



COMMONWEALTH OF AUSTRALIA

# House of Representatives

## Hansard

**THURSDAY, 25 JULY 2019**

### **CORRECTIONS**

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BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

# **PROOF**

**BILLS****Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019**  
**Passenger Movement Charge Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019**  
**Treasury Laws Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019**  
**Second Reading**

Cognate debate.

Consideration resumed of the motion:

That this bill be now read a second time.

**Mr ALBANESE** (Grayndler—Leader of the Opposition) (11:17): This is, indeed, uncontroversial legislation but there's been anything but an uncontroversial lead-up to it being presented in this parliament. It must be said that some of that lead-up has not done a great deal for Australia's standing as good neighbours to one of the newest nations on the planet. But Labor will, of course, be supporting this legislation because it is critical, as we move forward with our friends in Timor-Leste. Indeed, I am looking forward to travelling with the Prime Minister to Timor-Leste next month for the 20 years commemoration of the popular consultation which led to Timor-Leste's independence. The treaty enforcement will be an important component of that.

It is important that this legislation pass the parliament during this fortnight's sitting so that the Prime Minister and I can indicate to the leadership and, importantly, to the people of Timor-Leste that Australia does indeed mark that commemoration as friends, not as people in conflict over what is the absolutely critical single factor in economic growth and, therefore, an improvement in living standards for the people of Timor-Leste.

The treaty replaces the treaty and joint administration arrangements between our two nations made in 2003, and the treaty recognises new maritime borders for Timor-Leste. We on this side of the House are proud of the role that we played as a political party. Of course, many people in the Australian Labor Party—I think of my friend Robert Tickner and many others—played a very long role. I think of Laurie Brereton, of the member for Lingiari and of the member for Solomon and the critical roles that they have played. The former member for Page, Janelle Saffin—a very close friend of the leadership and people of Timor-Leste—and, indeed, the member for Sydney, who was shadow minister for foreign affairs, raised the issue of ensuring that Australia behaved honourably on these issues.

While Timor-Leste now has the petroleum rights within its maritime boundaries, it recognises Australian oil and gas companies' current operations in the Timor Gap. The treaty allows for a Greater Sunrise special regime area to be established. That includes the Sunrise and Troubadour gas fields. The special regime area will be jointly administrated by Australia and Timor-Leste, with a revenue-sharing arrangement expected to benefit Australia by between \$2 billion and \$8 billion over the life of the resource. Two international areas will also be implemented for gas pipeline corridors. The government will introduce a tax amendment to the treaty bill that ensures that no Australian company will be worse off because of the treaty. The treaty demonstrates Australia's commitment to international law and rules, Australia's intention to have robust bilateral relations with Timor-Leste and to jointly develop the Greater Sunrise gas fields.

Labor warmly welcomed the signing of the historic treaty in March 2018 between our two countries, establishing their maritime boundaries in the Timor Sea. The treaty brings to an end more than 40 years of uncertainty over our shared maritime border and vindicates the strong position taken by Labor to take decisive steps to settle our dispute with Timor-Leste. Labor believes the maritime boundary dispute with Timor-Leste strained our bilateral relations and that it was very much in the national interests of both our countries to resolve this dispute in a fashion which didn't see a winner and a loser but saw a winner and another winner. We believe

that this is what this legislation codifies. We're therefore very pleased that this treaty is the first ever to be achieved by conciliation under the United Nations Convention on the Law of the Sea.

Australia and Timor-Leste have agreed that, from the date that the treaty enters into force, Timor-Leste will receive all future upstream revenue derived from petroleum activities from the Kitan oilfield and Bayu-Undan gas field. Previously, both Australia and Timor-Leste received benefits from revenue derived from petroleum activities in the JPDA, including these two fields. In addition, Australia and Timor-Leste have agreed that the Buffalo oilfield, which previously fell within the continental shelf of Australia, will fall within the continental shelf of Timor-Leste and that Timor-Leste will receive all future revenue from that oilfield.

