

**Senate, Wednesday 31 March 1999**

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

**Senator O'CHEE** (Queensland)(5.07 p.m.) —On behalf of Senator MacGibbon, I present an interim report of the Joint Standing Committee on Foreign Affairs, Defence and Trade entitled *Visit to Bougainville, 15-18 March 1999* .

Ordered that the report be printed.

**Senator O'CHEE** —On behalf of Senator MacGibbon, I move:  
That the Senate take note of the report.

I seek leave to incorporate his tabling statement in Hansard .

Leave granted.

The statement read as follows—

On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I have great pleasure today in presenting the report of a visit to Port Moresby and Bougainville made by a delegation from the committee, from 15-18 March 1999.

The report is an interim one, in the sense that the visit was conducted as an integral part of the committee's current inquiry into the Bougainville peace process, and foreshadows a later, full report to parliament. That report will include specific recommendations on the basis of the formal evidence which the committee is in the process of gathering.

The report I present today describes the program of meetings, informal discussions and inspections which the delegation conducted during our recent visit. The report also outlines the delegation's observations, and presents some preliminary views and conclusions.

Within the limitations imposed by time and distances, the delegation's program was a busy one. The delegation met with most of the key participants in the peace process, except for resistance leaders who, unfortunately, were not in Bougainville at the time of the visit. The delegation members had an invaluable opportunity to be exposed to a very broad range of perspectives, and we were able to see for ourselves the actual situation in Bougainville.

Apart from the enormous human tragedies of the war in Bougainville, there has been an almost total destruction of the province's political, economic and social infrastructure. Restoration of basic communications, and reconstruction of health, education and other essential services, are huge tasks which will take many years, and will require considerable on-going external aid.

The report comments on a number of Australian aid programs in Bougainville, and highlights some areas where additional assistance might be needed.

From the visit, the delegation gained considerable insights into the problems being faced in advancing the peace process. While travelling around Bougainville, the delegates were able to observe at first hand some evidence of the destruction that has resulted from the war—for example, the rusting remains of destroyed buildings, abandoned or overgrown homes and plantations.

Our meetings and discussions gave the delegation confidence that the peace process has almost universal support, and that the next phase will concentrate on determining the mechanisms for restoring civil administration.

The delegation was pleased to note that since mid 1997 a great deal of progress has been made towards resolving the protracted conflict in Bougainville. Today, Bougainville is relatively calm, and although there have been isolated killings, there has been no major fighting for almost two years. The daily lives of Bougainvilleans are beginning to return to normal, and freedom of movement has considerably improved. However, there is only limited trading and other commercial activity in evidence, apart perhaps from a brisk trade in scrap

materials. As elsewhere in Papua New Guinea there are law and order problems in some areas of Bougainville.

After more than nine years of violence and armed conflict, the momentum for peace appears to be firmly on the agenda for the people of Bougainville and their leaders, despite occasional setbacks. There are very positive signs that the peace dividend is showing results in very practical ways, and that the peace process is continuing to move forward.

In conjunction with other regional countries, Australia has made a major contribution to advancing the peace process—through political and diplomatic efforts; through Australia's very large aid program to Papua New Guinea; and through the work of the Peace Monitoring Group.

Australia's pivotal role, in conjunction with other regional countries in encouraging the momentum for peace, is acknowledged. However, there is potential danger in becoming complacent about the progress towards peace. Continual vigilance is needed to maintain a focus on the desired outcome of enabling Bougainvilleans themselves, in partnership with the central government, to determine their own future. This outcome is in Australia's national interest as well.

The delegation wishes to thank the Papua New Guinea government, in particular the speaker of the national parliament, the Hon John Pundari MP and senior government ministers, for extending the invitation to the delegation, for their courtesy and hospitality during the visit, and for the opportunities to exchange views freely. These thanks extend also to senior opposition members and to the Bougainvillean leaders and community groups. Their contribution to the discussions, and the frankness with which views were able to be exchanged, were very much appreciated by the delegates.

The delegation wishes to express its sincere appreciation to the Australian High Commissioner in Port Moresby, HE Mr David Irvine, and his staff for the assistance provided both before and during the visit. All the arrangements made for the busy program were excellent, and contributed significantly to the success of the visit. The delegation also expresses grateful thanks to the former commander of the PMG, Brigadier Bruce Osborne, ADF, who accompanied the delegation throughout the visit, and who provided valuable insights into the role of the PMG and its contribution to the peace process.

