Dear Ms Bishop,

Re: Timor Gap Treaty.

It is gratifying to learn that the proposed new treaty allows for a 90:10 split of revenues in favour of East Timor as opposed to the previous 50:50 split. However, I am concerned to learn that the proposed treaty does not adequately spell out guarantees concerning development-related training and employment which will be of benefit to the indigenous people of East Timor.

I am also concerned that the Australian Government has withdrawn from dispute resolution settlement procedures offered by the IJC and the International Tribunal on the Law of the Sea with respect to the dispute concerning the maritime boundary between Australia and the new nation of East Timor.

As one of the world's poorest nations, East Timor is facing many challenges. It is important for East Timor to be able to maximise the income it receives from the development of its natural resources so that its dependence on aid is decreased and it becomes truly independent. Revenues from oil and natural gas represent hope for the future health and economic prosperity of the East Timorese people.

Australia is well endowed with natural resources and can afford to concede in regard to the argument that most or all of Great Sunrise rightfully belongs to East Timor and that the maritime boundary should be fixed by the application of a median line to divide the Timor Sea.

Australia's withdrawal from the dispute settlement mechanisms of the IJC and UNCLOS seems to be an over-reaction and may be perceived by East Timor as an unfriendly act. It is important for the relationship between East Timor and Australia to be one of mutual respect and it is important for the stability of the region that East Timor becomes economically viable.

In ratifying the treaty Australia should declare the centrality of the treaty's "without prejudice" clause, declare that the Treaty does not inhibit the extent of East Timor's maritime claims, and confirm that Australia will prioritise training and employment opportunities for East Timorese nationals and residents.

I urge your committee to consider these matters.

Yours faithfully,

Margaret Pollock