

## External Territories

### Background

- 2.1 The committee was briefed on the administration of New Zealand's external territory of Tokelau about financial assistance, economic development and service delivery such as health and education. New Zealand's relationship with the self governing Niue and Cook Islands was also discussed in a similar context.
- 2.2 With the information it received, the committee was able to compare and contrast the administration of Australia's external territories.
- 2.3 At the time of the committee's visit to New Zealand, the committee was inquiring into the changing economic environment in the Indian Ocean Territories, while also keeping a watching brief on proposed administrative law reform on Norfolk Island. In this context, when the committee met with the FADT committee, FADT members broadly discussed the interim findings and the method of inquiry, in relation to its inquiry into New Zealand's relationship with South Pacific countries.
- 2.4 The committee was also able to relay its experience in conducting inquiries into Australia's external territories and the progress that was underway at the time concerning the inquiry into the changing economic environment in the Indian Ocean Territories.
- 2.5 In addition, the committee met with representatives of Antarctica New Zealand and the Ministry of Foreign Affairs and Trade to discuss issues regarding research and funding for New Zealand's presence in Antarctica including its external territory of the Ross Dependency.

- 2.6 An outline of the issues discussed with the committee about New Zealand's external territories of Tokelau and the Ross Dependency and the Select Committee on Foreign Affairs, Defence and Trade follow.

## **New Zealand's role in the Pacific**

- 2.7 New Zealand has close connections with many Pacific nation countries developed through migration, travel, trade and by way of constitutional arrangement. In recent years New Zealand's relationship with Pacific countries has grown stronger with increased migration from Samoa, the Cook Islands and Niue.<sup>1</sup>
- 2.8 Part of New Zealand's relationship with the Pacific involves providing financial assistance to bolster economic development and mitigate long term poverty. In 2008-09, the New Zealand Government contributed approximately \$471 million for international development assistance. In addition, over the period 2009-10 to 2011-12, New Zealand will provide \$756 million for Pacific development.<sup>2</sup>
- 2.9 Along with Australia, New Zealand has a major role in promoting and strengthening cooperation and integration in the Pacific region. New Zealand's international financial assistance contribution for the Pacific region is aimed at reducing poverty by:
- Addressing basic needs such as education and health
  - Fostering economic growth
  - 'Supporting the rule of law and access to justice.'<sup>3</sup>
- 2.10 Papua New Guinea, the Solomon Islands and Vanuatu are the main recipient countries of New Zealand's aid contribution in the Pacific region with the next major contributions provided to Fiji, Kiribati, Samoa, Tonga and Tuvalu.<sup>4</sup>

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1 NZAID, Pacific Countries, NZAID snapshot, viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

2 NZAID, Pacific Countries, NZAID snapshot, viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

3 NZAID, Pacific Countries, NZAID snapshot, viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

4 NZAID, Pacific Countries, NZAID snapshot, viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

- 2.11 New Zealand's constitutional obligations extend to the Cook Islands, Niue and Tokelau. Tokelau is an external territory of New Zealand, while the Cook Islands and Niue are self governing and in free association with New Zealand.

## Tokelau

- 2.12 Tokelau in the Pacific is one of two of New Zealand's external territories. The Ross Dependency in Antarctica is the second of New Zealand's external territories and is discussed later in this chapter.
- 2.13 Tokelau is located 500 kilometres north of Samoa and is only accessible via a 24 to 30 hour boat trip from Samoa. Tokelau is comprised of three coral atolls<sup>5</sup>, separated by 60 kilometres of ocean. Total land comprises 12 square kilometres. Tokelau rests 3.5 metres above sea level and as a result is susceptible to the effects of climate change and natural disasters.<sup>6</sup>
- 2.14 The population of Tokelau is approximately 1500. About 1200 persons permanently reside on Tokelau, with the remaining 300 living in New Zealand.<sup>7</sup>
- 2.15 The 2003 Joint Statement of Principles of Partnership between New Zealand and Tokelau outlines New Zealand's obligations in supporting Tokelau, while the Economic Support Arrangement 2007-08 to 2009-10 'is designed to assist with Tokelau's budgetary and development needs.'<sup>8</sup>
- 2.16 Tokelau is administered through the Office of the Administrator of Tokelau, which comprises officers from NZAID<sup>9</sup> and the Ministry of Foreign Affairs and Trade.<sup>10</sup>
- 2.17 With limited land, Tokelau imports the majority of its fresh food and as result of its small, dispersed population and narrow income base, has limited capacity to deliver health and education services. Tokelau's revenue predominantly consists of assistance from New Zealand with additional income derived from fisheries, stamps and coins.<sup>11</sup>

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5 Tokelau's three coral atolls are: Fakaofu, Nukunono and Atafu.