The delegation travelled to and from PNG by means of regular RAAF supply flights undertaken by no. 37 Squadron. In every sense, these arrangements were excellent. The efforts of the flight crew were very much appreciated by all the members of the delegation. In Bougainville, the PMG provided air, sea and land transportation for the delegation, as well as detailed briefings and overall facilitation of the visit program. To the commander, Brigadier Roger Powell, and to all the PMG personnel, the delegation expresses its grateful thanks for their professionalism, enthusiasm and support during the recent visit. Finally, I would like to thank the delegation members for their assistance during and after the visit.

Madam President, I commend the report to the Senate.

**Senator SANDY MACDONALD** (New South Wales)(5.09 p.m.) —The report of the Joint Standing Committee on Foreign Affairs, Defence and Trade deals with the committee's short visit to Port Moresby and Bougainville between 15 and 18 March 1999. In due course, the committee will report further on the progress to a lasting peace, including future prospects for reconstruction and rehabilitation, and the way in which Australia can and will assist its nearest neighbour.

As someone who had not previously had an opportunity to visit PNG, I was very chastened by the experience. It was not that the people we met were not friendly and encouraging but simply the fact that the PNG economy and the continuing structural problems within it make the future very challenging. PNG has suffered a severe drought, the costs and disruptions of

Sandline, the fall-off in revenue from Bougainville Copper and social dislocation caused by the Bougainville civil war, which has gone on for 10 years. The discussions that the delegation had greatly assisted the delegation's understanding of the complex issues surrounding Bougainville's troubled path towards peace and the restoration of civilian authority.

I would like to make some brief points and impressions of our visit. Firstly, there appears to be a grudging recognition from the PNG government that the peace process, with a level of Bougainville autonomy, will proceed to an election as planned in April. This peace process now appears to have a continuing life of its own. Secondly, the disarmament commitments by both sides will not proceed until the PNG Defence Force has withdrawn from Bougainville. However, I consider that this stumbling block is not in itself affecting the peace process. The use of weapons has been substantially reduced.

Thirdly, the role of the peace monitoring group, or PMG, is outstanding. The Australian personnel on Bougainville are a credit to all of us. Fourthly, all the participants understand that Australia might prefer that Bougainville remain within PNG and have a large degree of autonomy therein but that, at the end of the day, it is up to the Bougainvilleans themselves to decide what their future is.

Fifthly, our commitment to aid, promised by us, at over \$100 million over five years will be used to help rebuild Bougainville and has already been used for Buka airport, the hospital, the Bishop Wade school and other things. Sixthly, the absence of any credible civilian administration in Bougainville is very disappointing and it is easy to understand that going it alone, so to speak, could only be an improvement for the Bougainvilleans themselves.

There is a lot to say on the peace process itself and a lot has already been said, but simply it appears to me that a substantial amount of goodwill has been restored on Bougainville by all the participants. I am confident that, with the PMG in place, a commitment to aid and elections planned in April, we can have considerable confidence that Bougainville can have a brighter future. Australia has an important role to play in that and this interim report makes an important contribution to it.

I commend the work of the chairman, Senator MacGibbon, for his personal commitment to the peace process and for his skills in and knowledge of PNG. Also, I thank the Australian High Commission, the Peace Monitoring Group for their hospitality, and the secretary of the delegation, who did a very good job.

**Senator BOURNE** (New South Wales)(5.14 p.m.) —I know that time is short so I too will be brief in my comments. I start by saying something that my fellow members of the delegation probably got very sick of over the few days we were there—that is, I was in Bougainville earlier, in April 1994. When the delegation reported, I made three points at the beginning of my report. I believed at that time that three things were glaringly obvious on that visit to Bougainville in 1994: firstly, the tenacity and the courage of the people of Bougainville; secondly, their overwhelming desire to return to a normal life; and, thirdly, and probably most importantly, there could be no military solution to the crisis on Bougainville. I also said at the time that, as Australians, we are in many ways culpable for the problems of Bougainville and therefore we have to take much of the responsibility for finding a solution.

