi people included the most illegal weapons known to humanity, and yet people persist with these sanctions. Australia must definitely revoke all support for the sanctions as a starting point for peace in the Middle East. Thank you.

Dr Haddad—As a member of the management committee of the Australian Arabic Communities Council, I should say something about the spirit underlying our submission. As you know, it is quite critical of Australian foreign policy, but it was written in the spirit of constructive criticism, which I think is essential for the evolution of an Australian foreign policy that is well informed and reflects the diversity of views, values and wishes existing in our multicultural society. The committee regards it as its duty to convey to this committee the feeling and thinking of the Arab community.

CHAIR—The only thing that worries me a little bit is this. We have seen some developments in recent times—for example, we have had the Prime Minister in Palestine and he has met with Yasser Arafat—and we have increased our aid, yet we are still supposedly the bad guys. I am just wondering how the visit of the Prime Minister, the invitation to Yasser Arafat to come to Australia, and the increase in aid money have gone down with members of the Australian Arabic community. Has their image of Australia as an international player improved as a result of these things?

Mr Hajaj—I cannot help but think that the image of the Australian government was severely tarnished when Mr Howard withdrew the initial invitation to President Arafat to visit Australia—without any consultation, we understand, as well. However, obviously an improvement in relations between the Middle East and Australia can only enhance our image abroad and in the Middle East. As we pointed out, Australia has traditionally had very strong links and ties with the Middle East, going back to the turn of the century, including involvement in almost every single conflict in the Middle East that has taken place over the past 100 years. There is no reason why Australia's image could not improve. However, historically, Australian governments have not tried to foster good relationships with the Middle East, through what is seen as a completely partisan approach to the Middle East conflict based on the complete and almost unequivocal support of Israel.

Mr Haddad—Steps such as this help to advance the position of how the Australian government is regarded within the Arab community.

Dr Haddad—I think Mr Howard's visit and meeting with President Arafat is an enormous improvement. It was only a few years ago that he held this old-fashioned view that Arabs want to push Israel into the sea, not aware of what actually happened—that the Israelis pushed the

Palestinians into the desert. He had this outdated view which has been discredited. It is a definite improvement.

CHAIR—While we are on criticism, I noticed in your submission that you are fairly critical of recent amendments to our migration legislation. I was wondering if you could elaborate on that.

Mr Haddad—Basically it centres around a humanitarian concern for the large numbers of migrants who are arriving from countries of the Middle East. If the migrants fit the requirements under the refugee convention that Australia has protection obligations under, and if they are awarded only a temporary visa and are forced to return to their country after three months, we have not really provided adequate protection. Someone who has done this can, if returned, face convention based persecution again, especially after only three months. Basically, we are concerned about the humanitarian consequences of the creation of the new subclass 735 visas.

Mr HOLLIS—Under the definition of a refugee, they have to hold a genuine fear for their life if they return. Are you saying that people who go back to Middle Eastern countries would perhaps be executed?

Mr Haddad—There is a possibility. With a protection visa, whether it is the standard protection 866 or 735, you have to prove that if you return to that country you will face a well founded fear of persecution. We are saying that it is unnecessarily biased towards those who, for reasons of circumstance or of forces of fact, are forced to arrive in Australia illegally.

Mr Hajaj—I think the other issue which really must be taken into consideration is some kind of qualitative comparison with countries in the OECD and how they treat their refugees. Compared with countries in Europe, for example, like Germany and Scandinavia, Australia has an appalling record on accepting refugees and accommodating them. One of the major problems that we see right now is that those refugees are being treated as criminals when, of course, they are not.

Mr HOLLIS—I do not think that Germany particularly throws out the welcome mat to people who illegally enter that country.

Mr Hajaj—Historically, Germany has accommodated proportionately a far greater number than Australia.

Mr HOLLIS—They may have accommodated them, but you are talking about how they are treated there. Recent reports indicate that there have been riots and protests. This is an issue that has been brought up before in this committee, especially this week. This is our fourth day of hearing, so it is not the first time it has been brought up. It is admitted that the refugee problem is a worldwide problem at the moment. There are more people moving around and all countries are facing a dilemma about how we deal with it.

I have some reservations about some of the treatment that people have received here, especially after they have been released; nevertheless, I also support very strongly that Australia

has a well-ordered, regulated immigration policy. As you would know, with Australia having such a restrictive immigration policy, one of the main issues for members of parliament, constantly, is trying to explain it to people who have come through the normal process and have been refused entry, be it from the Middle East, Macedonia, England, or half a dozen other countries. I spend a lot of my time explaining to people why their relatives cannot come to Australia because the government has refused them, and it is very difficult. They always say to me, 'If I had come here on a boat, illegally, I would be allowed to stay.' I know that is simplified, but that is something we are faced with every day.

Mr Hajaj—Fundamentally, we would never encourage anybody to jump on a boat, cross the Indian Ocean and come to Australia. But it shows a degree of desperation and the sheer oppression that those people go through. Interestingly enough, Australia has never had a history of any influx of Iraqi refugees. Most of the refugees who do land on our shores are Iraqi and they are coming to Australia as an explicit result of Australia's support of the sanctions, which are pauperising, oppressing and killing those people. Australia does have a moral obligation to those people, simply because of its activities in oppressing them.

Mr HOLLIS—What evidence have you got that the Iraqis are coming to Australia as a direct result of the sanctions?

Mr Haddad—I do not want to restate it. I want to explain. Prior to the sanctions destroying infrastructure in the life of Iraq, the history of Iraqi migration to Australia was not in the refugee class. Even during the war with Iran, you did not see large numbers of Iraqis coming to Australia illegally or even coming to Australia to apply for refugee status in the numbers that are happening now. It is a direct result of the collapse of the infrastructure and the cultural and commercial life of the country.

Mr HOLLIS—But surely there is a basic contradiction in your argument if what you are saying is true, and I do not doubt that it is true. Those people who are coming here because of the impact of economic sanctions on Iraq would be what I would call economic refugees, because they would be seeking a better life—and I do not argue with their right to do that. But they would not fit the refugee category of having a fear of persecution leading to death if they returned. They would have a fear of a lower standard of living and a more uncomfortable life, but they would hardly meet the Geneva Convention definition of a refugee, would they?

Mr Hajaj—I think they do, because there is a fundamental fear of dying. 1.5 million Iraqis have died as a direct result of the sanctions to date.

Mr HOLLIS—You said before that they were children.

Mr Haddad—It is a fact that the collapse of the infrastructure and the deteriorating economic conditions have led to a more adverse political situation in Iraq. The level of repression in Iraq has increased dramatically since the imposition of sanctions, and that is the reason that the economic and the political are related.

Dr Haddad—The committee should take note that this division between political and economic refugee is not watertight and it is not justified. You cannot draw a clear distinction

between economic and political—not only in immigration but in any other situation in public policy. There is no clear distinction between economic and political issues..

Mr HOLLIS—There is a legal difference in the words contained in the conventions. There is a clear distinction.

Dr Haddad—Granted there is. De facto, there is. We are looking at the situation of these people. Incidentally, with respect to Iraqi refugees and Australia's support of the economic embargo, in the light of recent events in Fiji, I note that our foreign minister was reluctant to impose sanctions because it might hurt innocent civilians in Fiji. The question that this committee has to morally face is: are the Iraqi citizens less innocent than the citizens of Fiji?

Senator QUIRKE—I was a bit concerned when I was listening to the long presentation that Mr Hajaj gave, particularly in respect of Iraq. I then turned to the submission and I read what can only be described as an absolute diatribe against the West, the United States and others over Iraq. If you want me to take the rest of your submission seriously, then I think you ought to put some balance in this. There is not a thing in here—not a single thing in your written submission—about one of the more hated regimes on this planet. In fact, I think Mr Haddad a minute ago—and this is what prompted the question—seemed to be coming around to the conclusion, or at least was hinting, that the regime in Iraq has become more repressive.

The record of this particular regime is, over the last 20 or so years, a dreadful one. It stomped all over the Iranians when they thought there was an opportunity to do that. It then tried to acquire atomic weapons in the seventies and early eighties from the French. Its record in Kuwait, and what it tried to do there, is not mentioned in the submission at all. I suspect that what I am seeing here are nothing more than apologists for the Iraqi regime. I put it to you that evidence before this committee quite clearly says that the Iraqi regime is at least as responsible for the impact of the sanctions, firstly by non-compliance with weapons inspections, and secondly by failing to distribute a large amount of the food that has gone into that country from the food for oil program. Maybe I am wrong, but I suspect that this submission is a one-sided document on Iraq. I think that some balance in regard to what can only be described as a rogue state needs to be put in place here.

Mr Haddad—With respect to the sanctions, this cannot be regarded as an apology for the Iraqi regime. There is nothing in the submission that gives any support whatsoever to the regime. The sanctions are not related to the regime. The sanctions are not affecting the regime. The sanctions are merely hurting the people, and that is what we are diatribing—I might have made up a word—against.

Mr Hajaj—Fundamentally, Senator, I would argue that you are quite misinformed about—

Senator QUIRKE—I am misinformed?

Mr Hajaj—the realities that are taking place in Iraq. There have been three major resignations of critical people in the UN sanctions regime. They include Dennis Halliday, who was the chief officer responsible for the food for oil program. There has been the resignation of his successor, Hans von Sponeck. Indeed, there has been the resignation of Jutta Burghardt, who

also occupied a very critical and important position in the UN. As a result, there has been the sheer hypocrisy and perniciousness with which the US and the UK have been enforcing those sanctions against innocent people. According to the UN, the distribution of food has been done in a very fair and equitable manner. Kofi Annan himself has acknowledged this; Dennis Halliday acknowledged this; Hans von Sponeck acknowledged this. The vast majority of Australian aid workers—and, indeed, international aid workers—who go to Iraq acknowledge this. A range of Australian activists, including some who are present today, have consistently given evidence to the Australian community which points to the fact that the only reason why there is such an enormous degree of hardship and oppression in Iraq is fundamentally due to the incredible oppression which has been imposed on them as a result of the UN, principally controlled by the UK and the US.

I will not argue with you about the regime, because the issue is not the regime. The issue here is the sanctions regime—the people who are responsible more than anybody else for this oppression, for the murder, for the destruction, for the genocide. In fact, probably the first so-called legal genocide in the history of humanity was by the UK and the US; there is no evidence to the contrary.

Senator QUIRKE—I have your submission here—and you say that I am misinformed. I do not think anyone is going to cast more light on my misinformation. I quote to you:

> In essence, what the sanctions are accomplishing today is nothing more than the murder of innocent civilians and the destruction of the infrastructure of a once prosperous and advanced nation.

This 'once prosperous and advanced nation' gassed the Kurds, attacked Kuwait without any warning and with provocation and attacked Iran without any provocation. I think you would, in a proverbial sense, be rolling something uphill to suggest that this regime is anything more than a murderous rogue state. It may well be that the sanctions are a blunt instrument that indeed are affecting the population of that country, and possibly you could even argue to me adversely if there is some other way of dealing with the problem. But, sir, I respectfully suggest to you that, if you want me to take the rest of this submission seriously—and I am talking about all of it—I think you are going to have to start talking about the regime in Iraq, because you say nothing about it. You have highlighted one aspect only, and that is the bit that suits the Saddam Hussein regime.

Dr Haddad—I cannot believe that you are equating a nation with a regime. Is that right? We talk about the Iraqi regime, not the Iraqi nation. None of us here—no-one—would seriously want to defend Saddam Hussein. We are talking about the nation as a separate entity. Iraq is a society not a regime.

Senator QUIRKE—All right. I would still suggest to you that if that distinction were made in your suggestion I would feel much more positive towards it.

Dr Haddad—I am making it now. I think people do think a nation is separate from a regime. May I remind you—

Senator QUIRKE—No, it is not that. I know the distinction between it. What I am talking about is that the nature of this particular regime is not mentioned at all in here. What I am suggesting to you is that there is no balance in this submission. I am saying that, if you want the rest of the submission to be taken seriously by me and, I suspect, by others, that balance needs to be put in there.

Dr Haddad—I think we would have done so if Australia had supported Saddam Hussein. It was not relevant to our submission.

Mr Haddad—Australia does not—

Dr Haddad—That is right. The other thing is that one has to go back in history to see how Saddam Hussein came into power and who supported him: the Americans and the UK.

Mr Hajaj—More often than not, he was the handmaiden of western foreign policy when his policies suited Australia and other countries. Let us not forget that he was actually giving critical support in the war with Iran, which seemingly we all supported. The fundamental problem is not Saddam Hussein. Saddam Hussein is no different from hundreds of really reactionary, pernicious, egregious regimes which have been supported by America, including Suharto, Bokassa, Marcos, Noriega, Somoza—there are hundreds of examples. Why are we targeting the people of Iraq? That is a fundamental issue here.

Senator BOURNE—You have a lot of facts from the UN and various UN bodies about the children, and I must say that I find it incredibly disturbing that so many children are suffering so much. Obviously, from these facts, I do not think the sanctions are working at all and something else has to be done. Do you have any ideas what could be done to try to change the regime in Iraq without those sanctions that are hurting the children so much?

Mr Haddad—With regard to changing the regime, this might be the ostensible purpose of the sanctions but, as you said, given that they are so obviously not working and they are so obviously still in place, I do not think that changing the regime is a goal of Western policy in the region. They would prefer to see an Iraq that is kept under Saddam Hussein--weak, out of favour with the international community and yet still within its national borders.

As for supporting change, that can only come from within Iraq, from democratic movements within and also without Iraq. Traditionally, support for such movements has been sporadic, such as the support for the uprising in the south of Iraq directly after the Gulf War, which was encouraged by the United States and then they were left at the mercy of the Republican guards.

Senator BOURNE—We had some evidence yesterday that perhaps arms embargoes and that sort of thing would be the most useful way you could go about it, which of course are part of the sanctions now anyway. Heaven knows, if we had done that quite a few years ago he would not have nearly as many arms as he has now or even the capacity to do what we say he has the capacity to do that we are now trying to stop him doing. Do you think an arms embargo would be a bottom line or a starting point, or do you think that would not be any use any more either?

Mr Hajaj—Fundamentally I think we need to be consistent on this. The world and the UN have been vigorously enforcing an accounting for every single nut, straw and bolt that goes in and out of Iraq. It has been oppressed and fundamentally destroyed. It has been brought back to almost prehistoric ages. Yet by the same token, we basically turn a complete blind eye to the activities of its neighbour Israel, which has historically been by far the most aggressive state in the region. It has been the state which has initiated just about all the wars in the region. It has consistently invaded, and every single day bombs, Lebanon, it occupies parts of Syria, it occupies most of the Palestine, and basically keeps four million people under occupation. Why are we applying this double standard in terms of whether we should allow arms to Iraq or not? Fundamentally what I want to see is food going there before arms—food and scientific equipment and medicine, which is not happening. In the long term it becomes a sovereignty issue. Why should Iraq be subject to sanctions, unlike any other nation on earth?

