



THE SENATE

FOREIGN AFFAIRS, DEFENCE AND TRADE REFERENCES COMMITTEE

29 May 2009

Senator the Hon John Hogg
President of the Senate

Inquiry into the major economic and security challenges facing Papua New Guinea and the island states of the southwest Pacific—interim report

Pursuant to Senate Standing Order 38(7), I present to you an interim report of the Senate Foreign Affairs, Defence and Trade References Committee on the economic and security challenges facing Papua New Guinea and the island states of the southwest Pacific.

On 24 June 2008, the Senate referred the following matter to the Senate Standing Committee on Foreign Affairs, Defence and Trade for inquiry and report by 30 May 2009:

- a) The major economic and security challenges facing Papua New Guinea and the island states of the southwest Pacific:
 - i) the implications for Australia;
 - ii) how the Australian Government can, in practical and concrete ways, assist these countries to meet the challenges.
- b) The inquiry to include an examination of the following:
 - i) employment opportunities, labour mobility, education and skilling;
 - ii) barriers to trade, foreign investment, economic infrastructure, land ownership and private sector development; and
 - iii) current regional organisations such as the Pacific Islands Forum and the Secretariat of Pacific Community.

Recently, the Australian Government has released a number of policy documents or announced initiatives that have significance for the committee's inquiry. These include the Defence White Paper, *Defending Australia in the Asia Pacific Century: Force 2030*; the proposed civilian deployable force; and the 2009 Budget Statement by the Honourable Stephen Smith MP, Minister for Foreign Affairs and the Honourable Bob McMullan MP, Parliamentary Secretary for International Development Assistance. The global economic downturn also continues to affect the economies of the Pacific Island countries.

In light of these developments, the committee has agreed to present to the Senate this interim report and after further inquiry intends to table its final report on 21 August 2009.

SENATOR Russell Trood
CHAIR