I still believe that those are some of the most important things that I bring back from this current trip to Bougainville. The most obvious point was the tenacity and courage of the people of Bougainville, who are now getting their lives together. Bougainville is now a very different place from the Bougainville of 1994, I am very pleased to say. They still have an absolutely overwhelming desire to return to a normal life and they are doing so really well. Of course, there never was able to be any military solution to the crisis on Bougainville. There was not then, there was not in 1990 and there is not still. I think that that has now been accepted by all sides—I hope so.

This time we spoke to a very large number of people and from more sides to the conflict than we had in 1994 because we were able to speak to leaders of the BRA. We were able to speak to Joseph Kabui and Sam Kauona, both of whom were very impressive. Also we spoke to the people who are now coming up in the BRA, people who are interested in the election process and mostly people who are interested in the peace process.

I got a feeling of a very genuine commitment to peace on all sides while we were on Bougainville itself and a genuine commitment to making sure that this time the peace process works. It was a little less obvious when we were in Port Moresby, I think. The commitment there is wavering on some sides. I hope it has not disappeared altogether. I certainly hope that they will be able to carry out the process which is going along waveringly towards a proper government on Bougainville, towards resolving the problem themselves on whether Bougainvilleans want to be an autonomous part of Papua New Guinea or whether they want independence. I noticed that Mr Kabui said that they were looking at some time down the track to when they would want to make that final decision. They were looking at maybe five, maybe 10 or maybe 20 years. That is an enormous step forward for Bougainville.

The other enormous step forward is that it has been agreed that that is still on the table. Bougainville is not a war zone any more—I can't even call it a tragic place any more. It is coming back and there is so much hope, mainly because of the presence on the island of the Peace Monitoring Group. Like Senator Sandy Macdonald, I would have to say that all Australians can be immensely proud of all our Australian personnel, both military and civilian, in the Peace Monitoring Group. We can be immensely proud of the leadership of that group—we are now up to the third Australian leader. All of them have done a superb job and continue to do a superb job, as is almost always the case when we send Australians overseas, from both the military and civilians.

Bougainville has been transformed since I was there in 1994. While Australia was culpable, we have now done a great deal to try to improve things. I thank the Papua New Guinea government for allowing us to go wherever we wanted—that was a step that they were not terribly willing to take—and for allowing us to see whatever we wanted. I thank the members of the Peace Monitoring Group who took us around and looked after us. I thank all of the delegation's companions on the trip. In particular, Brigadier Bruce Osborn was immensely helpful. He had been the first commander of the Peace Monitoring Group and was able to tell us a great deal that we would not otherwise have known. Also several of the staff from the Australian High Commission to Papua New Guinea came around with us and others of their staff looked after us when we were in Port Moresby. All of them were immensely helpful. Mostly I would like to thank the Bougainvilleans. In 1994, the Bougainvilleans were spectacularly and immensely welcoming to the delegation and wanted to pour their hearts out and tell us where they wanted to go in the future. I think they have come a long way and I think they are moving towards their aim.

I will finish off with something that struck me as indicative of the change. In 1994, we were welcomed with sing-sings, in particular in the middle of the island, which was then still pretty much a war zone. When we arrived, there was a sing-sing and a little boy was standing in the middle. He would have been about seven or eight. He was about the same age as one of my godsons. It struck me at the time as really tragic that this child was in the middle of a war zone. He could not get out; he was forced to be there; there was nothing he could do about it. We all had to leave him, his whole family and his community there.

We had the same sort of experience when we arrived this time. There was another sing-sing at Arawa and it was so joyful. There were so many people in brightly coloured clothes. It was a really happy occasion. There was another little boy, about the same age, again right in the middle of the sing-sing. This time, of course, he was in a peaceful zone. He did not have to run away from anything, he did not have to hide from anything and that was because

everybody now had a commitment to finding peace on the island. That is an enormous step forward. It is a spectacular and gigantic step forward. I sometimes wonder whether the political will can be maintained in Port Moresby, but even without it I am terribly hopeful—and I am very afraid that it may not be—that peace will come to Bougainville and the Bougainvilleans will well and truly be able to look after themselves.