Senator BOURNE—Australia, at any rate, does put military and arms sanctions on a few nations—we certainly have it with Burma, we have it now with Fiji, we had it with Indonesia—because of evil things being done by militaries in these nations. So I would have thought it was pretty equivalent to do that with Iraq, certainly on Australia's part.

Mr Hajaj—In the short term I do not think it is an issue but in the long term it will become an issue. One of the problems we have is that we are sensationalising the whole process. The media is so absolutely involved in all this sort of thing. Whenever there is any kind of furore erupting in the Middle East the headlines read 'Saddam Hussein did this,' 'Saddam Hussein did that.' As such, America, with all its bravado and weaponry, will go in there and kick—pardon on the term—Saddam's arse. Fundamentally it is not Saddam's arse that is being kicked; it is the people of Iraq. But the problem is that we do not seem to be able to differentiate between the people of Iraq and the regime of Iraq. The regime of Iraq will go in due course, but the people will always stay there, and it is the people who are the ultimate victims of this. The people do not want weapons. They do not want anything. They just want to be able to live and participate in civil life like they have been used to.

Senator BOURNE—Why do you think these sanctions are on then? Why do you think that America and Britain in particular, which you have been mentioning, are so keen to have the sanctions?

Mr Hajaj—To a questionable extent, Iraq has always distinguished itself as being by far the most dynamic state in the Middle East besides Israel. Iraq has generally distinguished itself as having one of the highest rates of education and one of the best gender policies probably in the world. There is a very large proportion of women in the Iraqi parliament—higher even than in Australia. Iraq in the long term is the only country that could probably pose a challenge to the hegemonic role which Israel enjoys. That supposedly is counter to the West's interests, and that is why Iraq would need to be repressed. The reality, if you look at Iraqi history, is that it has a long and bloody history of revolutions and coups d'etat and overturning of governments. Basically the Iraqis will rid themselves of a regime which they do not want if that is the case. I do not think it is up to us to be meddling in the internal affairs of a country when it suits us. We seem to ignore an awful lot of other regimes which are just as bad.

Senator BOURNE—We ignored this regime when it started doing over the Kurds.

Mr Hajaj—We encouraged it.

CHAIR—I would just like to go back to the Palestinian situation. During the visit, the Prime Minister discussed with Yasser Arafat practical means by which Australia could possibly help the refugees. Have you got any suggestions as to which areas Australia should concentrate its efforts.

Mr Hajaj—As a Palestinian refugee myself, I do have practical ideas. The foreign aid agency that has been most actively involved in the Middle East for the past years has been APHEDA, which is an ACTU foreign aid arm. It has been very active and has done a lot of work. Unfortunately, the resources they have are quite minimal. There are areas of extreme need in parts of Lebanon, and UNRWA—the United Nations Relief and Works Agency—has withdrawn a lot of its resources from there and reconcentrated them on the West Bank and the Gaza Strip. I think it is quite essential that the world community actually bolster the resources to the Palestinian refugees. They seem to be the forgotten people. Most of us from Lebanon are known as the 1948 Palestinians. We have been completely emarginated from the peace process and, as such, there is no room for us to go back. No matter what happens with this peace process, it seems that we will never be factored into it. As such, it seems that we will be left sweltering in those camps forever and a day.

There was a time in the 1960s and the 1970s when there was a lot of good work being done in those camps, particularly in education and health care. As a result of that good work, there was a fairly successful diaspora and those people are now quite eminent throughout the world. But this now seems to be receding, simply because there are no resources. The level of illiteracy is increasing, civil structures are collapsing and health care is at an all time low. They are the areas I think we could potentially concentrate on.

CHAIR—Your submission made reference to the lack of money in terms of the United Nations Relief and Works Agency for Palestine Refugees. I think there has been a bit of an update on that according to the UN web site. Have you caught up with any increase in their activities? Has there been any resolution of some of those problems you raised?

Mr Hajaj—I actually logged onto the site two days ago. I was not aware of any substantial bolstering of the situation there. Most of my relatives are in northern Lebanon in a refugee camp called Nahr El Bared which is just near Tripoli. Their situation is at an all time low. The level of misery which they experience is chronic. The only way that most of the Palestinians in those camps survive is basically through limited assistance from abroad—like my family who support a number of families in Lebanon.

Senator SCHACHT—I notice in your submission you mention, quite rightly, the Israeli occupation of southern Lebanon. In recent times the Israelis in some sense appear to have withdrawn—some would say with some ignominy, but at least they withdrew. Does the Arab council support the equivalent withdrawal of the Syrian troops from Lebanon?

Dr Haddad—I think we will have to go into the history. Syria never had a diplomatic representation in Lebanon for the simple reason that a chunk of the Syrian territory was given by France to the Lebanese.

Senator SCHACHT—Are you suggesting that Syria does not recognise the present boundary?

Dr Haddad—That is my understanding. De jure, there are borders.

Mr Haddad—There are movements in Lebanon that seek the withdrawal of Syrian troops. They go across all of the communities within Lebanon, from all of the different religious and political communities. The council's position is that the presence of Syrian troops in Lebanon is never equated with the occupation of Lebanon by Israel. The practice of the Syrian troops in Lebanon was vastly different from the practice of Israeli troops in the occupied south. The history and the reasons behind the presence of Syrian troops are also vastly different from the history and the reasons behind the occupation of South Lebanon. Various Lebanese communities are working towards the withdrawal of Syrian troops. Some Lebanese communities do not see it as a problem, but most are working towards it and, in due course, it will happen. But certainly, Syrian troops never posed the same problem, never carried out the same kind of bombing raids, never carried out the same indiscriminate attacks across the broadest range of Lebanese.

Senator SCHACHT—I accept that, on the surface, with the Israeli occupation of Southern Lebanon, the 20-odd years of bombings, et cetera, were probably performed at a higher level of intensity than anything that Syria performed. But now that the Israelis have withdrawn—and I am glad that they have—I thought that it might be a reasonable thing to say that, now that that has been removed, Lebanon could expect the Syrians to withdraw.

Dr Haddad—I think that this is so, as long as the Syrians get back their Golan Heights. They cannot use the occupation of their—

Senator SCHACHT—The return of the Golan Heights by Israel justifies Syria's troops now.

Dr Haddad—I do not know, but they may use that as an excuse and say, 'Why should we move out of Lebanon when other people are occupying our territories?'

Senator SCHACHT—But Lebanon is not occupying the Golan Heights.

Dr Haddad—No—granted, but it is the logic of the Syrians. They might use this logic: 'If other people are occupying our land and nobody is doing anything about it, why should we?' Historically, they have some—

Mr Haddad—I think that the main point is that, while the withdrawal of Israel has taken place, the threat of Israel remains and it is an oft-stated threat by no-one less than the Israeli Prime Minister himself. So the Syrians obviously feel that there is still a basis for their presence there.

Mr Hajaj—I think it is also important to remember that the genesis of Syrian presence in Lebanon came at the behest of the Lebanese government itself. Syria was invited to supposedly be an honest broker in the civil war.

Senator SCHACHT—Yes, and that civil war was now some time ago. So the council's position is that—

Mr Haddad—Would you like me to articulate it more clearly?

Senator SCHACHT—Yes, certainly.

Mr Haddad—We support, in the long run, Syrian withdrawal from Lebanon. It is not a priority now while the threat of Israel still remains on the southern border.

Senator SCHACHT—Has there been any evidence from respected organisations like Amnesty International that Syrian soldiers or forces have committed human rights violations in Lebanon?

Mr Hajaj—No, I am not aware of any in existence. However, Amnesty International has recently set up a web site specifically in Arabic. Most of the abuses which are highlighted on their web site are actually Israeli abuses of human rights towards the Lebanese population and towards the Palestinian population. For us to suggest that there is no abuse would be to turn a blind eye. A lot of the Lebanese population do view the Syrian presence as a de facto occupation, and that comes with a range of egregious practices which are acknowledged by most people.

Senator SCHACHT—On television recently, in the last three weeks, there was a current affairs program in Australia that showed young Lebanese university students strongly campaigning for the withdrawal of Syrian troops and giving evidence of their being arrested, detained without trial and, on their comments, clearly mistreated in some form or another. Has the council lodged any protest with Syria that these are human rights abuses that should not occur?

Mr Haddad—Of course they are human rights abuses that should not occur. We are making a submission to this committee representing Arab Australians. We do not represent Arab Australians to Syria.

Senator SCHACHT—This joint committee has a human rights subcommittee. I suppose over a period of time the joint committee and its human rights subcommittee have complained without fear or favour about human rights abuses on all sides, and that is the only way you can have some credibility. We have complained about Israeli human rights abuses against Palestinians, et cetera, and we will continue to do so, but you cannot raise it on one side and then ignore the other.

Mr Haddad—We accept that.

Mr Hajaj—At a fundamental level the reason why we are not preoccupied with this issue is fundamentally because everything pales into virtual insignificance in the face of Israeli oppression towards the Lebanese and towards the Palestinians and, indeed, all the neighbouring states. The Syrians do commit a lot of abuses, there is no denying that whatsoever, but it does not compare to the fact that on an almost daily basis Israel cripples the electricity supply.

Hundreds of people die every single year as a result of Israeli bombing. It is only four years ago that we had the bombing of the UN compound by a so-called progressive in the form of Shimon Peres. That is a thing that Syria do not engage in. All our efforts are valorised into actually highlighting those problems as opposed to looking at the Syrian angle.

Mr Haddad—The other thing is, of course, that a very wide range of organisations spend a lot of time criticising countries like Syria on their human rights records. It is not a priority for us because it has been done so many times before.

Senator SCHACHT—I can understand all of that. However, though you argue that Israelis have committed much higher levels of human rights abuse at both the collective and individual level, in particular in southern Lebanon, the joint committee has always taken the attitude that where there is human rights abuse on any side you raise it and ask people to desist.

Mr Haddad—Rightly so.

CHAIR—Can I thank you very much indeed for your attendance today. If there are any matters that we wish to follow up the secretary will certainly be in contact with you. We will send you a copy of the transcript of your evidence to which you can make corrections if necessary.

Proceedings suspended from 11.03 a.m. to 11.22 a.m.

CHIDIAC, Ms Alissar, Arab Australian Action Network

KASSIS, Mr Sari, Arab Australian Action Network

CHAIR—I welcome members of the Arab Australian Action Network. The subcommittee prefers that all the evidence be given in public, but should you at any stage wish to give any evidence in private you may ask to do so and the subcommittee will give consideration to your request. Although the committee does not require you to give evidence on oath, I should advise you that these hearings are legal proceedings of the parliament and therefore have the same standing as proceedings of the House itself. I invite you to make a short opening statement before we proceed with questions.

Mr Kassis—Basically, my position today is going to be fuelled by personal experience as well as by a history of activity in politics and issues relating to the Middle East and the international community on the whole.

Ms Chidiac—As well as a colleague of this network, I am here today for a number of reasons: on a personal level, to take the opportunity to address you, because that does not happen very often; and, at a professional and political level, to relate my professional and political experience to the issues you are discussing and looking into around Australia. Front up, I will contribute that for 2½ years I worked as an Australia volunteer in the West Bank in Palestine. As a second generation Australian, that really affected my understanding on the ground of what the politics and the economics we are discussing really mean. For the past 20 years, my professional experience has been in the area of community work at the grassroots level in Sydney, mainly in Western Sydney. I have had a lot of face-to-face contact with a diversity of migrant communities and specifically with Arab Australian communities.

Mr Kassis—Initially, I will introduce the network that I work with and that I am representing here today. We are generally a very loose alliance of Arab Australians, politically active and professionally quite diverse in terms of our field of expertise as well as our field of working. We usually float together for certain issues where we feel that it requires certain activism, public as well as private, and generally, we have our own projects that we pursue individually.

In terms of our presence here today and the motivation behind our submission, we are here out of concern as citizens of Australia essentially as to Australia's association in the international community with certain events in the Middle East essentially. Primarily, in our submission, one of the things that really motivated us, and something that constantly calls on our personal attention, is the ongoing sanctions against Iraq or, as we call it, the blockade, which has been an ongoing tragedy for basically the past 10 years or so.

The Australian government's seemingly enthusiastic support of the blockade places quite a lot of responsibility, albeit partial, on Australia and its citizens for the slow, what can only be labelled as, genocidal killing of the Iraqi people. It is plain, clear and apparent that the indiscriminating weapon of sanctions will not rid us of President Saddam Hussein. In fact, from what we can gather, they are practically useless in terms of undermining his power base or his

regime in any shape, form or manner, and this has been proven time and time again, and restated time and time again by countless international figures. Basically, every UN appointed head of the committee dealing with Iraq and the weapons sanctions has resigned in protest against the sanctions and against the humanitarian effects of the sanctions.

We feel that enough voices have spoken out in support of the Iraqi people, and I would like to make this entirely clear that it is the Iraqi people that we are supporting, in which case they cannot be ignored. In fact, they should not be ignored and it should be made very apparent to us, therefore, that the sanctions are basically blowing up a building to kill a fly in one of the rooms. We feel that the reality is that, even though the sanctions are labelled as economic, the effects in reality closely resemble a war, a description that we have collected basically from various members of the UN committee, as well as international observers and human rights activists. They label what is happening in Iraq as mass death, continued deprivation, chronic hunger, endemic undernutrition, disease, massive unemployment and widespread human suffering.

I would like to put on record here the Genocide Convention's definition of genocide. It starts with (a) killing members of a group, (b) causing serious bodily or mental harm to members of the group, (c) deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part, (d) imposing measures intended to prevent births within the group and (e) forcibly transferring children of the group to another group. We feel that what is happening in Iraq is no less than genocide and any association that Australia has with these continuing sanctions is not simply unfortunate or something that we hope the history will one day forget. In fact, we feel that history will judge us quite harshly in terms of what has been happening in Iraq and what continues to happen in Iraq.

Ms Chidiac—In relation to this submission, we are not going to speak to the paper as such unless you highlight certain aspects. For the record, however, we would like to read the recommendations and comment on the motivational background of those recommendations. In the submission, there is one area that we have noted that we have not made recommendations about, so we will comment on that verbally. That area is in relation to the actual terms of reference of the inquiry that we accessed through advertising in the press, through the Internet or whatever. We have covered that in the submission under the topic of your definition of 'terrorism' and your definition of 'weapons of mass destruction'.