The development of the Greater Sunrise fields is expected to yield significant revenue over the life of the project. The divergent revenue estimate of \$2 billion to \$8 billion is dependent on the terms of the development concept that is still to be agreed between Australia, Timor-Leste and the Greater Sunrise joint venture for the development of the Greater Sunrise fields. The exact financial benefit to Australia will depend upon a range of factors, including this concept, as well as the economics of the project and prevailing market prices for oil and gas.

In the previous parliament these bills were referred to a committee and evidence was provided that the length of time required for a treaty that recognised Timor-Leste's claims to be negotiated and signed had in some quarters undermined Australia's international standing. It is important that Australia is recognised as a trusted partner with our closest neighbours. The Australian government has had six years to work on the treaty and now there is timing pressure to pass the bills before those 20th anniversary celebrations. Yesterday the government introduced tax legislation to ensure that the treaty can come into force. Labor has agreed to not send the tax legislation to a committee, because we want to make sure that there is speedy passage of this legislation over the next fortnight. It is, indeed, time critical. It shouldn't be viewed that this is a precedent for how we deal with tax legislation. We recognise this as a one-off occasion. It is in our national interest that this occurs.

It is important to recognise though—and I say this to the new Leader of the House, who's struggling with the procedures before this House—that these bills were first introduced on 28 November last year and were not dealt with in the 45th Parliament. It is up to the government to prioritise its legislation. I suggest they prioritise legislation based upon the national interest rather than play politics. This is a good example of bills that should have been an absolute priority. Labor will ensure that they go through.

I've been very pleased to have an association on a personal level with Timor-Leste. Tom Uren was my father figure and mentor. Tom was captured in Timor in World War II before he went on what he called his tour throughout Asia, which included the Burma-Siam railway, Changi Prison in Singapore, and Japan, where he saw from a distance the second nuclear bomb dropped on Nagasaki. He never forgot the support that Australian troops were given by the people of what we then called East Timor. Australia has particular obligations to this fledgling nation because of the sacrifice that they made to assist Australia's troops during our darkest hour in World War II when our nation was under threat. Australia hasn't always repaid that debt in an appropriate way. This legislation does that.

When Tom passed away, having received the highest honour from the government of East Timor—the Order of Timor-Leste medal—the government issued a release describing him as a man of dignity and courage, who always stood up. The one memorial in Australia to the troops who were captured in East Timor—and it's a joint one acknowledging the sacrifice of the people of East Timor—is in my electorate in Marrickville Park. It's unfortunate that there is not more recognition of what occurred.

In June I appointed the member for Solomon to head our special regional trade task force of the caucus to work with the shadow minister for trade and to work with caucus colleagues. That will focus on trade links with the Asia-Pacific region. It is particularly important that we increase our engagement with Timor-Leste, as well as with Papua New Guinea—and I got to meet the PNG Prime Minister earlier this week—Indonesia, Singapore and Malaysia.

There is a real prospect of us being good neighbours in terms of how we deal with them. We need to deal with them in a way that is mutually beneficial to our economies. We live in a region in which we are seeing an explosion in the growth of the middle class. The growth in our region is the fastest economic growth that we have seen at any time in human history, including the Industrial Revolution that spurred Europe into dominance for a long period of time. That pales into insignificance compared with the growth we're seeing in our region at the moment. We need to be good neighbours. We need to recognise the opportunity that is there to assist our neighbours, particularly assisting people to get out of poverty. That is in our interest. It is also in our economic interest and our interest in the way that we stand in the world, our place in the world, to be good neighbours. Because it's gone through a conciliation process rather than the big guys trying to use their power over the little

guys through economic dominance, this is a very good thing indeed. I commend the legislation to the House, I thank the shadow minister for the work that he has done and I look forward to being in Timor-Leste next month.