6 NZAID, June 2009, Tokelau Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

7 NZAID, June 2009, Tokelau Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

8 NZAID, June 2009, Tokelau Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

9 'NZAID is the New Zealand Government's international aid and development agency within the Ministry of Foreign Affairs and Trade.' NZAID, viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

10 NZAID, June 2009, Tokelau Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

11 NZAID, June 2009, Tokelau Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

- 2.18 New Zealand provides approximately \$30 million in financial assistance annually to Tokelau, which accounts for 96 percent of Tokelau's budget. In addition, New Zealand provides technical aid to Tokelau. Assistance to Tokelau includes 'developing and maintaining infrastructure, providing education and health services and capacity, and undertaking economic development activities.'<sup>12</sup>
- 2.19 As part of Tokelau's national infrastructure priorities New Zealand has provided assistance for schools on Atafu and Fakaofu, a health centre on Nukunonu and is looking at improving transport services to and from the atolls.<sup>13</sup>

## The Cook Islands

- 2.20 The Cook Islands are located near Samoa, Kiribati and Tahiti and consist of 15 islands and atolls that are spread over approximately two million square kilometres of ocean. The total population of the Cook Islands is approximately 22 000 and concentrated on the island of Rarotonga.<sup>14</sup>
- 2.21 Since 1965, the Cook Islands have been self governing and in free association with New Zealand. This arrangement provides that citizens of the Cook Islands are also citizens of New Zealand 'and [have] unrestricted access to residence and work in New Zealand.'<sup>15</sup>
- 2.22 In 2008-09, New Zealand contributed \$15 million to the Cook Islands. The amount provided in financial assistance will increase 'significantly over the next three years to support an increased focus on sustainable economic development.'<sup>16</sup>
- 2.23 In particular, the financial assistance is being used to support the marine resource sector, develop infrastructure, improve disaster response and risk management, improve education and health services and improve governance in the public and private sectors.<sup>17</sup>

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12 NZAID, June 2009, Tokelau Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

13 NZAID, June 2009, Tokelau Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

14 NZAID, June 2009, The Cook Islands Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

15 NZAID, June 2009, The Cook Islands Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

16 NZAID, June 2009, The Cook Islands Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

17 NZAID, June 2009, The Cook Islands Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

- 2.24 Since 2004, Australia and New Zealand have combined their financial aid programs for the Cook Islands. The combined program is managed by NZAID<sup>18</sup> on behalf of AusAID.<sup>19</sup>
- 2.25 Approximately half of the gross domestic product of the Cook Islands is contributed by tourism in addition to exporting fish, black pearls and fruit.<sup>20</sup>
- 2.26 Similarly to Tokelau, the Cook Islands are susceptible to natural disasters and have limited health, education and transport services. In addition, access to fresh produce and potable water is also limited.<sup>21</sup>

## Niue

- 2.27 Niue is 'a single raised coral atoll of 260 square kilometres' located approximately 550 kilometres southeast of Samoa with a population of about 1500.<sup>22</sup>
- 2.28 Since 1974, Niue has been self governing and in free association with New Zealand. Similarly to the Cook Islands, this arrangement means that Niueans are able to enjoy the benefits of New Zealand citizenship.<sup>23</sup> Approximately 20 000 Niueans reside in New Zealand.<sup>24</sup>
- 2.29 In 2004, the Governments of New Zealand and Niue entered into a program of strengthened cooperation to ensure closer cooperation between New Zealand and Niue public sector agencies. This arrangement has facilitated a greater focus on developing economic sustainability into the future.<sup>25</sup>
- 2.30 In 2008-09, New Zealand provided \$21.5 million in assistance to Niue which included \$5 million towards the Niue International Trust Fund (the Fund) for the purpose of providing Niue 'with an independent source of revenue in the future.'<sup>26</sup>

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18 NZAID, June 2009, The Cook Islands, viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

19 'AusAID is the Australian Government agency responsible for managing Australia's overseas aid program.' AusAID, viewed 24 May 2010, <<http://www.ausaid.gov.au>>.