I accessed the terms of reference through your ads in the newspaper. When I got hold of that text and sat down and read the terms of reference, I felt an overwhelming sense of anxiety about the language within the terms of reference. I am not being academic or pedantic about this. The very language in the terms of reference with regard to terrorism and weapons of mass destruction, especially with regard to who are terrorists and the absence of who are not terrorists was very disturbing to me. As a member of the public, it made me feel that I did not have a door to enter this discussion; that you already had a picture painted and the door was closed. It took quite a while to be able to get past that language. This submission refers to that in several paragraphs without making recommendations.

Mr Kassis—We feel that the concept and definition of terrorism, even the word 'terrorism', are very loaded. Unfortunately, it is fed quite rabidly by predominantly Western media and the context of these activities and actions is sorely missing. Therefore, the warped image that we

get of terrorism's association with the Middle East and in particular the Arab population of the Middle East is quite an unfortunate one. We would like to highlight that.

CHAIR—We are worried. We cannot remember where the word 'terrorism' is in this.

Mr HOLLIS—We are worried. We cannot see the word 'terrorism' in the terms of reference—it is not in the terms of reference. I was in the debate where we agreed to this and there were several drafts that went through. What we try to do with all of these is make the statement as bland as possible. We have to make sure that we are not taking any sides—and constantly in this inquiry the committee has been accused of being too favourable to one side or the other. It is the same with the production of weapons of mass destruction: we did not even attempt to define the term, but it is used in the community. The reference to 'the impact of destabilising influences in the region including the potential production of weapons of mass destruction' I thought was very bland and open.

CHAIR—We found it; it is in the information booklet.

Mr HOLLIS—The information booklet was sent out to people who inquired. There was nothing in the newspaper ads—

Ms Chidiac—The newspaper ads told you how to get the information booklet. I read the information booklet and thought, 'My God, how can I enter into this?'

Mr Kassis—The Internet site is where I got the information, specifically on state terrorism. It is in this vein that we are addressing the issue, both in the submission and at this specific point in time. If it pleases the committee, we will round up the opening statement and we can continue this discussion properly afterwards.

Ms Chidiac—It is a comment that is related not only to how we discuss and define international politics or politics of the Middle East. As Arab Australians, for generations and especially in recent years in New South Wales, we have had to deal with that kind of stereotype. So you can appreciate that some of us have a very acute awareness of how language gets used to describe us, our culture and our background. I am also putting that point in relation to how our identity is figured in Australia. We will move on to the recommendations.

Mr Kassis—Before the recommendations, there is a second thing we would like to highlight. After a recent trip to quite a few refugee camps in Lebanon it has been reaffirmed to me that the right of return for Palestinian refugees is a basic right, as outlined by various international documents and UN resolutions. It is one of the most essential issues in the so-called peace process. Very recently at Camp David we got a lot of news reports that Jerusalem was a sticking point but I heard no progress made whatsoever on the issue of right of return. In fact, Prime Minister Ehud Barak came out once again in opposition to any concept of right of return. With the recent decrease in terms of input of human, financial and other resources into the refugee camps, the situation is becoming more dire.

However, after talking to a lot of people throughout the camps, young children as well as older people within the refugee camps, I found that the main issue that lives on in the minds of

the refugees—be they first generation, second generation, third or fourth generation—is that one day they may return to Palestine, to what they know as their home; call it what you will, it makes no difference to them, actually. The concept of 'right of return' is very much something that they consider must take place for any concept of peace to be injected into the area. The international Palestinian community, including the Palestinian-Australian community, now struggles in lobbying or pushing Israel into accepting, in principle, the right of return. Once that hurdle is crossed—and, believe me, it is the largest hurdle—the practicalities of the matter will eventually be dealt with one way or another. That can be discussed later, but unless the principle is agreed upon any hopes that the Palestinian refugees have of returning to their homeland, of returning to their homes, seem a far-fetched dream, in any case. And with that I think I will end.

Ms Chidiac—You can read the recommendations.

Mr Kassis—They have the recommendations.

CHAIR—We have got the recommendations in front of us. If you want to go through them that is fine, though they are incorporated as part of the evidence.

Ms Chidiac—Okay.

Mr Kassis—We will leave it at that then. Thank you.

CHAIR—When you talk about the 'network', do you in fact cover all the different groups within the Arab-Australian network—across 23 nationalities or 23 countries?

Mr Kassis—As much as we can. It is a matter of logistics more than it is a matter of personal politics. We are primarily made up of, I suppose you could say, Lebanese-Australians as well as Palestinian-Australians. We have the occasional union with members of the Iraqi community. It is not simply those willing to engage in such activity—political activity and political lobbying—but also those who able in terms of geography and personal economic realities. Some people work a lot more as well.

Ms Chidiac—Depending on the nature of the kinds of projects that one has been involved in and the local area that you might be working in, it is part of your responsibility to try to draw in a diversity of people. It is part of a consistent framework of being open and clear about the kinds of terms that we use and being inclusive and keeping an opening there.

CHAIR—But is it fair to say that predominantly you are Lebanese, Palestinian and—

Ms Chidiac—But I can think of projects that I have personally worked on that have involved Egyptians, Jordanians—

Mr Kassis—Even certain minority groups—Kurds.

Ms Chidiac—Kurdish people and Turkish people. If I look back over a number of years, it depends on the kind of project that one is working on.

CHAIR—I was interested in your comment about the work that you did on the ground in the Palestine camps.

Ms Chidiac—No, I was not in the camps but I was working in Palestine.

CHAIR—Right. Could you give us a bit of background on what exactly that work entailed?

Ms Chidiac—You are obviously aware of APHEDA because I saw that they spoke yesterday. I worked as an Australian volunteer over a period of 2½ years—1995, 1996, 1997. That covered quite a period of change in the West Bank. I had never been to Palestine before; in fact I had never been to Lebanon before. I went over in the capacity of an administration specialist—an education trainer—and worked with an indigenous Palestinian non-government organisation in the West Bank that was an adult education training facility. I had a contract for one year that I renewed for a second year and then I worked for another three months with another local NGO. That was supported jointly by APHEDA and what was called the Overseas Service Bureau. It is now called Australian Volunteers International.

I recall in 1995, when I was involved in initial briefings in Canberra, I met the then president of OSB or AVI, Bill Armstrong. He made it clear that it was the first time in the then OSB's 30-year history that they had supported anyone to work in the Arab world. I found that astounding. I remember saying to him when I met him during the tea break, 'Considering the relationship that Australia has had in the past through several world wars with Lebanon, Palestine and other countries in the Middle East, and considering the local population, I'm amazed; why do you think that is?' He gave me a one word answer. He said, 'Ignorance.' I found that amazing. It is not that I was naive in choosing to go and work in the West Bank, but no matter how much you listen, learn, study or read in Australia, you never really understand what it means on the ground until you are there.

CHAIR—The reason I asked that question is that it would appear, therefore, that you would have a fairly broad view of what was going on there. One of our terms of reference, obviously, is to look at what we might do. Is your view any different from that of APHEDA in terms of the kinds of projects that you think we should be looking at supporting?

Ms Chidiac—I am not up to date with what APHEDA is doing.

CHAIR—They gave us evidence.

Ms Chidiac—I am not aware of their evidence, I am sorry. I have gone on to other areas of work since my return to Australia. My basic position is about the need for a genuine partnership. I became very clear in my criticism of foreign aid that is not about partnership and equal partnership. I know previous representations to you have talked about foreign aid projects. From inside experience, I feel very critical of foreign aid that does not develop a genuine partnership with the people or the organisations that they are working with. Too often, I witnessed European or American funds coming in, but only in terms of the IMF or of what the World Bank was up to in the Middle East at the moment and what their priorities were. That was very problematic.

You were asking previously about attitudes to Australians or attitudes to any other foreign aid donors. People's opinions are formed in terms of how those relationships are built—in terms of practice. People are very aware of their history of colonisation. Then the foreign aid dollar can become another form of colonisation because it comes with its own dictates: 'This is what we think you should do with this money.' That is my principal experience about what should happen with foreign aid. Obviously, other areas that have been highlighted previously are in terms of education, health and sustainability in terms of agriculture and land. Not until you are on the ground in Palestine or Lebanon do you understand what Israeli occupation of land and water means. It means literally taking rivers, taking water—taking water from under beds so that water in Gaza is undrinkable. Why is that? The State of Israel does not deal ecologically with water at all. Australia has got a very strong reputation in the area of permaculture in the Arab world—in terms of Palestine, Lebanon or Jordan. There need to be those kinds of partnerships, and the sharing of skills and aid in relation to those kinds of needs on the ground that come out of occupation of land and water—and how to use the little bit of land that you have got left.

CHAIR—I thought it was quite interesting that apparently in his talks with Yasser Arafat the Prime Minister asked whether he could come up with suggestions as to what specific areas Australia might look at. What you are saying is: keep them small, keep them local, keep them involved, and they need not necessarily cost a lot of money.

Mr Kassis—The reality of development agencies in Palestine and Lebanon is that the numbers are huge. There are literally hundreds of them. In terms of knowing what is best for the area and what is best for the locales, you cannot beat indigenous knowledge. The people on the ground that are active in that sense, that work in the field on a daily basis with extremely limited resources, know how to stretch a dollar to begin with and know which area needs the most focus. In that sense, to repeat what Ms Chidiac was saying, partnership is not a backdoor into the society but, rather, an essential way to best serve the people.

Senator BOURNE—APHEDA, when they spoke to us yesterday, mentioned that, of the refugee camps that are covered by UNRWA, probably the ones in Lebanon are the ones most in need because of their political situation and their legal rights, which are pretty non-existent. Do you have anything that is more up-to-date on the situation with UNRWA funding—whether there is enough going, in your opinion, to Lebanon versus the other camps—and the refugee situation in general?

Mr Kassis—On my last trip there I discussed many things with representatives of UNRWA, not necessarily in the higher echelons of UNRWA but people on the ground who regularly seemed to know a lot more about what is happening, where the money is going and whatever money gets to them. To my knowledge, UNRWA was lobbying very hard for the donor states to pay up money that was owed to them, so it is not simply a matter of a tight budget. It is also a matter of donor states and states responsible for funding UNRWA not contributing their share. This is a problem that the United Nations as a whole suffers from. It is not specifically only UNRWA. UNRWA, structurally, was meant to be a short-term organisation. The Palestinian refugee problem was meant to be a year long, two-year long affair. Fifty-two years on and UNRWA is still trying to deal with a problem that was only meant to last a few years.

Realistically speaking, Lebanon, by far, has the worst living standards in terms of refugees. Refugee camps in Lebanon are decrepit beyond anything I have ever seen, either in Jordan or the West Bank or Gaza. When I used to live in Jordan I worked in the Baq'aa refugee camps and there is no comparison. One day in the camps of Sa bra and Chatila was enough to convince me. Like you said, there are no legal rights in terms of the Palestinian refugees—status wise they do not exist as people on the land. The temporary status of the refugees still exists very much in the official Lebanese position.

In terms of any movement for UNRWA to focus more on Lebanon rather than Palestine, the reality is that the governmental institutions in Lebanon do not make it very easy to try and help the Palestinian refugees. It is an unfortunate reality, but it is one that we have to live with. This is why in a lot of the Lebanese refugee camps the concept of right of return comes before food, before water, before living, before work, before anything else. The concept of right of return holds a lot more than simply returning to a homeland that they were dispossessed of. It involves, on a much higher level, a step towards regaining their humanity, which is something that is sorely lacking.

I can never question UNRWA's commitment. UNRWA have done far more than the Palestinian community could ever hope for. However, resources are sorely lacking. They need a definite injection and a situation where they will be able to function in a more practical and effective way.

Ms Chidiac—It is always really difficult when we start trying to make comparisons, as if one is more worthy or one is less worthy. I know that that is not where your questioning is coming from. Each area has got its own specificities in terms of the experience of Palestinians in Lebanon or the experience of Palestinians within Palestine who have been displaced. There are people living in areas within Palestine and their home is still somewhere else.

This is the second time I have seen the Israel travel book being read at the table. The irony is not lost on me when we are talking about Palestine, the byways and the villages in the north, south, east and west of Palestine, whether it is trade—for example, Palestinian people are trying to gain a foothold in tourism in their own territories—

CHAIR—In all fairness, that point was made.

Ms Chidiac—Yes, I know.

CHAIR—In actual fact, there were joint operations between the Israeli tourist office and the Palestinian tourist office for tours through the region. I think the reason that that is there is that it is the best map we have seen.

Ms Chidiac—But the irony is not lost on me when we are talking about the lands that people have been displaced from. I think Ian Macdonald was trying to talk about Jabalia refugee camp this morning. Gaza is always quoted as the most horrendous area in the world in terms of overpopulation, so when you compare Gaza to Bourj al Barajneh in Beirut or Nahr el Bared in Tripoli or the camps in South Lebanon, they all have their own specific histories and need their own kind of remedies.

Mr Kassis—Specific problems, exactly.

Ms Chidiac—Politically and economically.

Mr Kassis—Yes. There is not one easy fix; there is not even one hard fix. It is multiple solutions, unfortunately.

Ms Chidiac—For us in Australia, it is incredibly hard to conceive what conditions of life are like in these territories. It is easier for us to observe how hard the people work and how they try to eke out a living. We do try to say those things to console ourselves, but we also have to recognise that people have been destroyed through that. There are severe social problems and severe health problems—the kinds of problems we can point our finger at in Australia amongst disaffected communities, in terms of drugs, unemployment, mental health issues, health issues. Every second person I would come across in Palestine had diabetes, hypertension or heart problems. There are kinds of illnesses that were endemic and that are high-stress related illnesses that kill people very young. Infant mortality and early mortality rates were high.

I also find it hard to listen to descriptions of how the stoic refugees struggle. It is as if they do the best they can in the conditions but, when you do not have hope, that adds to the physical, emotional and political problems that you have.

CHAIR—I guess that is one of the difficulties that I have got. Should you be able to wave a magic wand on 13 September and the Palestine state is duly declared and everything is right? One of the real difficulties is: how the devil are they going to exist economically anyway?

Ms Chidiac—The state of Israel does have a lot of obstacles actively in place. I was very aware of businesses in the West Bank that were trying to develop but there were obstacles in terms of what they could import and from where. I will give you an example: Taybeh beer—I am not trying to be humorous here. There was a village not very far from Ramallah where I was living and working that developed its own brewing-in-the-bottle method of making beer, and it was selling very well in the West Bank. They struggled. They put out their publicity, and they struggled to keep an inflow of their products and whatever they had to import from various countries in Europe or other Arab countries. Then there were absolute obstacles and restrictions about who they could sell to.