**Mr FITZGIBBON** (Hunter) (11:31): I begin by congratulating the Leader of the Opposition, who just demonstrated here in this place his deep understanding of the people of Timor-Leste, his deep understanding of the relationship between our two countries, his very strong knowledge of the history between our two countries, his deep commitment to further developing and strengthening our relationship and, most importantly, his remembering what the East Timorese people have done for Australia in the past and the importance of remembering and acknowledging that whenever we're engaged in conversation or negotiation with our near neighbour.

Next month, as the opposition leader reminded us, our friends to the north will celebrate 20 years of independence. It's a source of joy for all of us that this treaty will be ratified in time for the celebration of that occasion. As the opposition leader indicated, Labor will not ask again for this bill to go to any committee process, because we want to ensure that it is ratified in time for that very important celebration.

As the opposition leader also said, this is an uncontroversial bill, but the path to securing this place has been anything but uncontroversial. We've been too long arriving here, and as a nation we have to be frank and say we have not covered ourselves in glory. It's been a rough road, a tough road and a long road. Like the Leader of the Opposition, I want to acknowledge some people in our party who have played significant roles in bringing us to this point today. The first is my good friend Laurie Brereton, the former member for Kingsford Smith, who in my view pushed the greatest shift in foreign policy in this country that we've seen since the Second World War but did so from opposition. In my view, that is an extraordinary achievement. As the Leader of the Opposition did, I also acknowledge the member for Sydney who, as the shadow minister for foreign affairs, recommitted Labor and redoubled our efforts to ensure that the treaty negotiations were put back on track and absolutely committed us to subjecting ourselves to international legal arbitration and to accepting the outcomes of that arbitration and conciliation. It was something, sadly, the Howard government refused to do.

As defence minister, I had the very good fortune of visiting East Timor on more than one occasion. My last visit there was on 6 March 2009, and it was a particularly rewarding one. I was joined by then Prime Minister Xanana Gusmao to officially open the specialist training wing for the East Timor defence force, which we had built for them. We flew by helicopter to Metanaro and opened that facility, and it was most rewarding to know we were doing such substantial things to assist them in their efforts to keep stability in the country and to protect their sovereignty as a nation. Of course, that defence cooperation program was not begun by the Rudd government; it was well and truly commenced by the Howard government, and I acknowledge that. There was good work done by both the major political parties on that front.

I just want to acknowledge a couple of other people. First of all, there is the member for Lingiari. I have with me, just by chance, speeches by the member for Lingiari that go back to 1987. I spoke about the Leader of the Opposition's full comprehension of the history of East Timor, both the positives and the negatives, the happy and the sad. But, in my view, no-one in this place would have a more comprehensive understanding of the issues and the people of East Timor than the member for Lingiari, who has been a very solid defender of their interests in this place for all of that time. Not all his words have necessarily been totally consistent on every occasion with the policies of the Australian Labor Party, and I give him very great credit for that. It's something of which he should be very proud. Over that time he has scoped well beyond the issue of maritime boundaries to the complexities of our relationship with Indonesia, the role of oil and gas companies—particularly throughout the 2000s—our attitude on the maritime boundaries and our intervention through the defence forces. Of course, the member for Lingiari was the Minister for Veterans' Affairs when I was the Minister for Defence. He's had a deep-seated interest in these matters for many, many years.

The Leader of the Opposition referred to the enormous assistance that the East Timorese gave Australia throughout the course of the Second World War. He reminded me that, in 1942, the 2/2 and 2/4 independent companies—now known as the commandos—were well known to many Australians who were actively engaged in East Timor. But he also reminded me that some 40,000 East Timorese lost their lives throughout the course of the Second World War. That should be something that's always at the forefront of our minds when we're entering into negotiations with our near and, of course, very, very poor neighbour. It is a country with, we all trust and hope, a very bright future. But it is a country still very much in its developing stage. It is a country that will have a lot of work to do if it is to meet our aspirations for it and, of course, its own people's aspirations for their own country.