20 NZAID, June 2009, The Cook Islands, viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

21 NZAID, June 2009, The Cook Islands Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

22 NZAID, June 2009, Niue Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

23 NZAID, June 2009, Niue, viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

24 NZAID, June 2009, Niue Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

25 NZAID, June 2009, Niue Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

26 NZAID, June 2009, Niue Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

- 2.31 The Fund currently sits at \$36 million and is intended to be used to manage budgetary shortfalls, thereby lessening future reliance on external assistance. The Fund is not expected to be used until 2014. Until that time, the Fund is being contributed to by New Zealand, Australia and other parties.<sup>27</sup>
- 2.32 In addition, New Zealand provides financial assistance for Niue to improve infrastructure, assist in developing the tourism industry and improving transport.<sup>28</sup>

### **Inquiry into New Zealand's relationship with South Pacific countries**

- 2.33 The FADT committee inquiry into New Zealand's relationship with South Pacific countries provided the committee with an opportunity to discuss the current issues facing Pacific nation countries.
- 2.34 The inquiry into New Zealand's relationship with South Pacific countries commenced on 15 March 2007 with an interim report presented in September 2008. The inquiry was ongoing when the committee met with the FADT committee.
- 2.35 The terms of reference of the FADT's inquiry were 'to investigate the role New Zealand plays and can play in assisting Pacific Island Forum nations (excluding Australia) to develop sustainable economies, with particular attention to the following:
- Identifying New Zealand's key interests and responsibilities in countries belonging to the Pacific Forum
  - Identifying strategic threats to New Zealand's relationship with Pacific Forum members
  - Identifying opportunities to advance New Zealand's relationships with governments and peoples in the Pacific Forum countries
  - Identifying current and potential actions to encourage sustainable economic development in, and two way trade with, Pacific Forum countries
  - Identifying the strategic objectives for expenditure of New Zealand Aid in Pacific Forum countries
  - Identifying the appropriate level and type of aid.'<sup>29</sup>

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27 NZAID, June 2009, Niue Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

28 NZAID, June 2009, Niue Fact Sheet , viewed 24 May 2010, <<http://www.nzaid.govt.nz>>.

2.36 At the time of the committee's visit, the inquiry had received 69 written submissions and heard from 37 individuals and or organisations. In its interim report, the FADT committee stated:

We believe that New Zealand must engage as a partner with Pacific Island nations to improve the economic, social, political, environmental, and cultural well-being of the diverse communities of the Pacific.<sup>30</sup>

## Conclusions

2.37 The committee's discussions with officers from NZAID and the Ministry of Foreign Affairs and Trade were useful in gaining an insight into the economic and social issues facing neighbouring pacific nations.

2.38 In addition to gaining a better understanding of these issues, the committee was able to gain an understanding of the current policy approach applied by New Zealand in providing services to remote locations such as Tokelau, the Cook Islands, Niue and other Pacific nation countries.

2.39 Discussion about the general aspects of the FADT committee's inquiry provided the committee with a background to the general issues facing small island economies. These issues included: the negative economic and social impact of isolation on a small population in terms of transport, communication, access to services and fresh produce, and more generally the high cost of living. Possible solutions to address the negative impact of geographic isolation such as improving economic development and improving tourism were also discussed.

2.40 The committee believes the topics discussed were beneficial in assisting it to gain a greater understanding of the issues faced by small island economies. In addition the discussions highlighted the importance of continuing financial and technical assistance for the Pacific region by New Zealand and Australia.

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29 Select Committee on Foreign Affairs, Defence and Trade, *Interim report*, Inquiry into New Zealand's relationship with South Pacific countries, New Zealand House of Representatives, September 2008, p. 1.

30 Select Committee on Foreign Affairs, Defence and Trade, *Interim report*, Inquiry into New Zealand's relationship with South Pacific countries, New Zealand House of Representatives, September 2008, p. 2.