I went to work in Gaza quite a number of times over the 2½ years. I could see that, as it was by the sea, you would traditionally make a living out of fishing. The Israelis not only have the power to block roads to stop workers in the West Bank and Gaza from going to work inside Israel as cheap labour but they also have the amazing ability to block their use of the sea. So, whenever I went to Gaza, the talk of locals would be about how far out they were allowed to fish. In Australia, where we have this really broad concept of the ocean front and the sea, we have regulation in terms of our industry. But people had their boats grounded. Sometimes it would be six metres, sometimes it would be 12 metres and sometimes it would be 13 metres. So when you ask about the possibilities for economic development, it is not only about self-sustainability and it is not only about foreign aid; it is also about very repressive obstacles that are in place to impede economic development.

Mr Kassis—The date of 13 September has been touted as the day when a state will be declared. Considering the reality on the ground, essentially what we have here, if I can draw on a South African reference, are Bantustans. There are pockets of Palestinian authority—and I use that word because it is the only one available to me. Personally speaking, I have no clue as to what Chairman Afarat is actually going to declare. It is beyond me. I am not entirely certain of how the entity will sustain itself. I do not think that the declaration of a state will serve any purpose other than a symbolic one. This is not to reduce the importance of the symbolic value but rather to indicate that, unless Chairman Arafat and the Palestinian authority in general have actual plans in mind, I am definitely going to be on the sideline watching and waiting to see what will happen. I do not think it is viable simply because of the way that the land has been returned to the Palestinians. It has been sporadic, random and very well distributed to make sure that there is no one centre.

CHAIR—But you are not a total pessimist.

Mr Kassis—I, Sir, am what they call a pessoptimist.

Ms Chidiac—I knew we would bring that up. Have you heard that term?

Mr Kassis—It is a term coined by a famous Arab-Israeli-Palestinian author by the name of Emile Habibi, who was a member of parliament and a member of the Knesset for a number of years. He wrote a book called *Sa'id: The Life of a Pessoptimist*. It is well worth reading. It is an excellent book.

Ms Chidiac—In Arabic the word is constructed in the same way in terms of pessoptimism. It really reflects the way people need to survive. About eight or nine months after I first arrived in Palestine in 1995, not long after the Palestinian authority had moved into areas in Gaza and Jericho, the military started moving out of Ramallah, where I was, and some other major towns. But they only went around the corner, down the road. It just loosened things up in a few spots. I do recall many people saying to me that they felt that things were worse in 1995-96 than before the intifada and during the intifada. That is something I also heard in Lebanon, that things are actually worse now than they were during that war. If anyone can say that about the horrors of the war in Lebanon, that is quite amazing. That is about economics and about a kind of hope for a change for the better.

When I arrived in Palestine in 1995, because of the Oslo peace process, people were becoming demoralised. People did not gain hope, people lost hope. I left Palestine in 1997—almost three years ago—and I do not know how people are feeling on the ground now apart from through correspondence. I was in Lebanon at the end of 1997 and there was the same kind of thing. This loss of hope is happening on the ground despite what our media say. That is the telling sign.

Senator SCHACHT—In your submission you mention terrorism et cetera and your concern about how it might, in the explanatory document, be a bit weighted—it equates terrorism with the Arab side. You might also have taken offence that I was reading this travel document from Israel while you were speaking. I have to agree, Mr Chairman, that there is an excellent map here which is quite useful. I noticed that on page 11 there is a nice photograph of the King

David Hotel, which is a major tourist attraction. Of course in the 1940s that was the site of a sheer act of terrorism by an organ of Stern Gang on behalf of the Jewish demand for an independent state. A lot of innocent people were killed. I think that we recognise—I certainly do—that the cycle of terrorism has been going on in the Middle East for nearly half a century and no-one has clean hands. That is a human rights violation on all sides. I certainly acknowledge that a subsequent Israeli Prime Minister was actually an active member of the Irgun—

Mr Kassis—Two of them were, actually. Menachem Begin and Prime Minister Yitzhak Shamir were also in Stern.

Senator SCHACHT—In your submission you mention human rights and the treatment of Palestinians et cetera, but I do not see anywhere a comment of concern of human rights abuses in, for example, Iraq. There is no mention about the gassing of 4,000 Kurds by Saddam Hussein in the late 1980s, which was a dreadful human rights abuse of innocent men, women and children. Do you have a view about that?

Mr Kassis—Our personal view initially is that simply denouncing sanctions against Iraq does not necessarily translate into support for the Iraqi regime or the abuses by it. Speaking personally, I know first-hand the full effects of the invasion of Kuwait. I am by no means a supporter of President Saddam Hussein and, by that same token, I do not consider it necessary for me to stand up and denounce President Hussein every time I have to stand up and denounce the sanctions. I personally very much know that President Hussein is a product of United States and United Kingdom support, as the previous people who were sitting here mentioned. A lot of the atrocities that he committed were done with United States and United Kingdom approval.

Senator SCHACHT—They approved the gassing and the use of chemical weapons against the Kurds, did they?

Mr Kassis—Simply by supplying chemical weapons, yes, exactly. What else are you going to use chemical weapons for?

Senator SCHACHT—The West—the United States and the United Kingdom—provided weapons of mass destruction and gas to Iraq?

Mr Kassis—Absolutely.

Senator SCHACHT—Do you have any evidence or material which you can draw to the attention of the committee so we can research that?

Mr Kassis—Give me an address and I will mail that to you.

Senator SCHACHT—You can mail it care of this committee, Parliament House.

Mr Kassis—Easily done. That is—

Senator SCHACHT—I would be interested in seeing that information. In your submission you are critical of the UN sanctions on Iraq. Have all the present sanctions on Iraq been approved by the UN process in some form or another—that is, by a vote of the UN Security Council?

Mr Kassis—Essentially, yes.

Senator SCHACHT—Yes. The UN, with all its deficiencies—and there are many—is the only international body we have in the world. Do you think Australia, as a member of the UN, should follow when a vote is taken and sanctions are applied? Do you think Australia should follow those decisions?

Mr Kassis—I think that Australia, even very recently, has reaffirmed its individuality as a nation within the United Nations. I do not feel that mob rule works. Just because everyone else is doing it does not mean that we necessarily have to do it.

Senator SCHACHT—I think it is a bit rough to say that the UN operates on the basis of mob rule.

Mr Kassis—No, of course not, but the point is about the United Nations simply putting a stamp of approval on something. Let us take a case in point: the right of return is enshrined in UN legislation; it is in all UN resolutions. Simply because Israel does not necessarily comply with that resolution—

Senator SCHACHT—I am glad you raised that, because in your submission you recommend that the Australian government puts pressure on the UN to implement resolution 425, to withdraw unilaterally from Lebanon and the Golan Heights. On that basis you would support that resolution of the UN?

Mr Kassis—Yes, of course.

Senator SCHACHT—But you do not want to support the resolution that imposes sanctions on Iraq?

Mr Kassis—For a very specific reason. The resolution against Israel in terms of occupation of South Lebanon and the Golan has nowhere in it an effect that basically says that millions will die.

Senator SCHACHT—I am asking these questions in one sense almost as a devil's advocate, but I think they have to be asked. If you want to get us to support in the broader context resolution 425, which has been carried by the UN, I have to say I suppose there are many Israeli people and supporters who condemn these resolutions like 425.

Mr Kassis—There are many that support them as well.

Senator SCHACHT—But the Israeli government has not supported them. I think it is a bit hard to pick and choose which resolutions you like from the UN.

Ms Chidiac—Senator, what I want to question about the position you are taking is: why do we have to prove that we support everything in a blanket fashion? There would be some things that you support, as with any political party, as with any social, political, cultural organisation; there would be some decisions that you would support and there would be some decisions that you do not support. That is apparent in Australian politics at any level, so why do I have to examine why I support this and I do not support that? From my perspective in terms of the kinds of critique that are being made, it is all too easy to see that a political position is one-sided and full of rhetoric when we are discussing politics and, as you would well know—

Senator SCHACHT—The point that I make about the UN organisation, for all its deficiencies, is that if people, including Australia, are going to pick and choose—and at times we do; governments make decisions, and I might not agree with the government of the day—and only support the resolutions that you win on, that means the organisation in the end has got no credibility to do anything. The Israelis say, 'We will ignore 425; you will ignore the other ones on sanctions.'

Ms Chidiac—Senator, as with any political process, I think there is the specificity of a context—

Senator SCHACHT—No, the argument is put; a decision is taken in the end. During the argument you put your case and say, 'We don't want to do this,' but in the end some decisions are reached.

Ms Chidiac—Some decisions get acted on by some world governments and others do not get acted on. From an Australian point of view, if we are looking at the blockade on Iraq, how it affects us most directly in recent years is in the area of refugees, which you have been discussing. So I suppose my interpretation of why only a certain slant is taken in a document is in relation to issues that press us as Australia in terms of our community here, and then our role in those international mechanisms.

Mr Kassis—To take it further, this is not a matter of saying, 'Oh well, the GST got through, we have to swallow it because that's the reality of our political structure.' The effects of sanctions are not simply an additional 10 per cent. The effect of sanctions, if you will excuse the tone, is genocide. Millions of people are dying, whereas the stated purpose behind the sanctions is either (a) to undermine the power of President Saddam Hussein and his regime, and therefore get him out of power and install a friendlier regime or (b) to make sure that Iraq does not replenish its supply or its stockpile of weapons of mass destruction.

I think Senator Bourne asked earlier if a sanction aimed simply against weapons or arms would be effective. I have no problem with demilitarising anything. I am not a man who believes in guns and so on. Get rid of all the guns and put in a global sanction. If that is what it takes to lift the sanctions and to give the Iraqi people back their right to live, then so be it. It is a price I am willing to pay, even though I am personally not an Iraqi and am not directly affected. There is a moral obligation on me to fight against that. Even with the international community's approval, I need necessarily to fight against it because there are people dying as a result of these measures. It is simply in that vein. Even if the UN or the international community gives its stamp of approval, it makes no difference.

Senator SCHACHT—I have one last question. On page 219, down at the bottom, one of your recommendations is that:

The Australian Government lobby Israel to release all political prisoners held in Israeli prisons and torture complexes.

I presume you would be willing to support that political prisoners held in Syria, Iraq, Iran or anywhere else in the Middle East—whichever regime—should also be released immediately?

Mr Kassis—Absolutely. Part of my personal activities—

Senator SCHACHT—Of course. I am glad you have that on the record because that adds to your submission by the fact that you are willing to argue on the broader issue of human rights, rather than only on Israel, who does have political prisoners—no argument—and has used torture and has contravened human rights standards. The fact that you are now on the record as saying you support human rights elsewhere in the Middle East and that other Arab regimes who have political prisoners should also release them, I think, adds weight to your submission.

Ms Chidiac—Absolutely. Many of us in our kinds of networks in Sydney and Australia often get seen as being single-minded or one-sided.

Senator SCHACHT—We are all single-minded in politics; otherwise we would not be there.

Ms Chidiac—For some of us, the way we need to operate often is that the voices or the opinions that never get heard are the ones that we try to give priority to.

Senator SCHACHT—I understand that point, but I have to say that I think the fact that you added a bit more about the broader issue of human rights adds to the submission because, reading it cold, it appears all one way on the issue of human rights. I do not think that does justice to the position you have just explained, and I thank you for that.

Mr Kassis—In terms of human rights records, we will go on record again saying that we oppose any human rights abuses, including local human rights abuses.

Ms Chidiac—Mandatory sentencing is an example of human rights abuse.

Mr Kassis—As Arab Australians, we are quite active as well in terms of lobbying for indigenous rights or against any abuses directed towards the indigenous community, either in one way or another.

Senator QUIRKE—I wonder about sanctions in general. Did you support the sanctions that were used against South Africa over many years?

Mr Kassis—Essentially, yes.

Senator QUIRKE—What is the difference between it and Iraq?

Mr Kassis—How about we count the number of people who are actually being killed? How about if we count that when examining the sanctions against South Africa, rather than tallying up the numbers, we look at the different ways in which they suffered? We could look at the fact that South Africa was not constantly and consistently bombed over a 10-year period. We could look at the fact that depleted uranium weapons were not used against the South African population in one form or another and we could look also at the fact that—

Senator SCHACHT—Practically everything else was. If you happened to be black, for 50 years you had everything else used against you. They might not have used depleted uranium but they used practically every other oppressive measure and invented a few themselves.

Mr Kassis—I am by no means defending the regime.

Senator SCHACHT—I know. I am sorry to interrupt Senator Quirke's question but I think there were some pretty horrible things that went on for 50 years since 1947 under apartheid in South Africa.

Mr Kassis—But there has to be a more detailed study in terms of what actually brought the apartheid regime down. Was it strictly the sanctions, was it local political activity? I have no background—

Senator SCHACHT—It was a mixture of both. The financial sanctions in the 1980s absolutely brought the economy undone. The rand dropped, I think, 300 per cent.

Ms Chidiac—Over a very long period of time.

Senator SCHACHT—The most effective sanctions started to apply in the 1980s, the financial sanctions of the Commonwealth and the world, yes.

Mr Kassis—I simply do not believe that in this context it is an effective way of achieving a goal.

Senator QUIRKE—If that is the case, then how does the world deal with this regime?

Ms Chidiac—How does the world deal with many other regimes? That has been put to you today as well. There are regimes in the world with similar kinds of histories and processes—

Senator QUIRKE—I would dispute that, but keep going.

Ms Chidiac—And there are these blockades and continued bombing—the war has not ended.

Senator QUIRKE—I want to get back to my question—

Ms Chidiac—Of how you change the regime.

Senator QUIRKE—My question is: how does the rest of the world deal with this regime if sanctions are not used? How do you deal with the Hussein regime?

Mr Kassis—I will address that in two different ways. Initially, I will say that, simply because we see we have no other alternative, let us not show a lack of imagination and simply try and settle it with a baseball bat or a cricket bat mentality. Secondly, there are Iraqi movements that at one point or another were supported by Western democracies—and I use the term 'democracy' a bit loosely here, which I am sure will spark off a discussion at some other time—and later abandoned, much to the dismay of that Iraqi movement, who suffered as a result of it. If you wish to undermine a regime, since you hold so much faith in the democratic process and the concepts of democracy, there is a concept of grassroots democracy. There used to be a saying when I was young that the people get the leader they deserve. Unless you motivate the people enough—hungry people do not fight.

Senator QUIRKE—One of the actions against Iraq is the no-fly zones, where the Iraqi airforce is not allowed to fly, which, as I understand it, is enforced by both the US and the UK. Do you support that? Do you think that is a legitimate use of force against Iraq?

Mr Kassis—When as a result of that no-fly zone you get what the US and the UK like to call 'unfortunate casualties' in terms of civilian targets that result in the enforcement of that no-fly zone—

Senator QUIRKE—It is there to protect the Kurds.