I also want to mention the member for Solomon. I was just referring to the commandos, and the member for Solomon is himself a former member of the commandos and, of course, the Australian Army. He's done his country great honour with his contribution as a soldier under the Australian flag, but he continues to make a

contribution towards our relationship and towards the growth and prosperity of Indonesia here, as a member of parliament. Indeed, his brother, Lieutenant Colonel Dan Gosling, is currently serving in East Timor. His family has made a magnificent contribution.

I'm not going to read into the record the technical details, because the Leader of the Opposition has done that for me by taking the opportunity to speak first. For those listening in galleries, I'm going to try to simplify what we're trying to achieve with these bills, which will give effect to or ratify a treaty, a treaty which has been 15 years at least in the making.

Below the oceans, in the gap between our two countries, are very, very rich oil and gas fields which will deliver in the future great revenues to a very poor country. But for many, many years, we've had a dispute about who owns those revenues. We've had various attempts to change the boundaries in a way which delivers a better outcome for the East Timorese people. So, obviously, if a gas field, or oil field, on one side of the boundary is closer to Timor-Leste, it's their revenue. If it's on this side of the border closer to Australia, it's our revenue.

There are two approaches to where those boundaries historically lie. There's the idea of using Australia's continental shelf. There is still a land mass beyond our seashore or taking an equal distance approach—that is, the halfway line between the two countries. We, for many years, took a continental shelf approach, which delivered more ownership for Australia at the expense of the poor fledgling nation of Timor-Leste. It gets more complicated than that because, for a period, we had a joint development area which was a sharing arrangement. However, finally this treaty will give effect to a new boundary which is much closer to Timor-Leste—sorry, the other way, actually—and will put more of the resources into the area of that underground land mass which falls into the jurisdiction of Timor-Leste.

This treaty will give them enormous amounts of revenue—probably more than we ever give in foreign aid. It will give them a new source of independence. It's very, very good news for them and it's very good news for us because what we are doing today is honouring what we say about our own approach to the international community, our approach to social justice and our approach to fairness and equity. It's exactly where Australia should be, and we can all collectively be proud of where we've landed with the consideration of these bills.

The oil and gas industry is a very, very important one to Australia. I'm very proud to be, once again, serving as the Labor Party's spokesperson in this area. I said at a petroleum and gas function here in Parliament House last night that the Leader of the Opposition has put me in this role as a clear signal to the industry that we support it, we acknowledge its importance and we recognise its amazing contribution to the economy and to jobs in this country. I intend to ensure that that is Labor's very strong message and that we will continue to produce policies conducive to facilitating more and more investment in the sector and therefore more growth in the sector, more output in the sector and more jobs in the sector. I'm very happy, in terms of doing that work, to have the member for Burt assisting me as the assistant shadow minister with a particular focus on Western Australia—Western Australia, a resource-rich state, critical to our national economy and a state in which we want to help further develop revenue opportunities in the near and the long-term future. I was very, very happy to attend a celebration last Wednesday night in Perth, hosted by Shell, where we marked the occasion of the first shipment of LNG from the Prelude project—a massive undertaking. It's a project now providing very significant jobs in the west, adding to the economy and providing much-needed gas to both Australia and the rest of the world.

We need to be facilitating more gas exploration and exploitation in this country. Our economy—our manufacturing industry in particular—desperately needs supplies of gas. As a parliament, we need to be facilitating, at every opportunity, the further exploitation of those valuable reserves.

I said last night that sometimes government can get in the way by doing things but government can also get in the way by not doing things. Our reluctance to extract more gas from our ground is a threat to our local economy. For example, dragging out decisions on tenements can be almost as bad as denying applications for further exploitation. We need to be very, very aware of that and conscious of it. We do need to work with state jurisdictions to ensure that, while we apply the most stringent environmental tests and put the appropriate hurdles in the way of these projects, we don't put the hurdles so high that they become unviable. This is not just important for our economy and our manufacturing sector but also important to households in Australia who desperately need affordable supplies of gas to their homes. The only way we're going to put long-term downward pressure on consumer prices and prices for businesses is to get more supply into the market, and it's absolutely critical that we do so.