## New Zealand's role in Antarctica

### Background

- 2.41 The committee was briefed in regard to New Zealand's role and presence in Antarctica. The committee met with the Chief Executive and staff of Antarctica New Zealand at the Antarctic Visitors Centre in Christchurch and then undertook an inspection of the centre.
- 2.42 Through its meeting and inspection, the committee was briefed about the financial, technical and labour contribution of New Zealand's presence in Antarctica, in particular its research support activities.
- 2.43 In Wellington, the committee met with representatives of the Ministry of Foreign Affairs and Trade, the Ministry of Research, Science and Technology and the Ministry of Fisheries, the Foundation of Research, Science and Technology and GNS Science.
- 2.44 The second round of meetings provided the committee with an opportunity to gain an understanding of the long term research and policy focus of New Zealand's contribution to Antarctica.
- 2.45 A summary of the issues discussed and information provided to the committee in regard to Antarctica follows.

### Ross Dependency

- 2.46 The Ross Dependency is an external New Zealand territory located in Antarctica. New Zealand's Scott Base is located in this area as is the McMurdo Station which is managed by the United States of America (USA).<sup>31</sup>
- 2.47 New Zealand is one of seven countries<sup>32</sup> that have a territorial claim on Antarctica.<sup>33</sup> New Zealand's presence in Antarctica and claim on the Ross

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31 Antarctica New Zealand, May 2010, Antarctica New Zealand Statement of Intent 2010-2013, p. 7.

32 The other countries which have a territorial claim on Antarctica include: Argentina, Australia, Chile, France, Norway and the United Kingdom. Secretariat of the Antarctic Treaty, viewed 2 June 2010<<http://www.ats.aq>>.

33 Secretariat of the Antarctic Treaty, The Antarctic Treaty, viewed 2 June 2010<<http://www.ats.aq>>.



Dependency is defined by its obligations under the 1961 Antarctic Treaty.<sup>34</sup>

- 2.48 Based in Christchurch, Antarctica New Zealand was established in 1996<sup>35</sup> and is the agency responsible for developing, coordinating and managing New Zealand's presence in Antarctica.<sup>36</sup>
- 2.49 New Zealand has remained influential in its 'participation and collaboration with international Antarctic forums' including the Antarctic Treaty Consultative Meeting, the Committee for Environmental Protection and the Council of Managers of National Antarctic Programmes.<sup>37</sup>
- 2.50 Antarctica New Zealand manages the Scott Base, New Zealand's Antarctic research station and maintains an 'operational presence in the Ross Dependency for the benefit of present and future generations of New Zealanders.'<sup>38</sup>
- 2.51 In coordinating its presence in Antarctica, Antarctica New Zealand:
- Supports scientific research
  - Conserves the 'intrinsic values of Antarctica and the Southern Ocean'
  - Raises 'public awareness of the international significance of the continent.'<sup>39</sup>
- 2.52 As part of its presence and in support of activities in Antarctica, Antarctica New Zealand has a long standing joint logistics effort with Italy and the USA. As part of these support activities, the Antarctica New Zealand support team maintains the safety, environmental and technological

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34 The Antarctic Treaty was signed by twelve countries in Washington in 1959 and entered into force in 1961. The Antarctic Treaty provided for the peaceful research and exchange of research information by countries with a presence in Antarctica. Following on from the Antarctic Treaty are a raft of additional agreements which coordinate relations between member states with regard to Antarctica. These encompass research, environmental protection, safety and cooperation. Together these agreements form the Antarctic Treaty System. US Department of State, *Handbook of the Antarctic Treaty System*, Chapter 2, p. 1.