Mr Kassis—With all due respect, the Kurds have been suffering for decades.

Senator QUIRKE—I am well aware of that and I am aware of who has been doing it to them. Do you support that no-fly zone policy?

Mr Kassis—I do, and I feel that it should be extended to the nation of Turkey. I think that Turkey should therefore be placed under sanctions for the human rights abuses that they direct against the Kurds. I therefore would like to recommend that Turkey, a Western ally and a member of NATO, and therefore beyond reproach in any shape, form or manner—

Senator SCHACHT—They are not beyond reproach. For goodness sake, this parliament and many of us have complained about human rights abuses in Turkey against the Kurds and about other repressive measures for a long time.

Mr Kassis—Senator, all I am asking is that you stand up and voice your concern therefore against the human rights abuses against the Iraqi people.

CHAIR—Thank you very much for your attendance today. If there are any matters on which we need additional information, the secretary will be in contact with you. We will send you a copy of the transcript of your evidence, to which you can make corrections, if necessary.

Proceedings suspended from 12.19 p.m. to 1.32 p.m.

MOUSSA, Mr Charlie (Private capacity)

CHAIR—The subcommittee has received submission No. 84 from Mr Charlie Moussa and I welcome Mr Charlie Moussa. The subcommittee prefers that all evidence be given in public, but should you at any stage wish to give any evidence in private, you may ask to do so and the subcommittee will give consideration to your request. Although the subcommittee does not require you to give evidence on oath, I should advise you that these hearings are legal proceedings of the parliament and therefore have the same standing as proceedings of the House itself. I invite you to make a short opening statement if you wish and then we will move to questions.

Mr Moussa—Thank you. As you may have noticed, my submission is very brief—I was running out of time—and I wish to elaborate on a few things if you do not mind. I talk in my submission about regional and international forums generally as being global solutions for the Middle East. These solutions should, in principle, eliminate any impediments to Australia's relations with the Middle East. I know that, at this point in time, regional and international forums might seem a bit impossible to work on. However, I do believe that we have to go through a confidence building process to be able to achieve any sort of resolution for the Middle East as a whole.

I have drawn parallels between the South-East Asia region and the Middle East, knowing that the complexities and the nature of the problems are different somehow. However, Australia can benefit from our experience in the South-East Asian region. We know that ASEAN and APEC have brought hostile countries in the region together and they are working cooperatively and in harmony now. This is all because of some kind of a confidence building process.

I believe Australia should have a prestigious role in the Middle East. To have a prestigious role and to play a role through the UN in establishing these forums we have to start with little projects, with projects which are very small but whose significance, when we add them together, can make a difference.

In relation to trade and investments I said in my submission that we have to touch on the needs of the region. If we are to make an impact in the Middle East we have to see what they need and how we can benefit from our contributions mutually—benefit for both of us, for Australia and the Middle East. Water, especially drinking water, is one of the biggest problems now. A study by the World Bank says that by the year 2020 the Middle East will be running out of water. Just recently I heard on the news that in Syria, for instance, in Damascus, water is pumped into the city only 11 out of 24 hours a day. That is a capital city. I have observed something here. In most of our major cities here in Australia we do not have natural water resources. However, we bring water from long distances. We pump it into pipes and we bring it; we build reservoirs here. This is an experience which we can benefit from in the Middle East.

Another issue related to water is irrigation. For instance, only 30 per cent of the water the Israelis need goes for drinking. The rest, 70 per cent, goes for irrigation. There is a problem with irrigation in Lebanon, in Syria, in Iraq, in Turkey, even in Iran. In Egypt just the delta of

the Nile is irrigated. In the rest of the country there is no water. We should work on an irrigation program for the Middle East. There are many ideas about an irrigation program in the Middle East. We can touch on this issue very deeply. This is an issue that can only be resolved at a regional level. Once we touch on the need of the people in that part of the world based on this issue then we can enhance the status of Australia and have much more influence to press for something bigger and bigger.

Another issue for trade and investment in the Middle East is tourism. In 1968, for instance, the population of Lebanon was about two million people and 600,000 tourists visited Lebanon in one year from Europe. Unfortunately, these days this number of tourists does not visit Lebanon. Part of the problem is the environment. Here in Australia our environmental politics is very strong. Australian beaches are renowned worldwide for their cleanliness and people come here for this reason. This is another area where Australia can invest. This is another area where Australia can make an impact in the Middle East.

We also know about the new economies, about the high-tech economies of many countries. In the Middle East most countries today still lack proper computerisation of their services. This is an area where Australia can make a lot of money. We can invest there. We have lots of companies which I am sure would be very interested in investing in this sector in the Middle East. Computerisation is not just at the educational level. Even at the public administration level governments are still very primitive in the way they keep their records and everything. So this is another area where we can invest in the Middle East.

Another very important sector, if we are to increase our trade ratio with the Middle East, is probably agriculture. In certain countries of the Middle East about 85 per cent of the population heavily rely on agriculture as their sole source of income. In many countries in the Middle East agriculture is still very primitive. So if we modernise agriculture in the Middle East, we do not just enhance the quality of life over there; we can also perhaps increase our trade with the Middle East. We have worked on something which is not just economically beneficial to Australia but which is also very good from a humanitarian point of view, from a moral point of view.

If we touch on the issue of democracy and human rights, I think at this stage it is very unlikely and very difficult to change the status quo in the Middle East, despite the new leaderships in the region and despite the many changes that have occurred in the last year or so. I have stated in my submission that we can work from here—from Australia—on the way in which we approach issues of democracy and human rights. For instance, we can establish a peace and reconciliation committee, or a peace and reconciliation commission. This commission would include Jews, Arabs, Persians, Armenians, Syrians, Turks and Kurds. We have to make use of our multicultural society and we have to make use of our immigration program throughout history. We always debate multiculturalism and we always debate our immigration programs, but why don't we make use of them?

This is an area where we can make use of our history and our present. We can start with our peace and reconciliation commission here in Australia and maybe in the future we can include people from academic backgrounds in various universities. If you start theorising and talking about issues of public administration, institution building, respect for human rights, respect for

democracy and the way we apply democracy properly, these things will inevitably diffuse into public policies and the media. At the end of the day, the people will become aware of democracy and human rights in a much better way than now.

Another area, for instance, is security. Australia has a very good reputation worldwide for the initiatives that we have taken in this country on the control of the proliferation of weapons of mass destruction. We have to educate people about weapons of mass destruction, not just talk about the evils of weapons of mass destruction. We can have conventions and conferences here in Australia in which we bring people from overseas and tell them that having a nuclear bomb does not mean that you become superior. Having a nuclear bomb means that you have more potential to become a criminal and to kill more people. Conventions and conferences are not very expensive for the Australian government and I do not think that would be unacceptable to the Australian public. We are trying to educate people about issues that are of importance to us too. Weapons of mass destruction do not harm only the Middle East; they hurt everybody. The environment affects everybody so there are global issues which we can start working on from here in Australia and then expand on as much as we can.

Another area, which is of extreme importance to me, is education. I am a medical scientist and I work in a lab at Sydney University. I have seen in this country so many scientists and so many brilliant people with talents and expertise lost to the American dollar. We have cutting edge research programs which put us at the forefront of medical and physical research and any kind of research in the world. We are underfunded in most of these programs. Here we have expertise, we have knowledge and we have the ability to do something. We have countries over in the Middle East which have the wealth and are in need of our knowledge. Why don't we trade our knowledge for their money? We might have a research program, talking from my area of expertise, on multiple sclerosis where we might not have enough money but there could be a university in Lebanon, a university in Syria or a university in the Gulf States which is willing to contribute. We can sell our knowledge and receive their money.

This is a way in which we can really contribute and in which we can really benefit. Probably the idea of cooperation between Australian universities and universities in the Middle East and the adoption of similar programs is something that we can benefit from. We could have a student exchange program for students to come to Australia and learn more about our way of life, our culture, the way we respect human rights, the way we respect democracy, the way we apply democracy, the way we think about institutions and the way institutions operate. They do not necessarily have to be scientific programs or scientific exchange programs. They can be social science, political science or anything.

Based on these little projects, we can make an impact on the region and we can benefit ourselves. We are in the stage of a confidence building process and, at the end of the day, if we have the influence—if we become influential in the region—the power and the knowledge to talk to people and to know their problems, and we have worked on their problems and on their needs, we can say, 'We have created a common perception between the people in the region.' When we work on issues of irrigation, it is of interest, of concern, to each country in the Middle East. When Australia embarks on such an endeavour, everybody is interested in talking to us. There is something extremely important for Australia in the Middle East. We are always looked at as an impartial party. We are not interested in little rivalries between, say, Arab states—Arabs

and Israelis. We are interested in the peace process. We want peace to happen, but we are not taking sides with anybody. We are not like the US. We are not like the British who have a very extensive and long history in the Middle East. We are impartial. Why don't we make use of our assets? They are assets for us.

CHAIR—Thank you for that. It was most comprehensive. I know of your interest in maintaining almost a monitoring process on developments in the Middle East, particularly in Lebanon. Can you give us a brief summary of how you see some of the developments we have seen of recent weeks?

Mr Moussa—In Lebanon?

CHAIR—Particularly in Lebanon, but in the Middle East a whole.

Mr Moussa—I will start from Lebanon. I think the recent events that have taken place in Lebanon—the Israeli withdrawal from southern Lebanon—are a very positive step. This is actually contributing to the recovery of Lebanese sovereignty. Economically, the Lebanese economy is still shocked. It is going to take a little time to recover. There is now a program for the donating countries. They want to rebuild south Lebanon. This is good, if it is implemented.

There have been some positive developments in the region. Looking back at the 1950s, the 1960s or even the 1970s, we see that the idea of peace between the Arabs and Israel was out of count. Some people were saying, 'We exist here forever,' and others were saying, 'We have to destroy the state of Israel, throw them in the sea or whatever.' The mentality of people is changing. These social changes are very important. More important is the change of leadership in the region. We have seen a change of leadership in Syria. This can be positive. We have seen a change of leadership in Bahrain, in Jordan, in Morocco. These are all positive developments.

Regarding the latest peace talks between the Israelis and the Palestinians, I was not at any of the negotiations, but I think we are at a stage now of preparing the public opinion for a deal. That is what I think. We are at the stage of getting everybody to understand that peace is inevitable; it is going to happen. They might go 200 rounds of negotiations but, at the end of the day, they will come back with an agreement. The challenges in the Middle East are not the peace process. I have made it very clear in my submission. The challenges in the Middle East go beyond the peace process. What is going to happen after the peace process, after peace is signed? Syria will sign peace. Syria cannot run away from peace. Take the Syrian influence off and the Lebanese are ready to sign peace with the Israelis. The Palestinians are going into peace. Peace will happen. It is inevitable. It has become a strategic decision for all parties in the region. What will happen after the peace process is the challenge facing the Middle East.

CHAIR—That is going to be one of the challenges that Australia faces.

Mr Moussa—Exactly. That is why we will have to work on it.

CHAIR—That is why I was interested to read in your submission the idea of this Mediterranean forum. Can you expand on that? Who do you see comprising the membership of it? In what areas would it operate?

Mr Moussa—Geographically and strategically, I think all countries in the Middle East. We are talking in the post peace era; peace is signed and people are sitting together to see how they are going to sort out their problems—how they are going to distribute water evenly between people and how every country is going to take its share fairly. I have hinted at a number of small projects in that regard. We know that the European Union has extensive interest in the Middle East. We know that the United States of America and the Western world as a whole have extensive interest in the Middle East. We know today that Iran, which is not located on the Mediterranean coast, also has extensive interest in the Middle East. The whole war in southern Lebanon today and before was using Hezbollah as a tool to gain access to the Arab-Israeli conflict. To be face to face with the Israelis is the idea behind the support of Hezbollah. They—the Iranians—are supporting Hezbollah to achieve this aim.

So Iran has an interest in the region, the European Union has an interest in the region, the United States has an interest in the region, we have an interest in the region and most countries on the Mediterranean coast have an interest in the region. You talked of membership—Syria, Iraq, Iran, Turkey, Israel and countries of the European Union that fall on the Mediterranean coast are all potential members. You might say that this is utopian at this stage and that it is impractical, but I am saying that we have to go through a confidence building process and then we will achieve this aim. Those are our ideals. At the end of the road that is what we want to achieve. Now we have to work on ways that lead us to these forums. The forums would first include a strategic forum, say, for security cooperation in the region.

As I said, we have to create a common perception for the region in the Middle East. After the peace process, the Arabs are supposed to think that Israel is not their enemy anymore. The Israelis are not supposed to think that the Arabs are their enemies anymore. Beyond the peace process, there are other challenges. We have the challenge of the proliferation of weapons of mass destruction. This is something that is threatening the whole region. Another challenge is terrorism. Other threats are fundamentalism and sectarianism. These are all challenges, all threats, in each and every country in the Middle East. They threaten the security of the whole region. That is the common perception we want to create: animosity is no longer between states; animosity from now on is between the good and bad, if you like. There are people in Israel who are fundamentalists and there are people on the Arab side who are fundamentalists—in Turkey or Kurdistan or wherever. They are issues we can work on to identify the common threats to the people.

CHAIR—And Australia's contribution in those terms is what you are talking about in your introduction—the promotion of conferences, the assistance we may be able to give in setting up various fora as part of it?

Mr Moussa—Yes. This is one. Another one that is more important is, as I said, the establishment of a peace and reconciliation commission. People in Australia from all backgrounds originating from the Middle East—the Jews, Arabs, Turks, Kurds; everybody—should sit together. We are a multicultural country. I am an Arab; I can sit with a Jew. I am a Kurd; I can sit with a Turk. We can talk; we can communicate. We start at the microlevel first and then we expand. We include academics, governments and everybody from the region. That is how we expand to create these common perceptions. Conventions should be there to tell the people that the enemy is no longer the state of Israel; the enemy is no longer the weapons of mass destruction with Iraq's Saddam Hussein. There are other issues pending that you have to

destruction with Iraq's Saddam Hussein. There are other issues pending that you have to work on now. You have to create a collective understanding and view of the threats that people in the region are facing.

CHAIR—I guess there has been a little of that going on in Australia already. For example, in the Lebanese community the Christians and the Muslims decided to get together. There is a great deal of interaction between all sections of the Lebanese community, as I understand it.

Mr Moussa—There has never been a breakdown of communication between different sections of the Lebanese community. Even during the war in Lebanon, the Sunni Prime Minister used to meet the Christian Lebanese Maronite President every day. There has never been a breakdown in communication between the different groups or the different religions in Lebanon. There has always been communication.