Going back to the bill, the Leader of the Opposition made the point that there will be amendments to our taxation arrangements to ensure that no Australian company is disadvantaged by the changes to the maritime boundaries. We'll do so by ensuring that the capital expenditure can still be deducted into the future, even though there won't be revenue sources from those same areas of investment—that's very, very important. The opposition

supports those changes. There are also changes to the passenger movement charge, which make absolute sense. On that front, we'll be supporting those changes. We are very pleased, after a long and unhappy period of time, that the government is now putting these issues to bed. I won't have the opportunity to be there celebrating, as will the Leader of the Opposition, the 20th anniversary next week. I would dearly love to be there.

My engagement with the people of Timor-Leste, both here and in their own country, leaves me with very, very fond memories. They were all very, very happy occasions. They are a wonderful people and they deserve to be given every opportunity to meet their aspirations and the aspirations of the international community for them. Let's hope that, together, we watch them rapidly grow and prosper over the coming decade. They've certainly earned that right. The road to independence, of course, wasn't an easy one. In fact, it was a violent one and an unhappy one, involving at one point the attempted assassination of President Ramos-Horta. They were very, very difficult times. I very fondly remember spending some time with the now Prime Minister—the chief of the defence force at that time. I'm just going to call him TMR, as most people do, because I have no idea how to pronounce his name properly, so I won't try. But I could see in his eyes, each time I had a conversation with him, the pain of many years in the jungles fighting for his people, and it was a wonderful thing to see him now in uniform, heading, at that time at least, the defence force. He's a remarkable person and a person I've developed a great deal of respect for.

So, we all look forward to the ratification and the celebrations. It will be a good day for Australia, but it will certainly be a good day for Timor-Leste.

**Mr GOSLING** (Solomon) (11:50): I want to acknowledge the Labor leader for his contribution to this debate on the Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019 and related legislation, and also the member for Hunter. Hopefully we'll hear from the member for Lingiari, my colleague from the Northern Territory, who's had a very long history working in solidarity with the people of Timor-Leste and supporters of Timor-Leste in Australia to assist in getting us to the position we're in today where we can have a fairer treaty that's a credit to both nations. The Labor leader acknowledged my friend Janelle Saffin, formerly the member for Page in this place. I really got to know her through my time working in Timor-Leste, and she did an enormous amount to get us to where we are today.

There's a lot of history in these bills, which I'll refer to later. I've been very privileged to be part of Timor's story in more recent years through a time of development, through a time of restoring their independence. As the member for Hunter said, my brother Daniel is a lieutenant colonel in the Australian Army and is currently the team leader for the Defence Cooperation Program in Timor-Leste and continues to do a great job over there. I might be a bit biased in saying that my brother's doing a great job, but he really is. As a Portuguese and Tetum linguist, he was one of the first troops ashore with INTERFET 20 years ago, and he's there again now, continuing to assist the F-FDTL become a professional force and helping them to establish their own international peacekeeping capability, which is very important and a great credit to all of those countries and of course a great credit to TMR—Taur Matan Ruak—whom the member for Hunter mentioned was a guerrilla leader who became the chief of their defence force and is now the Prime Minister of Timor-Leste.

So there's a lot of history here, and it would be remiss of me not to point out and get onto the *Hansard* some of it that we can be less proud of but also some of it that we can be extremely proud of. Kim McGrath's book *Crossing the Line: Australia's Secret History in the Timor Sea* sets out Australia's role in negotiations with Timor-Leste over the maritime boundary between the two nations and, sadly, the bullying tactics Australia used to gain greater access to the oil wealth in the Timor Sea. Allegedly, these tactics went as far as the installation of listening devices in the room used by the Timorese negotiating team during the 2004-05 negotiations on the Sunrise field.