**Senator QUIRKE** (South Australia)(5.21 p.m.) —I would like to be associated with the remarks on the report by the Joint Standing Committee on Foreign Affairs, Defence and Trade entitled *Visit to Bougainville, 15-18 March 1999*. I will speak about a number of issues in the short time available to me. Firstly, I want to congratulate the leader of this delegation. Senator MacGibbon did an excellent job. He brought an eloquence and a diplomacy to it in a very difficult situation that I think is commendable and in the best traditions of this place. I learnt a lot on this trip and I think a lot of it is to do with the way in which this delegation was led and the way that it was planned by Cliff Lawson and other personnel from the Joint Standing Committee on Foreign Affairs, Defence and Trade.

**Senator Sandy Macdonald** —And the other members of the committee.

**Senator QUIRKE** —Senator Sandy Macdonald says, 'and the other members of the committee'. We will leave that and the bedroom arrangements alone at this stage. If anyone wants to know, they can come and speak to me or to Senator Macdonald who I understand has dined out on some of these stories since. However, getting back to the seriousness of this particular delegation, we were there for a very short period of time. It is almost impossible for me to think now how we compressed everything into the four days from the time we arrived in Port Moresby until we came back to Townsville. I think we can be very proud of the Australian presence in Bougainville.

The second point I want to make this afternoon concerns the complex nature of this problem. To give people here some idea, I asked one of the Peace Monitoring Group personnel up there what the extent of the carnage was during the 10-year conflict in Bougainville, and I was told that it was approximately 15,000. There were no exhumations of mass graves or anything like that, but the figures were considerable. When you consider that right now NATO is at war protecting—and, in my view, quite correctly protecting—the rights of Kosovars in a conflict where, at least until last week, only some 4,000 persons had been butchered by the same sorts of problems, then you get some idea of the scope of the Bougainvillean problem. It is complex for other reasons too. There are a number of factions on Bougainville; there are a number of groups on Bougainville; and there are a lot of people in Port Moresby who have ambitions for Bougainville and who would like to see Bougainville back within the PNG fold, with the mines operating again and churning out—as they did before this conflict—up to 40 per cent of the revenues for the government of that poor country. The problem is that all of these issues are not resolved.

We have a very effective truce. We have two groups of Australians over there that, in the very short time available to me this afternoon, I want to commend. Firstly, we can be very proud of the Peace Monitoring Group, numbering some 300 or so personnel. They are soldiers—and this seems strange to say—without guns and without any military equipment other than Land Rovers, Land Cruisers and various other bits of gear. They are there to ensure that this peace works in a very difficult situation and in a country that has so many problems that this is only one of those problems. We were made well and truly aware of that in Port Moresby.

The other group that I want to talk about is the AusAID group. We had the pleasure of visiting some of their projects, including the new hospital and the new Bishop Wade High School which caters for some 700 students that live in. For a population of 170,000 people, this is virtually the only high school in the whole of the province, with students ranging in age from 12 to 25. That particular building project has been well done. Australian aid is targeted and is delivering aid to those people up there. It is giving them a sense of hope. It will be

educating the future elite for the great rebuilding job that is going to be necessary in Bougainville.

I could talk longer about this visit this afternoon but I would be denying people the opportunity to speak on this and other motions. I will probably pick these issues up again in an adjournment speech in the near future. I wish to say that, after the four days we spent up there, I for one know that I have come back with information that I want to share with most of my fellow Australians about what a good job we are doing up there. It is not, in terms of the aid budget, an enormous amount of money. But I think it can be said that it is money extremely well spent and very effectively spent.

**Senator MacGIBBON** (Queensland)(5.26 p.m.) —Members of the delegation from the Joint Standing Committee on Foreign Affairs, Defence and Trade who visited Papua New Guinea have already spoken. I do not wish to cover any of the ground that they have already covered, beyond saying this was an important and a very complex visit by a parliamentary delegation to Papua New Guinea and Bougainville. As the leader of the delegation, I would like to say that every member of the delegation performed superbly in what was genuinely a very difficult political environment—and not a very easy physical environment either. For those journalists who love to berate parliamentarians for taking luxury trips, this certainly was not a five-star safari through the swamps of Bougainville.

I would quickly add my thanks to the Speaker of the Parliament of New Guinea; the ministers and officials in New Guinea; the Australian High Commissioner in Port Moresby and his staff; Brigadier Osborn; Brigadier Powell, the head of the Peace Monitoring Group; the RAAF; the secretariat and all those who made so great a contribution to the success of the trip.

