

Senate, Monday 27 September 1999

COMMITTEES: Foreign Affairs, Defence and Trade Committee: Joint : Report

Senator FERGUSON (South Australia)(4.01 p.m.) —I present the report of the Joint Standing Committee on Foreign Affairs, Defence and Trade entitled *Bougainville: the peace process and beyond*, together with the Hansard record and minutes of proceedings. Ordered that the report be printed.

Senator FERGUSON —I seek leave to move a motion in relation to the report. Leave granted.

Senator FERGUSON —I move:

That the Senate take note of the report.

On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I am pleased to present a report on the Bougainville peace process. The report is entitled *Bougainville: the peace process and beyond* in order to emphasise that the committee's inquiry had a focus that went further than simply a historical review of the peace process since mid-1997.

As an important part of the inquiry, a delegation of committee members visited Port Moresby and Bougainville in March this year. The visit provided an excellent opportunity for the nine members to see for themselves the extent of the destruction of Bougainville's physical, economic, social and political infrastructure. Most importantly, the visit enabled the delegation to hold frank discussions with most of the key participants in the peace negotiations and to gauge the scale of the reconstruction and rehabilitation tasks facing Bougainville. The visit program also enabled the delegation to visit several Peace Monitoring Group team sites, as well as major AusAID funded projects, such as the Bishop Wade High School, the Talena Specialised Training Centre, the Buka district hospital and the upgrade of Buka airport.

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

In conjunction with other regional countries, Australia has made a major contribution to advancing the peace process—through political and diplomatic efforts, through our substantial bilateral aid program with Papua New Guinea and through the excellent work of the regional Peace Monitoring Group stationed in Bougainville. Australia is not a party to the peace negotiations. The question of Bougainville's future political status is therefore one to be resolved by the PNG government, the people of Bougainville and their leaders. However, in bilateral discussions, and in conjunction with other countries of the region, Australia may be able to support education processes designed to reduce differences in perception between the negotiating parties.

In this report, the committee has expressed confidence that, despite occasional setbacks, the peace process has continued to move forward. While major divisive issues still remain to be resolved, the committee views such developments as the peaceful elections in May 1999 and the successful establishment of the Bougainville People's Congress as very positive signs that the aims and objectives of the Lincoln and subsequent agreements will be achieved in the not too distant future.

The committee recognises the possibility that tensions could again erupt if there appears to be any faltering on the part of the PNG national government in its resolve to pursue the peace negotiations and to restore effective civil administration to Bougainville. A chapter of this

report is devoted to evaluating the role of the Truce and Peace Monitoring Groups in Bougainville since monitoring operations began in December 1997. The important contribution of both groups to facilitating the peace negotiations, and the neutrality with which their responsibilities have been discharged, have been widely recognised. Acknowledging that the Peace Monitoring Group operation is not an open-ended commitment, the committee has recommended that clear guidelines for the phasing out and eventual withdrawal of the PMGs be developed in conjunction with our regional partners in the Peace Process Steering Committee.

Australia is by far the largest donor of external aid to Papua New Guinea and Bougainville. For 1999-2000, the estimated total PNG aid program amounts to \$328.9 million, which includes aid to Bougainville of approximately \$21.5 million. Since 1991, Australia has contributed around \$45 million in aid to Bougainville, and projects currently under way or planned represent a commitment of some \$66.3 million. These projects have been listed in appendix L of the report.

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

The committee is very aware that external aid will be needed in Bougainville for some time to come. Apart from the immense human tragedies of the violent conflict, there has been an almost total destruction of the province's political, social, economic and physical infrastructure. Restoration of basic communications, law and order and other essential services are huge tasks which will take many years.

In suggesting ways in which the delivery of Australian aid could be improved, the committee acknowledges the significant contributions already made by Australia's aid program to Bougainville, often under very difficult conditions. Nevertheless, the committee has sought to achieve greater flexibility and responsiveness in external aid delivery and to encourage maximum involvement of Bougainvilleans in all phases of the aid projects. Several of the report's recommendations focus on the need to achieve a balance in aid delivery, in the form of a more even geographical distribution, as well as an appropriate mix of major infrastructure projects and smaller, community based projects.

In the report, the committee has also highlighted the need to give further consideration to the feasibility of funding recurrent costs such as salaries or overheads. Some completed projects lend themselves to continuation of support—for example, the pilot training program for auxiliary police which was conducted in Arawa. Nor has the report neglected the important fields of reconciliation and trauma counselling in recommending areas for further attention. Above all, the committee has endorsed the aim expressed in much of the evidence received, bringing about a 'Bougainville-led' recovery in which a wide cross-section of the people of Bougainville have the opportunity to benefit from the 'peace dividend'.

At various times during the inquiry, the situation in East Timor was raised in the context of its potential to affect the level of assistance to Bougainville. Earlier this year, reassurances were given that there were no plans to divert aid from Bougainville. However, since the recent referendum conducted in East Timor under the auspices of the United Nations, the scale of the human tragedy has escalated dramatically. At the time the report was being written there were harrowing reports of intimidation and violence against the civilian population by armed militia, with the apparent complicity of elements of the Indonesian security forces. The

dimensions of the looming humanitarian disaster have been tempered to some extent in recent days by the presence of the multinational peacekeeping force, INTERFET, led by an Australian commander, Major General Peter Cosgrove.

The committee welcomes Australia's additional contribution of emergency aid relief for displaced East Timorese, which was announced last week. While recognising the scale of the tragedy which continues to unfold in East and West Timor, and Australia's commitment to assist where possible, the committee would not want the situation to divert attention from the necessary work that still needs to be done to assist the recovery of Bougainville and its people after 10 years of fighting which resulted in so much death and destruction.

When the report was being written, events were still moving rapidly in Port Moresby and Bougainville, and negotiations are still continuing between the PNG government and the various Bougainville leaders, and between faction leaders in Bougainville, on key issues such as disarmament, political autonomy and the transition to a Bougainville reconciliation government. In the middle of this year, the negotiations were conducted against a backdrop of acute political instability at central government level, which culminated in the sudden resignation of Prime Minister Skate in July. The committee encourages the new Morauta government to keep Bougainville firmly on the national agenda.

Although the report presented today marks the conclusion of the committee's current inquiry, it by no means signals the conclusion of the committee's interest in Bougainville and in Papua New Guinea as a whole. Accordingly, the committee will continue to monitor developments in Bougainville with great interest as the peace process continues to unfold.

In conclusion, I commend those involved in the secretariat, particularly Cliff Lawson, as this inquiry has gone over the sitting of two parliaments. The work that they have put into the writing of this comprehensive report *Bougainville: the peace process and beyond* is to be commended. I commend the report to the Senate.

Senator QUIRKE (South Australia)(4.11 p.m.) —I do not want to take up too much time of the Senate here today because I understand we have a time limit on this particular debate and there are other reports that hopefully we can slip through before that time expires. As a member of that delegation that went to Bougainville—and I have spoken here before on the interim report—I want to associate myself with the remarks that have been made by Senator Ferguson. I think it was a very valuable and useful exercise earlier this year. I would emphasise very strongly the fact that this report, I think, covers the basic issues that came up there and, indeed, nothing has changed my mind in the last six months to suggest that the Bougainville peace process will not be a very long one.

A friend of mine was up there the other week as a visiting Reserve Army surgeon, and he came back with pretty much the same conclusions that I did. He indicated very strongly to me that we are going to have a long-term involvement up there. Although certain elements of the Peace Monitoring Group may be able to come home, I think Australia's role in Bougainville will be necessary for some considerable time to come. I commend the report to the Senate. Question resolved in the affirmative.