The principal negotiator for Australia during this period was the foreign minister of the time, Alexander Downer, a former member of this place. McGrath describes how Downer pounded the table as he bluntly warned that Australia could leave all the Timor Sea resources where they were until he got his way. That period—and I was in Timor-Leste in that period—did great damage to our relationship. Alexander Downer at the time said, 'We don't have to exploit the resources. They can stay there for 20, 40, 50 years,' whilst the Timorese tried to rebuild their country, one of the poorest countries in Asia, very dependent on that oil and gas revenue. The former foreign minister, Mr Downer, then retired from politics in 2008 and set-up a lobbying company with certain petroleum companies as his clients. I'm glad that we've moved past that. I'm very proud of the role that Labor has played to getting us where we are today, where the bills before the House give effect to a treaty between Australia and Timor-Leste recognising the extended maritime boundaries for Timor-Leste and making new arrangements for petroleum development and revenues.

These bills go a long way to repairing our relationship with Timor-Leste, a relationship, as we've heard from the Labor leader, in which Australia has not always acted with honour.

We did sign a new treaty in March of 2018, which did bring to an end more than 40 years of uncertainty over our shared maritime border. It also vindicated the strong position taken two years earlier by Labor under the leadership of the then deputy leader, Tanya Plibersek, the member for Sydney, where we took decisive steps to settle our dispute with Timor-Leste.

I think it is worth reminding the House of what the member for Sydney said on 10 February 2016 at the National Press Club. The member for Sydney said:

If we want to insist that other nations play by the rules, we also need to adhere to them.

We have a good record in doing so, but not a flawless one.

Timor-Leste suffered decades of war and starvation before gaining independence. Australia played a key role in securing that independence – a proud moment for many Australians.

The maritime boundary dispute has poisoned relations with our newest neighbour. This must change, for their sake, and for ours.

A Shorten Labor government will redouble efforts to enter good-faith negotiations with Timor-Leste to settle the maritime boundaries between our two countries.

If we are not successful in negotiating a settlement with our neighbour we are prepared to submit ourselves to international adjudication or arbitration.

It is in the national interest of both Australia and Timor-Leste that we do so, but just as importantly it is in the interest of the system itself that we are willing to freely participate in it.

That address to the National Press Club was a result of many, many people's efforts, and certainly the leadership of the member for Sydney on this issue, to get us to that point which provided the catalyst which changed the nexus of this issue and got us on a path towards the treaty being signed.

I also wanted to mention the efforts of our current shadow minister for foreign affairs, Senator Penny Wong, who reconfirmed Labor's commitment to multilateralism and a rules-based international system, and who said at the time of the treaty signing:

We believe all nations benefit from abiding by international norms. If we want to insist that other nations play by the rules, we would adhere to them.

We, of course, therefore are very pleased that this treaty is the first ever to be achieved by conciliation under the United Nations Convention of the Law of the Sea. Now that that treaty has been signed, bringing certainty over this region in the Timor Sea—north of my electorate in Darwin—we'll see the development of the Greater Sunrise gas field for the benefit of both Australia and Timor-Leste. I've indicated Labor's position, and I am very pleased that the signing of this brings to an end more than 40 years of uncertainty over this maritime border.

I also want to mention quickly another aspect of the bill, which was alluded to by the member for Hunter, and that is in relation to the passenger movement charge amendments. I just want to make a quick ad: the Australian carrier that you can fly to Dili with, Airnorth, flies from Darwin to Dili daily. They currently have great tourism packages where you can fly to Darwin and then go over to East Timor, have a tour and stay in great accommodation. In addition to the oil and gas industry, the tourism industry is going to become a really sustainable part of Timor-Leste's economic future. So I commend travelling to Timor to everyone, with a warning: once you travel to Timor-Leste, it gets under your skin and you'll be going back again and again. My friend and former boss Jose Ramos-Horta—the former prime minister, foreign minister and President of Timor-Leste was one of the people I worked for when I was there—strongly believes Timor-Leste coffee to be to some form of aphrodisiac. So that is just a quick warning. Yes, it's true. Indeed, that's from Jose Ramos-Horta, and I'm not making it up.