We do not deny that there is always tension. There is always tension and that is always due to the way in which democracy is always looked at. That is why education is so important. I look at democracy as something that suits me. I do not accept the share of others in the state. If I am a Christian, I should be the supreme power in the country, and if you are a Muslim, you should be the supreme power in the country. This does not work. If you want to have a Muslim state or a Christian state it works, but it does not work if you are trying to establish a genuine democracy and say, 'Let's apply it properly and uphold its principles.'

Senator BOURNE—I have a couple of questions on education, which you mentioned. We had some evidence yesterday about exchanges and the possibility of exchanges between Australian and Middle Eastern universities. The problem was identified that with most of the Middle East universities where English is spoken there are very strong ties to either the UK or the US and it is very difficult for Australians to actually get in there and create those ties, though people have been trying. Do you have any experience of that yourself? Do you have any ideas on how that could be overcome, or what we could do to assist in those exchanges?

Mr Moussa—Let me give you an example. In Lebanon there is a giant university called the Lebanese University. Students there take programs in Arabic, in English and in French; you can choose which one you want. The Lebanese University is still badly shocked after the war and I am 100 per cent certain that the government is willing to collaborate with any university in the world which can provide them with, say, the necessary technology and the necessary programs to teach their students. In many cases you have to think that throughout the last 50 or 100 years, if you like, there has been a constant brain drainage in the Middle East. To have a professor who is able to work out, say, a research project for you from A to Z, put it on paper and give it to a student to work on, you might have the professor but you do not have the facilities, or vice versa. So we can benefit from the brain drainage in the Middle East by these education programs. We can send a professor from Sydney, for instance, to Lebanon to speak to the Lebanese University. We should not wait for the Lebanese to come here and tell us they have a shortage of such and such. This is a potential area for investment for Australia. Why don't we take the opportunity and why don't we embark on it before others? We have to seek these opportunities, we do not have to wait for them.

There are many other examples. In Syria most universities teach in Arabic, but with the change of the leadership in Syria now, and probably in Jordan, they are willing to adopt English as an educational language, as a second language, and they have English as a second language. Perhaps you have to start with promoting the English language there. This is one side of the globalisation process you can work on. Governments are against globalisation, fundamentalists are against globalisation, but people who want to learn are not against it. If you have a computer in the Middle East, if you have an Internet service in Jordan and a Jordanian is chatting to someone in Israel, you are promoting understanding. It does not have to be between governments. Everything that happens between governments in the Middle East is papers; it is all papers. We have to work on people's perception of each other. Perception is a major issue in the Middle East we have to work on; perception, not mechanisms of things. Governments can sign deals. Yasser Arafat could have signed a deal with the Israelis yesterday, but there is perception of a whole people behind him preventing him from doing it. It is probably not expectations, it is more perception.

Senator BOURNE—Many of the universities have links with, particularly, South-East Asian universities where we sometimes even have campuses elsewhere outside Australia, but certainly formal and informal links. Do you know whether there is very much of that between Australian and Middle Eastern universities? Do you think that is an area where we could expand a bit? Would it be worth while trying?

Mr Moussa—I know that last year or the year before, the Saudi minister for education visited Australia to try to develop something with Australia in that regard. All of their students are Muslims, and they go into countries where the practice of Islam—this is one issue, of course, not everything—is important to them. So the tolerance which we have here in Australia towards Islam is one issue that the Saudis were looking at and they wanted to have some kind of cooperation with Australian universities. I do not really know what happened later—whether there have been any agreements between Australia and Saudi Arabia—but there is nothing as such with Syria, Lebanon, Jordan or Iraq. There is lots of money and a lot of brains in Iraq. So, no, there is not much. That is the only thing I know of—the visit of the Saudi minister to Australia.

Senator BOURNE—Do you think it would be worth while for Australian universities to pursue that sort of thing and try to go in that direction?

Mr Moussa—Of course. They cry all the time, 'We do not have funds.' They cry, 'I have a research project', 'I am not funded', 'I am underfunded', 'Look at my work; it is a brilliant project.' You have to market yourself a little bit more and the government has to facilitate this marketing process. The leadership in Syria probably does not suit us, or the regime that is here does not suit us, but the money there still suits us. We have imposed embargoes on Iraq. We all know of the number of people who are dying and starving in Iraq. We have changed nothing. The regime there is stiffening and becoming harder and refusing to change, whereas if we sent people from Australia to Iraq to work with Iraqi universities—why not? There is money there. They need our expertise, I can assure you.

I did two years of medicine overseas and then I came to Australia. I have seen a difference in the facilities and in the way the teaching processes are going. It is different. It is much better

and much easier here. Students can assimilate much more knowledge and can take the degree on their own much more easily than they can in the Middle East. That is why people who can educate their kids educate them overseas. They send them to the UK or the US.

CHAIR—And you are quite supportive of sending them here?

Mr Moussa—Of course. There are 96,000 Asian students in Australia.

CHAIR—How many are there from the Middle East that you know of? Are there many?

Mr Moussa—I do not know of any. I know that lately there have been some students coming from Kuwait—a very small number; in the hundreds. You have 96,000 students in Australia from Asia. Why don't you increase this number to 150,000, for instance, and bring them from West Asia or South Asia instead of from South-East Asia? This is another opportunity for Australia.

Senator BOURNE—So we should be targeting a bit further afield?

Mr Moussa—Of course.

Senator BOURNE—You mentioned democracy and democratisation. It occurred to me that the Centre for Democratic Institutions does look at that sort of thing in Australia. Do you know of anything that they are doing in relation to the Middle East? I should probably ask them, really.

Mr Moussa—I do not, but I have a few reservations on the issue of democracy and democratisation in the Middle East. As I said, it is extremely hard or impossible to change the status quo in the region now. You can't. What you have to do is reinvent new generations and tell them, 'You are born in this change.' I will give you one example from everyday life. When I was at school, I did not deal much with computers. It took me a long time to learn computers. Still I do not know computers. Whereas if you put my little brother, who is 14 now, in front of a computer, he can deal with it very easily. He is born in this age. He is born in this change and he adopted it. He took it for granted and he is progressing into it.

It is the same for politics. It is the same for democracy and human rights. The Europeans and the Americans evolved in this way. Democracy and human rights are an evolutionary not a revolutionary process. After each revolution in the world, except the French and the American revolutions, there has been a dictatorship.

Senator BOURNE—In defence of the CDI, I do not think they cause revolutions—I have not noticed one yet—but they are quite good at education, so I might ask them about that.

CHAIR—I have an unfair question: can you look into your crystal ball and tell us how you see the Middle East in 15 or 20 years time, bearing in mind what is going on at the moment—the prospect of globalisation ultimately engulfing the Middle East region? What sort of place is it going to be in 2020?

Mr Moussa—Globalisation has positive and negative effects. Generally speaking, you do not have to be a fundamentalist in the Middle East to reject globalisation, but sometimes social changes are very difficult to bring about in the Middle East. At this stage, we can say that globalisation has very little impact or, if it has an impact, it is regarded as an intrusion into their way of life, if you like. In 20 years time I think the Middle East will be fully engulfed in the globalisation process because the new generations are not resistant to changes. If you do not catch up with education, you are going to fall behind. People are trying to educate their kids. They get satellites now. They can watch television from any part of the world—New York or anywhere. They are fully accepted by young generations. What you see in Sydney, what you see in New York, what you see in London, you see in Beirut, you see in Damascus, you see in Oman, you see everywhere. So in 20 years time, I do not think there will be too much difference between the Middle East and the rest of the world.

In terms of the way people live and their daily way of life, they might have a McDonald's for breakfast in 20 years time, this is true, but they have that now in some places. They cannot acquire democracy and human rights or their way of life via television or media or anything. Education is central to this. Education is the way you can go to make people apply democracy, respect democracy and respect human rights and it is how you teach them to accept the share of others in the state.

CHAIR—Thank you very much indeed, Charlie, for being with us today and for the information you have given us. If we need to get any more information, the secretary will be in contact with you. We will send you a transcript of the evidence so you can make any corrections if necessary.

Mr Moussa—Thank you very much.

[2.10 p.m.]

McGUIRE, Mr Rory, Journalist, Faculty of Science and Technology, University of New South Wales

CHAIR—On behalf of the subcommittee, I welcome you to this hearing. The subcommittee prefers all evidence to be given in public, but should you at any stage wish to give any evidence in private you may ask to do so and the subcommittee will give consideration to your request.

Mr McGuire—Thank you. I made two submissions so I probably come here with two hats on.

CHAIR—I was going to ask you about the two submissions, but maybe I could go through the procedures first.

Mr McGuire—Yes.

CHAIR—Although the committee does not require you to give evidence on oath, I should advise you that these hearings are legal proceedings of the parliament and therefore have the same standing as proceedings of the House itself. I invite you to make a short opening statement, but could you just clarify for our records the status of submission No. 53 attributed to the University of New South Wales.

Mr McGuire—Yes. That submission had an odd genesis. I originally saw your advertisement calling for submissions and I am particularly interested in the work of the university in renewable energy in which we have many promising schemes going. I know that renewable energy is looked upon in the Middle East as a very desirable thing to have despite, or maybe even because of, its petroleum reserves, which have only got the Middle East into a lot of trouble as far as I can see and a bit of money every now and then. I thought the university should make a submission on that. I put this to the deputy vice-chancellor of the university and he asked me to write a submission. I was going to keep it very straight and pretty much like the submission you have but a couple of academics at the university said, 'You cannot make this submission and leave out the politics of the Middle East; they are both important. The politics are so important in the Middle East that a submission with no politics is hardly worth doing.'

So I put the politics in and I think it fazed the deputy vice-chancellor because he might not have been so knowledgeable—he has many things to attend to and it is not his specialty because he was a membrane technology researcher. He was travelling a lot. He has been overseas about four weeks out of every five for the last several months and so he just asked me to put it in under my name as a person employed at the university. I took the politics out, which had been mainly pressed upon me by two Jewish academics at the university. They would have to be classed as anti-Zionist and I think it was their politics that upset things a bit.

CHAIR—Do you want to make any other general statement about the rest of the submission?

Mr McGuire—About myself? I am not a good public speaker so I have prepared something here. For the past 12 years I have worked as a journalist at the University of New South Wales, mainly writing articles on scientific research which is progressing very fast world wide as new discoveries demand new explanations. The lessons I have gained from this are, firstly, that invisible small-scale events in science, literally at the atomic level, control larger visible events and, secondly, that practically everything we presently believe will turn out to be wrong or in need of substantial revision in the light of future evidence. This experience has led me to two observations: firstly, education is the single fastest and most beneficial way for a person or a nation to climb out of poverty and, secondly, it is a good idea to look beyond the conventional view to find the root causes of problems. My first observation there led me to the first submission No. 53, which you have, and my second observation drove me to my second submission.

Charlie Moussa spoke a little while ago about the possibility of education links with the Middle East. I support what he said; I walked in during the tail end of his remarks. It seems to me to be essential. It will be a disaster if we do not do it. By the same token, I was present yesterday when Dr Michael Humphrey spoke on behalf of AMESA about the dearth of Middle East studies in Australia. Mr Chairman, you questioned him on the availability of competent commentators in Australia on Middle East matters relating to the 1990 Gulf War. I thought your questions raised a very important point. I think it was established yesterday that very few unbiased people were available to advise anybody in Australia—certainly the public—on what was happening and why it was happening. That was 10 years ago. Since then, things have probably got worse. They certainly have not got better. The main person who was relied upon by the ABC at the time was an American, Dr Bob Springborg. It sounded a bit funny to have a person with an American accent telling us what to do and think. He also incurred the wrath of the Prime Minister at the time, which did not help things at all.

CHAIR—I have a confession to make: I started my career as a journalist. I am afraid that I got most of my commentary from the BBC during the Gulf War. Even that was a bit funny.

Mr McGuire—That very well illustrates my point: we have to go overseas for this commentary. If we have to do so, where does the Australian government get its information? How does the Australian government make a judgment on Middle East affairs if we do not have Australian people familiar with Australian culture as well as Middle East culture? If we have got people familiar with American culture or British culture and Middle East culture, that is not a good example for us.

If Australia does not have people who are properly informed on Middle East matters, Australia cannot reasonably expect to formulate an informed Middle East policy. Either we would have no Middle East policy or we would have to rely on foreign sources for advice. In this case we could not claim that our policy was independent. I think that is the crux of the matter as far as education is concerned. Of course, education brings familiarity with people overseas, wherever they might be. Exchanges of people help as well. Australia will only be getting into trouble if it pursues a policy of isolation of knowledge of the area. Also, as I say in my submission on behalf of the university, education can lead to extensive business collaboration and wealth for Australia—and also not taking that wealth away from the Middle East, because it would help to generate more wealth for them as well as for us.

CHAIR—I think it is on the record after the last couple of days of hearings that in actual fact a lot of the students from the Arab states go to the United States or Britain for most of their education. With our standards being as high as if not higher in some cases than those, and we being the alleged neutral party, we would seem to have a huge opportunity to go in there and do it. The number of students who want to come to Australia from South America, for example, is huge.

Mr McGuire—That is right.

CHAIR—That is a huge developing market. This one is sitting there virtually untapped.

Mr McGuire—Yes. I think there is scope for tapping it. As I said in my other submission, we are in a rather bad camp as far as foreign influence is concerned. But we can get around that. One thing I have noticed very much in talking to Arab people, mainly in the Middle East, is that they always distinguish between the actions of a country and the people of that country. Arabs will criticise the American government no end but then they will say, 'But we don't hold this against the American people.' That is a constant refrain you will get if you speak to people, as I have occasionally done when I have been there. I have talked to people in the street—for instance, the ubiquitous taxi driver.

CHAIR—From your experience, do the people of the Middle East really know much about us—whether it be an academic or a taxi driver?

Mr McGuire—I think they do. I was in Jordan a few years ago, around Amman. They are more than likely to be Palestinians living there. They all seem to have relatives here. They all seem to think Sydney is a fine place to be. Many of them claim to have been here. They profess a warm regard for Australian people. I think a lot of this was quite sincere.

CHAIR—Did you find that that attitude you mentioned before prevails in terms of Australia's foreign policy and images of the government? I noticed in your submissions that you were reasonably critical of some aspects of our policy towards the Middle East.

Mr McGuire—I am glad you said 'reasonably critical.' I think I was highly critical. But I would like to be both highly and reasonably critical. I think some of the actions of the Australian government, even though they are only done in a small way, are unacceptable. With regard to this embargo against Iraq, for example, I have said things in my submission and further words fail me. I just think it is a disgrace. We should not be involved with it in any way and the results are coming out. People resigned from the United Nations over the United Nations policy. We know it is not really United Nations policy: it is driven by the Americans. And so why we are going along with that is a question that I would like to have an answer to.