35 Antarctica New Zealand, May 2010, Antarctica New Zealand Statement of Intent 2010-2013, p. 1.

36 Antarctica New Zealand, May 2010, Antarctica New Zealand Statement of Intent 2010-2013, p. 5.

37 Antarctica New Zealand, Antarctica New Zealand Profile, p. 7.

38 Antarctica New Zealand, May 2010, Antarctica New Zealand Statement of Intent 2010-2013, p. 1.

39 Antarctica New Zealand, May 2010, Antarctica New Zealand Statement of Intent 2010-2013, p. 1.

aspects of infrastructure through projects such as the energy centre and fire protection upgrades.<sup>40</sup>

- 2.53 The Scott Base is staffed by up to 85 people at any one time. Staff are employed during the summer season from October to February and over the winter season from February to October. New Zealand Defence Force personnel assist in providing essential services to maintain Scott Base operations.<sup>41</sup>
- 2.54 Scott Base has three laboratories: wet, summer and Hatherton. The wet lab allows for marine biology and environmental monitoring of the base sewerage output. The summer laboratory is used for the set-up of experimental equipment. The Hatherton Laboratory is the largest laboratory at Scott and is used to house a number of long term experiments.<sup>42</sup>

## Research

- 2.55 The Government of New Zealand has placed great emphasis on maintaining New Zealand's role in Antarctica and in 2009 allocated up to \$30 million for Antarctic research projects in the areas of climate change, terrestrial life in Antarctica and marine life in the Southern Ocean.<sup>43</sup>
- 2.56 While research collaboration was discussed in broad terms, a number of projects were highlighted in regard to the International Polar Year<sup>44</sup>, namely Antarctic Geological Drilling (ANDRILL) and the Census of Antarctic Marine Life (CAML). Both ANDRILL and CAML have been undertaken in partnership with other countries, while New Zealand has undertaken a leadership role in regard to the projects.

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40 Antarctica New Zealand, Antarctica New Zealand Profile, p. 7.

41 Antarctica New Zealand, How Scott Base Works, viewed 2 June 2010, <<http://www.antarcticanz.govt.nz>>

42 Antarctica New Zealand, How Scott Base Works, viewed 2 June 2010, <<http://www.antarcticanz.govt.nz>>

43 Antarctica New Zealand, May 2010, Antarctica New Zealand Statement of Intent 2010-2013, p. 1.

44 The fourth International Polar Year (IPY) was organised through the International Council for Science and 'is an integrated scientific program coordinating a large number of projects focused on the Arctic and the Antarctic that extends from March 2007 to March 2009. IPY includes over 200 projects 'with thousands of scientists from over 60 nations examining a wide range of physical, biological and social research topics.' Antarctica New Zealand, International Polar Year, ANDRILL a real world geoscience adventure, p. 11, viewed 2 June 2010, <<http://ipy.antarcticanz.govt.nz>>

- 2.57 ANDRILL investigated 'Antarctica's role in global environmental change through the recovery of sediment cores from beneath the floating sea ice and ice shelves surrounding Antarctica.' ANDRILL was undertaken by the USA, New Zealand, Germany and Italy, and project managed by Antarctica New Zealand.<sup>45</sup>
- 2.58 The Antarctic-based part of the ANDRILL project ended in the 2007/2008 Antarctic season and has moved into the analysis phase where core samples retrieved are being studied.<sup>46</sup>
- 2.59 The aim of the CAML project was to 'develop a robust benchmark of the distribution and abundance of marine biodiversity in Antarctic waters, against which future change in the marine environment can be assessed.'<sup>47</sup>
- 2.60 CAML was New Zealand's largest International Polar Year project and has moved into the analysis of data retrieved phase.<sup>48</sup>

## Conclusions

- 2.61 The committee has gained a greater understanding of the support requirements for Antarctic research, in addition to the environmental aspects of conducting Antarctic research.
- 2.62 In particular, the committee was briefed about the importance of maintaining a presence on Antarctica and was able to gain an appreciation of Australian and New Zealand collaborative efforts in influencing research matters raised in international Antarctic discussion forums.
- 2.63 Further, through meetings with individuals involved in Antarctic research, the committee received information about the process involved in seeking grants for proposed projects.

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45 Antarctica New Zealand, International Polar Year, ANDRILL, viewed 2 June 2010, <<http://ipy.antarcticanz.govt.nz>>

46 Antarctica New Zealand, International Polar Year, ANDRILL, viewed 2 June 2010, <<http://ipy.antarcticanz.govt.nz>>

47 Antarctica New Zealand, International Polar Year, CAML, viewed 2 June 2010, <<http://ipy.antarcticanz.govt.nz>>

48 Antarctica New Zealand, International Polar Year, CAML, viewed 2 June 2010, <<http://ipy.antarcticanz.govt.nz>>