The reason why we went was to inquire into the Australian aid program in Bougainville, which is part of an inquiry being run by the Joint Foreign Affairs, Defence and Trade Committee. The war in Bougainville now, fortunately, is over but it really was a terrible war. It ran for nearly nine years; it cost some 10,000 to 15,000 lives; and it was associated with quite enormous property loss. The whole of the infrastructure of the country was destroyed—roads and bridges, homes and hospitals, electricity, water and phones. The copra and cocoa plantations were also neglected for 10 years and, above all, the Panguna mine—the richest copper mine in the world—was destroyed.

The climate today is one of exhaustion with war and hostility. There is overwhelming universal support for peace and the residents of Bougainville wish to get back to a normal life. The real argument, the real problem, facing them today is the establishment as rapidly as possible of a Bougainvillean administration to get their lives back to normal. When we were in Port Moresby, we were quite impressed at being able to meet the government officials there. We met Mr Sam Akoitai, the Special Minister for State responsible for Bougainvillean affairs, who enjoys the confidence, as we found, of all the parties in Bougainville as well as the undiluted support of the government in Port Moresby.

The impact of the economic crisis on Port Moresby made itself quite apparent to us. The Asian economic collapse and the collapse of the Papua New Guinea export trade, particularly the failure of the timber trade—all of this is made worse today by yesterday's decision of the Sandline compensation, which will add another \$40 million to a debt-ridden country—are all formidable problems for the PNG government. It is understandable therefore that Bougainville probably does not get as high a priority as it should in that environment.

It does need to be said that the administration in Port Moresby is probably not as efficient as it might be and one of the reasons for that is the extent of corruption in the society there. A modern society is far too complex to be operated in a corrupt way because the effects of corruption are not restricted to enriching those who are corrupt. Corruption denies resources

to the needy and thereby lowers the standard of living of the community. Ultimately, because corruption rejects the rule of law it deprives the community of its basic human rights. The other problem in Papua New Guinea is that the opposition are taking a very narrow and legalistic approach to the setting up of an interim administration in Bougainville on the grounds that it is unconstitutional. Whether they are right or wrong is, in one sense, unimportant. What is important is that there be no prevarication or delay in setting up that administration and for that to occur there does need to be some compromise from all parties. The Australian aid program has been mentioned and I think we can all be very proud of that aid program. It is going to expend over \$100 million over the next five years. It will be well focused. It will be very relevant to the needs of the community. Things have been done already. The sealing of the Buka airstrip provides an air head for aircraft of all sizes to fly into the area. The hospital replaces the one at Arawa which was said to be the finest hospital in the south-west Pacific but was destroyed through the war. The Australian hospital in Buka is a very fine and appropriate design for their needs. The high school at Talena, which has been mentioned, has a great place in a community where there are only 240 students entering the three high schools per year.

The Peace Monitoring Group is doing a marvellous job there. They are really the cement that is holding the whole lot together. Their professionalism and their impartiality has earned the respect of all the groups.

The Australian effort ought to be continually directed towards getting an administration in place to supply that aid program which is so well appreciated by the residents in Bougainville. It is fair to mention that there are some critics of the aid program. When you are providing aid you must provide it in one area—it cannot spread universally through the community in the initial phase—and those members of the community who do not see or who are not benefiting from the aid may feel negative. For example, when you put a hospital in one location, people 80 miles away may not see that hospital and may not feel that they have easy access to it. Then they feel that there is no benefit to them in the aid program. There are examples where Australian vehicles and boats have been destroyed or burnt by disaffected aid people. We came in for criticism that Australia was going to cut back its aid for Papua New Guinea to fund the East Timor programs. This was getting a lot of publicity, particularly in Port Moresby. There is no basis at all for that claim at present. The matter of Australian aid is constantly under review and if we do experience undue difficulties in delivering aid then it may be that changes have to take place in the future.

But I come back to my initial point: the real imperative is to get some elected group in Bougainville administering the province in harmony with Port Moresby and to get life back to normal. I am very proud of the contribution Australia is making there. It really is the most effective aid program I have seen this country deliver.

Question resolved in the affirmative.