Senator BOURNE—Again, on tertiary education that you mentioned before that Mr Moussa was speaking about, it is an interesting point you make that we seem to have so low a level of tertiary courses in Middle Eastern affairs that we could not find an expert. It certainly is not improving. Do you think it is probably getting worse?

Mr McGuire—I am not an expert on that. Michael Humphrey would be a better person to ask. But I think it probably has got worse.

Senator BOURNE—Yes, from what he said yesterday, I think that probably is the conclusion he has come to, too. Do you think it would be more sensible, then, if we started trying to encourage postgraduate or even undergraduate courses that were substantially about Middle Eastern affairs? Do you think there is such a needed level of knowledge in Australia that we actually need to go to that degree of undergraduate or postgraduate structured courses in Australian universities on the Middle East?

Mr McGuire—Yes, I think so. Most courses that are given on the Middle East now are going to be on the Middle East conflict—the Arab-Israel problem. That is a great shame because the Arab side of the Middle East offers an enormous cultural depth for us to go into, to learn about, to learn the history of mathematics or geometry—many things, apart from the straight-out, long and proud history of the Arab world.

Senator BOURNE—It is a good point, because even when we started discussing the terms of reference for this the thing that sprung to my mind in relation to the Middle East was, of course, the peace process. But once you start reading the submissions, you realise it is so much more hugely diverse than that. It actually is very interesting. So, yes, I think you have a very good point there.

In your submission you talk about renewable energy sources. Which ones, in particular, do you think would be most useful for Australia to be promoting in the Middle East? Do you know from your own knowledge which ones are particularly needed in the Middle East.

Mr McGuire—I think the closest technology is solar energy, or photovoltaics, because that can be set up at the level of a house. You probably have calculating machines that are solar powered.

Senator BOURNE—I do, actually.

Mr McGuire—They can be very small or they can be very big. Their present constraint is cost. But a spin-off company of the university called Pacific Solar is probably the leading exponent in the world for getting the cost down and getting the power out there. As soon as they have the kinks out of their first production line they will be ready to set up a joint venture or a partnership or a franchise—that is not quite the right word—anywhere you like. I have spoken to people from the Middle East who say that arranging $40 million or $50 million to start one of these factories is not a problem, that they could have the money tomorrow if they could be guaranteed a good product. That would be the first way to go, because it can be used in remote villages.

Senator BOURNE—And as you say, that could create profits on both sides.

Mr McGuire—Yes, and the best thing is that it can raise living standards. The first thing you want if you are in a remote village is a light in your house at night, the next thing you want is a refrigerator so that you can keep medicines for the village, and it can spread out from there.

Apart from the technology, the university is offering a course in photovoltaics over the Internet. This is being taken up by several universities in Thailand with whom we have good links, and I am told that under the right circumstances—which probably means money—they would be happy to move the teaching of the course into the Middle East. So according to my proposal, it could be taught at a Palestinian university. But that does not exclude other places; it could be taught anywhere.

Senator BOURNE—So you can see that there is a place not just for the exchange of students but for the exchange of information, even over the Internet; that you could teach courses such as that one at a great distance as long as you had some of the basic materials needed at the other end and a teacher perhaps?

Mr McGuire—Yes. I do not think teachers are a problem. There are many people who could sit down at a university in Hebron—or anywhere else—and oversee the course, but with the Internet you can fire questions and answers back immediately. It is just like my typing a letter to you.

Senator BOURNE—How would you go with the practical side of something like photovoltaics? You would have to have equipment and be able to see that you were using that equipment properly or putting it together properly. If you did not get a result, you would have to find out why. What resources would you need at the other end for that sort of thing?

Mr McGuire—I do not think you would need very much. You would base this on a collaboration with an educational institution over there.

Senator BOURNE—So you would only need one physicist at the other end?

Mr McGuire—That is all—or an electrician in the case of assembling these things. Pacific Solar expects that, in time, completely unskilled people will be able to plug these things in. You or I could do it.

Senator BOURNE—I do not know about that, but you might be able to do it.

CHAIR—After four days of public hearings, the brain is getting a bit tired, but you have stimulated a couple of cells somewhere. One of the things that we have not looked at, I think, in terms of our taking of evidence—though educational opportunities have come up on a number of occasions—is that Australia is pretty good at remote area education.

Mr McGuire—Yes.

CHAIR—It would not necessarily need to be at a tertiary level. I am wondering whether or not there would be opportunities, even at primary and secondary level, in some areas in the Middle East.

Mr McGuire—Yes, I think that could be very important. If we could bring primary and secondary teachers out here for three months—six months would be better—and show them how we educate people here, apart from anything else, they would go back with a lot of

goodwill. They would be telling their kids in class about what they did in Australia and that would be very good and very cheap publicity for Australia.

CHAIR—Queensland is probably the area that I know better than most because that is where I come from. My understanding is that they have got virtually the whole of the state primary system wired now. If you are out the back of Woop-Woop, you can hook into the process. It is a tremendous system. Without really knowing the nature of primary education in some of these Middle Eastern areas, it would seem to me that that could be an area that is well worth following up.

Mr McGuire—I think that the problem is that a lot of social infrastructure right through the Middle East suffers from malnutrition and that is caused by the main problem: the conflict, of which the Arab-Israel bit is the focal point. But I have argued that I think the Americans do not have the best interests of the Arabs at heart. So this malnutrition of their infrastructure means that education, water or anything else are suffering because these countries have been persuaded to pour their money into buying arms; then, worse still, every now and then using them, which is madness.

CHAIR—That has been fascinating. Thank you, Mr McGuire.

Mr McGuire—It is a pleasure.

CHAIR—That really has been most helpful. In fact, the last hour has been most helpful.

Mr McGuire—Let us hope your hearings end on a high note.

CHAIR—Thank you for your attendance today. If there is anything that we need to follow up, the secretary will be in contact with you and we will send you a copy of the transcript of the evidence to which you can make corrections if they are necessary. Thank you very much indeed.

[2.39 p.m.]

CALDERWOOD, Mr William Ayre, Deputy Managing Director, Australian Tourist Commission

HUDSON, Ms Margaret, Manager, Corporate Strategy, Australian Tourist Commission

CHAIR—Welcome. The subcommittee prefers that all evidence be given in public, but should you at any stage wish to give any evidence in private you may ask to do so and the subcommittee will give consideration to your request. Although the committee does not require you to give evidence on oath, I should advise you that these hearings are legal proceedings of the parliament and therefore have the same standing as proceedings of the House itself. I invite you to make a short opening statement, if you wish, before we proceed to questions.

Mr Calderwood—Thank you, Mr Chairman, and members of the committee, and thank you for the opportunity to appear in front of you and to talk about the opportunities and the impediments to expanding Australia's trade relations with the Middle East and the Gulf States. The area of expertise which the ATC has is very much inbound tourism. As such, any comments which we make will be limited to this area of the trade. Since we made the initial submission in February this year there have obviously been some developments, changes and updates on various figures which we would like to present and table today.

Over the last few years we have seen solid growth from the Middle East region and as such we classify this region for us as one of the major emerging markets. To put that into perspective, we really have three major emerging markets which we are focusing on at the present time—the Middle East, India and China. The growth we have seen in recent years we expect to continue, with Australia being perceived by the consumers in those markets as a new destination and one which offers a viable alternative to their current travel destinations. If we look at the final figures for 1999, the arrivals from the region were just in excess of 52,000. It represented an increase of some 24.6 per cent on 1998.

Israel, the United Arab Emirates, Kuwait and the Kingdom of Saudi Arabia have led this growth and they are really the major markets which we focus on and which we give our primary attention to at the present time. If we look at the year to date figures for 2000, for April 2000 we have a 14.3 per cent growth. If we look at the moving annual total for the year end April 2000, we have achieved close to 52,000 arrivals as well. It is a very encouraging and positive picture in terms of arrivals growth. The forecast for the next five years show an average growth of almost 20 per cent—19.7 per cent, in fact—which will take us to a total of 123,000 by the end of 2004.

We believe there are a number of factors which are helping us to drive that growth. They include perceptions of Australia as being a destination which is safe, affordable, multicultural, which has increasingly good access by air, and which also provides appropriate tourism product to meet the needs of the various segments which we target in these core markets.

In terms of aviation, the Gulf countries are serviced by several airlines which provide direct access to the main international gateways. Among the airlines which have the most significant structure are Malaysian Airlines and Singapore Airlines. I guess it can be said that some of the appeal of these airlines is enhanced by the opportunity for travellers to stop off on the way at destinations such as Bangkok, Kuala Lumpur and Singapore.

In March 2000, Emirates introduced four new services per week from Dubai to Sydney. That was in addition to the existing seven weekly services they had from Dubai to Melbourne. By the year 2002, Emirates aim to expand their services from the current 11 into Australia to a total of 25. With the introduction of the new Airbus aircraft in 2002, it will give them the opportunity to actually fly nonstop from Dubai to Australia. We know from discussions and submissions they have made that they are also looking to add the additional gateways of both Brisbane and Perth to their Australian ports in coming years.

Gulf Air, likewise, have increased their services. With effect from 1 July they have gone from three to six services per week. Two of these flights will be originating out of Abu Dhabi, linking for the first time the capital of the United Arab Emirates to Australia with a direct link, albeit with a stopover in Singapore on the way through.

In the case of the Australian airlines, Ansett and Qantas are both off-line to this part of the world but they do have extensive general sales agent networks covering almost every major country in the Middle East. They also have an extensive array of interline agreements with the carriers, which cover the Far East and also Australia itself. Sri Lankan Airlines is a new entrant to the Australian market from the Middle East region, with good connecting services via Colombo to Sydney. In addition, we have Egypt Air operating out of Cairo, which has two direct services per week. In the case of Israel, however, there is no direct air service or linking service of any real satisfaction. The connections which we do have are from El Al flying Israel to Bangkok and into Hong Kong. This service has certainly been a contributor to the boost in figures, which we are achieving from Israel as well. Another alternative is to link up with British Airways the connections with El Al to the UK but, of course, that has the disadvantage of adding something like an extra six hours to the flight. In terms of the future, we have noted that Emirates in particular is very aggressive and very ambitious for the route and we know that Singapore Airlines, which are one of our major worldwide airline partners, also have plans to do flights from Tel Aviv to Singapore. These would obviously then link up with their network to provide good access to all major Australian ports. That has not been confirmed but it is certainly part of their plan and that is a discussion which we will be having with them in the future.

If we look at the actual distribution network, the number of wholesalers in the Gulf states and in Saudi Arabia who have launched dedicated Australian tour brochures has increased encouragingly in the last couple of years. There is an operation called Kanoo in Saudi Arabia, one called Omeir in Abu Dhabi and one called DNATA in Dubai which has dedicated Australian tour programs. That is in addition, of course, to the tour programs which both Emirates and Gulf Air have, which feature quite a fair smattering of Australian product. This product is predominantly focused on the east coast—the Gold Coast, Sydney and also Melbourne—which is the main focus for visitation from this part of the world.

There are a lot of Australian operators who have expressed interest in looking at the Middle East but, in reality, at present interest in this area is still very much focused through a tight core of operators. In May of this year we took a delegation across to the Arabian Travel Mart, which was held from 1 to 5 May in Dubai. The Arabian Travel Mart is the largest travel event in the Middle East and indeed the only one which actually serves the pan-Arab region. We were joined by 16 Australian exhibitors at the event and we had very successful feedback and a very successful trade show. Immediately after that, in the period between 6 and 11 May, we also managed a travel mission with 25 Australian participants. On this roadshow, we visited Abu Dhabi, Muscat, Bahrain, Kuwait, Riyadh and Jeddah. The roadshow was very much a training forum for the retail agents who resided in those cities, and had an average attendance of between 30 and 75 at each event. These types of activities we will do again in the foreseeable future, both participating the Arabian Travel Mart and also running a similar roadshow of that type.

Another major thing we have done in the last couple of years is that we have established representation within the region and we have two major representations: one which looks after the Middle East, which is actually based in Cyprus—and I will comment on that perhaps later—and one which is based in Israel. The operation which looks after the Middle East for us, which is called World Aviation, also has associate representations in Bahrain, Egypt and Lebanon. So we have some form of presence in five of the major countries in the region at the present time. Another key result area which is significant in terms of our marketing activity is the fact that over last five years we have had something like 43 journalists come from the Middle East to Australia, sponsored by us and the airlines. They have come from Bahrain, Egypt, Israel, Saudi Arabia and the United Arab Emirates. For this year, 2000-01, we plan to bring out an additional 10 journalists in conjunction with Gulf Air. We have seen an increase in the number of our web site pages being accessed from the region—an increase of some 60 per cent on previous years. Indeed, we have seen in the last three years that the number of Middle Eastern organisations who have come to the Australian travel exhibition, which is our major trade show each year, has grown from two to 14. We also had an additional 21 Middle Eastern buyers attend the Travel Australia Business Show, which focuses on Asian and Middle Eastern countries.

While growth through aviation links, port availability, trade support and representation is strong, the key challenge at the present time to help us maintain that growth and achieve those targets is improving visa processing times, as we outlined in our submission. We have had a lot of discussions with our Immigration colleagues and we are encouraged by some of the developments we are seeing. We are certainly hopeful that this is going to improve. We would like to take a couple of minutes of your time to update you on the recent feedback we have had on some initiatives which Immigration are undertaking.

Immigration are certainly aware of the feedback from the market because we have been feeding through some very comprehensive reports about some of the opportunities and challenges. They are working very closely with us and we are working closely with both DFAT and Austrade in both Canberra and the ports in the Middle East. The regional director for immigration who is based in Athens has appointed a full-time Australian officer to manage agency arrangements. This officer has visited all the approved agents in the region in the last four months to assist with training, liaison, guidance and support. He is also in the process of engaging additional new agents with a view to expanding arrangements within the region. We

have a list here today of the existing agents who are on the agency list. In simple terms, they process the visa applications. We will table that list today.

Other initiatives include the appointment of an Australian based officer in Dubai. The duration at this stage is for only four months through to the end of the Olympics but it will possibly be extended beyond that. We understand that DFAT is also planning to place some dedicated visa issuing staff in the embassy in Riyadh to cater for members of the royal family. Immigration have also reported that they are looking to move towards a simplified one-page visa application form, which would be more efficient for the agents to use. We know that Dubai and Saudi Arabia have also minimised the additional information required to process the visas.

As we look to the future, we understand that in the first 18 days of this current financial year Immigration in Dubai have received 3,400 visa applications—that is almost 25 per cent of the total number of applications lodged in the whole of 1999-2000. In 1999-2000 we saw visa numbers rise by 42 per cent. Based on these numbers, the forecast growth which we are looking at could be anywhere between 30 and 50 per cent for the forthcoming financial year, with potentially almost one-half of visa applications being received in one month. That is a very optimistic prognosis, which is obviously based on the assumption that the visa application process will indeed be simplified. It is also based on a belief that we will not be placed at a competitive disadvantage by some of the other competitive countries which are targeting this region as well, in particular New Zealand.

In summary, having laid the groundwork for both the trade and the consumers in the region, we believe that as we look at this region over the next five years Australia is certainly well positioned to capitalise on the potential growth which will come in the form of very high yield customers for us. On that note, I would like to finish my initial comments and invite questions from the committee.

CHAIR—Thank you very much indeed for a most comprehensive briefing. It is nice to end this round of hearings with some good news. That increase is phenomenal. Are those visa applications all for the time of the Olympics or is it a bit broader than that?

Mr Calderwood—We have seen that the peak travel time for this market is between July and September anyway. We would normally expect to see that the vast majority of new visa applications would come around this time of year. Having said that, however, it is an encouraging increase over the previous year and also it coincides with some new tactical campaigns that we have been developing in conjunction with some key partners there. The feedback, which we are getting from our London office that has responsibility for this region, is that the next six months are looking very encouraging. The Olympics is one factor, but we cannot simply put this down to the Olympics. The increase in air capacity is certainly another significant factor. There has been an investment by both Emirates and Gulf Air to increase the capacity of their services. This obviously will not only feed the nationals from the Middle East; it will also pick up traffic coming through from Europe. There is obviously an incentive for them to get behind the destination and to apply some more resources as far as promotion is concerned. So that has been very positive for us.

Having mentioned the Olympics, as in all parts of the world where the Olympics are held, the big opportunity for us in the Olympics will be the additional exposure that we will get. We are starting to see some of that coming through, and we undoubtedly will see a lot more over the next 50, 60 or 70 days.

CHAIR—There are a few full house signs up at the Gold Coast at the moment in the hotel industry—it is really quite amazing. A lot of that is because teams are out here for training, visiting friends and that sort of thing. You refer to the fact that they are high spending tourists: how high do they spend? Would they be the equivalent of some of the up-market Germans or better?

Mr Calderwood—They are better, actually.

CHAIR—Do you have any idea how much they would spend in a day?

Mr Calderwood—I can tell you what they spend on an average. It is in excess of $5,000.

CHAIR—Per day?

Mr Calderwood—No, for the total duration of the trip. We wish it was $5,000 per day.

CHAIR—So do I.

Mr Calderwood—I have so many figures here; let me just find them. The average expenditure in Australia itself is $5,587. The median stay in Australia, rather than the average stay because we find sometimes that the average stay figures tend to distort it, is 27 nights. My quick calculation says that is an average of $200 per night, which is very high. In fact, it is one of the highest yielding destinations. The significant thing is that the average expenditure on their total trip to Australia is something like $8,000, of which $5,500 is spent directly within Australia. That really is the thing that we are most interested in. It is very high and it is driven by the fact that a lot of the travellers who come to Australia come in groups of perhaps up to eight plus. Therefore, they travel with their immediate support family and support team. That certainly is a big factor in driving that type of expenditure.

CHAIR—So they are not all members of the Saudi royal family? There is this emerging middle class that is travelling.

Mr Calderwood—There is an emerging middle class and that really is the opportunity for us in the future. There is big outbound travel from the Middle East to different parts of the world. Traditionally they had been focusing on Europe and the USA. There is an opportunity for us to try and convince those who are experienced and sophisticated travellers that Australia is one of the alternatives. That is what we are targeting. There are two major segments that we are going after in the market. There are the Arab nationals and, in the case of Israel, it is the younger segment and also the ex-patriots. The bulk of our opportunity in the future, we believe, will certainly be with the nationals of these countries. There is an emerging middle-class segment who have the money and the intention. We just have to make sure we build the awareness and the interest in the destination called Australia.

CHAIR—The Israeli Tourist Office gave evidence yesterday and they were quite confident about the inbound market into Australia out of Israel. They touched on what you were saying about youngsters and the need for work permits to really cash in on that market. They gave an indication, as I think you have in your submission, that language is not really a problem with the Israelis. They adapt fairly easily. Is language a difficulty in the other Gulf states?

Mr Calderwood—No, not for the consumers that we are targeting. English is not an issue for them. We know the history of some of the parts of the area. It has a strong association with the British over many years and English is widely spoken. Language is not an issue, as it is not in Israel. We are fortunate that we do not have that challenge to overcome in this part of the world.

CHAIR—Culturally, has the industry got much to learn or develop?

Mr Calderwood—They could probably teach us some things sometimes. Are you talking about the Australian industry?

CHAIR—Yes. Is there any particular thing that we need to concentrate on to ensure that tourists get decent satisfaction out of their visits?

Mr Calderwood—The Australian industry is extremely adaptable. Over the years we have been able to fairly quickly adapt to and understand the sensitivities and the cultural requirements of different markets. It is likewise with the Middle East. There are obviously some dietary obligations in some of the countries that we need to be cognisant of. In particular, those areas of Australia where they are travelling to need to be very much focused on that, whether it be halal or kosher food. I am not concerned about that; I think the Australian industry is well apprised of that. A number of Australian operators are now travelling to the region with us on these missions and when they go one of the major opportunities for us as an organisation, through our representation there, is to give them a complete briefing on the style of travel, the inclusions and the different types of product experiences which their market is looking for. The more that happens, the more culturally sensitive they become. Indeed, we have seen that, in the case of the United Arab Emirates, Kuwait and Saudi Arabia, one of the tourists' major, favourite destinations has been the Gold Coast. The businesses on the Gold Coast are very good at adapting to different concerns. So, it is always an ongoing focus that we must have, but I think we are handling it very well.

CHAIR—You mentioned security not being a real difficulty. Why would they pick the Gold Coast? Is it because it is clean and green and has theme parks?

Mr Calderwood—It is a combination of things. It is the type of accommodation, the theme parks, the food and the beaches. It is a destination which provides for all members of the travelling party—there is always something of interest. There is something there for the children, for the ladies of the household—be it shopping—and for the gentlemen as well. It also provides a good variety of accommodation—they can have very good quality serviced apartments et cetera—so that has been one of the major factors. In the past a lot of the travel from these parts of the world has focused on places like Florida and Miami. The Gold Coast is certainly seen as one of the feasible alternatives to that type of holiday, experience and style.

CHAIR—You made reference to World Aviation representing you. I assume that is World Aviation Services, Mr Kassar's group?

Mr Calderwood—No, it is not; it is a gentleman called Nick Moudarri.

CHAIR—How does it operate? Is the agency virtually franchising?

Mr Calderwood—He acts as a representative. He has to represent that he is acting on our behalf as an agent. He cannot contract on our behalf. He cannot use our name. He is there to look after our interests, which primarily involve working with the trade, the airlines and different types of media. We have a very clear set of guidelines on how representatives can conduct and present themselves. We have learnt from experience in the past that we have to keep a very close watch on that because there are legal obligations, as you would appreciate.

CHAIR—Why does he operate out of Cyprus? Is that because it is neutral territory?

Mr Calderwood—Good question. I am not sure. I think it is a case of lifestyle and affordability. He is quite a personality in the region and has worked with various airlines for many years. Before we appointed him, he was also—and he still is—the general sales agent in the region for Ansett. So he has a long history of knowing the region and how the distribution network works and of understanding Australia. Why is he based in Cyprus? I guess that is personal preference. But as I said, he has associations and alliances with other operators who represent some of our interests in Lebanon and Beirut.

CHAIR—I do not think you really mentioned Lebanon in your run-down as a potential market. With such a large Lebanese population here—and I guess, because of civil wars and the rest of it, it probably has not quite picked up—I guess Lebanon has to have some potential for us too.

Mr Calderwood—If we look at the number of arrivals from Lebanon—and one of the challenges we have is trying to find completely accurate numbers—there are about 3,700 per year. We do not have precise figures on the purpose of the visits, but we suspect a large proportion of that 3,700 is VFR. That is the traffic which will happen, and therefore the opportunity for us is to try to target some segments of that market which have the potential to travel and to spend moneys. While we have a presence there, it is early days. We are not spending serious dollars in that particular marketplace. It is very much to try to work with the media and with some aspects of the trade. It is early days. If we look at where the numbers really come from in the region, the two big markets for us in the region itself are Israel and the United Arab Emirates. There is a whole series of other countries providing 4,000 or 3,000, but we cannot have a presence everywhere. We have to be pretty single-minded in targeting some key countries.

Senator BOURNE—Could I just ask about the ETA arrangements that you mentioned. I notice in your submission you say that there may be some addition of Middle Eastern nationalities to the ETA list after the Olympics. Do you have any idea which nationalities they would be?

Mr Calderwood—The immigration department have indicated in our discussions with them that they are not reviewing the addition of ETA to any country in the world until at least after the Olympics. So the same principle applies to the Middle East. They have not indicated at this stage that there are any specific countries in the Middle East which will likely be added to the ETA. At this stage, we understand that their major focus is looking at ways in which they can extend the number of agents who have the privilege of processing the visa applications. They are also looking at ways in which, in addition to Athens and Dubai, they can provide some other facilities which might speed up the process. I guess if you look at the whole visa issue at the present time—and I did mention New Zealand before as being a potentially competitive destination—it is pretty much visa free out of the Middle East.

Senator BOURNE—And we cost $120—and that is just the start.

Mr Calderwood—We do not think the money is the issue.

Senator BOURNE—But it is very difficult.

Mr Calderwood—The money is not the issue; they can afford that. I think it is more the delay and the inconvenience, and perhaps the message we sometimes send.

Senator BOURNE—We have had that evidence.

CHAIR—Too expensive, too slow and too restrictive.

Senator BOURNE—Yes, that is the message.

CHAIR—I wonder why they would say that it is restrictive? Would we be knocking back many?

Mr Calderwood—I do not have any specifics on what the rejection rates are. I am sorry, I cannot answer that.

Senator BOURNE—You mentioned the Arabian travel market. How long have you been doing that? Is that something you have just started to target?

Mr Calderwood—We first had a presence there about four years ago, and we did it in conjunction with three states. Basically, New South Wales, Victoria and Queensland have had the major focus. For the last two years we have actually increased our presence. Four years ago we had a pretty small presence. It was a new market, we really had no representation and we had allocated very little funding to the market. We were allocated supplementary funds in the budget three years ago. We identified the Middle East as an emerging market, and we justified the spending of some of those supplementary funds to try to build it up. One of the consequences was the appointment of representation. The second was the beefing up, if you like, of a presence in the Arabian travel mart, which has grown each year in the number of Australian operators who have participated.

In addition to that, we have also brought the buyers to Australia to take part in trade shows. That has opened the eyes of much of the Australian industry to what the potential is. I guess the best illustration was in October 1998, when we brought out some 15 buyers from the Middle East to Brisbane to take part in TABS, the Australian business show. It was a happy coincidence that part of the show was based in Brisbane and part of it was based on the Gold Coast, so the product was right for them. It opened the eyes of many of the Australian operators. Since then we have had increasing interest in the marketplace. We have also seen that the Australian industry are increasing not only their focus but also their willingness to invest time and money in helping us to develop a marketplace. We will continue with ATM.

Senator BOURNE—It sounds to me that whatever you are doing, and the combination of your strategies, seems to be working. It could just be the Olympics, but it does not sound like it. It sounds like the visitor numbers are well and truly getting much higher.

Mr Calderwood—It is not just the Olympics; we have seen this type of growth over the last couple of years. You cannot build a market unless you get good air access. When we get the air access it gives us the confidence to move into the market and actually start to stimulate it in other ways as well. That has certainly been a factor, and we have absolutely no doubt that it will continue to be a factor. As I mentioned, a lot of the interest in the airlines is not necessarily because of the uplift traffic out of the Middle East; it is the through-traffic as well. I am sure that Qantas have had some things to say about that. It certainly helps us. We try to fully take advantage of it. The Olympics have increased awareness but they have not been the major catalyst for this type of growth.

Senator BOURNE—You mentioned India and China as other emerging markets. Is this market growing at a faster rate than those or at a slower rate?

Mr Calderwood—They are off different bases. If you look at the numbers from China for the year ended December, it was just 101,000 or about 25 per cent growth. From India it was at about 40,000, with not quite as high a growth. Here we are looking at 24.6 per cent and 52,000, so it is moving along at a good pace. Let me give you the specific figures rather than relying on memory. China for December had 98,000 or 28 per cent growth. India was 34,000 or 14.4 per cent.

CHAIR—I would like to clear up one thing with regard to your Internet service. That is not in Arabic, that is in English.

Mr Calderwood—Yes.

CHAIR—Is it an advantage for you or any other Australian operator to go into an Arabic site?

Mr Calderwood—We have introduced language versions of our site. It is an ongoing development which we are undertaking. There is a simplified approach and there is a more complicated approach. With simplified approaches we do between seven and 10 gateway pages which are designed for the marketplace, and they will be in specific languages. Then there is a full translation option as well, which is obviously a far more expensive and lengthier process.

We have not, at this stage, looked at the opportunity of introducing Arabic language versions for the reason I mentioned before. The segments which we are targeting tend to be very proficient in English and therefore we think that it is best at this stage that we allocate the resources we have, which are still limited, to doing more work on the ground with trade and to try and promote the destination in that way.

CHAIR—The reason I raise it is that we had evidence in Melbourne from a gentleman who was talking about some technical device, which is probably a bit beyond my tiny brain to comprehend, that provides an automatic translation service that will be going in. He is promoting the concept of Australian businesses moving into that sort of thing. Bill and Margaret, I thank you very much for being with us today and for that evidence. That is good to have. It certainly confirms some of the previous evidence we have had from other sources.

Mr Calderwood—So it is consistent, is it?

Senator BOURNE—It certainly is.

CHAIR—It is with most. Thank you for your attendance. If there is any additional information we might require, the secretary will be in contact. We will send you a copy of the transcript of your evidence, to which you can make corrections, if necessary.

Mr Calderwood—Mr Chairman, if we could also table a copy of *Profile: Your Guide to Marketing in the Middle East*, the publication we produce for the trade which gives a comprehensive range of statistics about the marketplace as well.

CHAIR—Marvellous. Thank you very much indeed.

Resolved (on motion by **Senator Bourne**):

That the document presented by the Australian Tourist Commission, *Profile: Your Guide to Marketing in the Middle East*, be included in the record of the subcommittee as an exhibit for the inquiry into Australia's relations with the Middle East.

Resolved (on motion by **Senator Bourne**):

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

Subcommittee adjourned at 3.16 p.m.