Just quickly, I want to acknowledge some of the people that introduced me to Timor-Leste's history. It has been a great privilege to get to know that country and people over the last 20 years. I've worked over there in a variety of roles. I established a charity in Timor-Leste; we built schools in the mountainous and isolated regions of Timor-Leste, education being such an important part of their future. Maternal health—maternal morbidity and mortality—is a serious problem in Timor-Leste. It's improving slightly, but it requires more focus from us. I was proud that we ran maternal health education programs in the districts of Timor-Leste.

Serving in the Australian military, with the Timorese military, gave me an appreciation for the resilience of those people who lived and fought in the hills of Timor-Leste to restore their independence over those very difficult decades when they were very much isolated and weren't receiving much support at all. But some that were supporting the East Timorese during those difficult years were the veterans of the 2/2nd and 2/4th independent commando companies—Australian soldiers, like Paddy Kenneally.

I want to acknowledge Paddy and his family—his lovely wife, Nora, and their children. Over the decades, Paddy never forgot the assistance that he was given by the East Timorese people. He's gone to God now, but

Paddy used to always say that the Australian soldiers in East Timor would not have lasted five minutes in 1942 without the assistance of the Timorese people, who sheltered them and fed the commandos in the hills as they conducted what has come to be known as one of the greatest examples of guerilla warfare in modern times.

With the assistance of the Timorese, a couple of hundred Australian commandos, at the height of the Japanese occupation of Timor-Leste, kept 20,000 Japanese soldiers away from places like the Kokoda Trail, where those Japanese troops could have been very important and might even have led to the Japanese taking Port Moresby. Many people don't appreciate the importance of the Timorese support to Australia during those very difficult years. In fact, the bombing in my electorate, the bombing of Darwin, was to stop the counterattack on the invasion of Timor-Leste. The invasion of Timor-Leste occurred on 19 and 20 February 1942, and the bombing of Darwin on 19 February 1942 was very much to stop us from going into Timor. A couple of hundred Australian commandos, with the assistance of the Timorese, fought on there without assistance for many months. But one thing they were always gutted by was the fact that we had then gone and turned our back on the people of Timor-Leste.

I'm very proud to say that coming up is not only the 20th anniversary of them reclaiming their independence but also the 20th anniversary, on 20 September, of our Australian-led INTERFET force going back into Timor-Leste and helping to restore order, which, of course, led the way for the new nation of Timor-Leste to start self-governing. We wish them all the best. I want to again say how much I support this bill for both of our nations.

Debate adjourned.



**BILLS****Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019  
Passenger Movement Charge Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019  
Treasury Laws Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019  
Second Reading**

Cognate debate.

Consideration resumed of the motion:

That this bill be now read a second time.

**Dr CHALMERS** (Rankin) (12:35): Before the member for Reid leaves the House, I congratulate her on her first speech—her first contribution to this parliament in the new term.

I thank you for the opportunity to speak on these really important bills: the Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019, the Passenger Movement Charge Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019 and the Treasury Laws Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019. Labor will be supporting these bills that give effect to the treaty between Australia and Timor-Leste, which extends the maritime boundaries of that country and establishes new arrangements for the development of petroleum resources in the Timor Sea.

It's a pleasure to follow the Leader of the Opposition, the member for Hunter and others, who have pointed out just how significant these bills are and just how important it is that we right what is essentially an historical wrong. There have been a lot of people in this parliament who have been supportive of this outcome for a long time, whether it be the member for Sydney, the member for Solomon, the member for Lingiari or others like the member for Kingsford Smith, who joins me here at the dispatch box. This is a really important development and a really important day, and I am proud to be able to speak on it.

As members would know, 20 years ago almost to the day—20 years next month—the population of Timor-Leste voted overwhelmingly in favour of independence from Indonesia. Of course, as we know, there was widespread violence in Timor-Leste after that which left an estimated 1,400 civilians dead and resulted in the decimation of Timorese infrastructure. The World Bank Group estimates that 70 per cent of the country's infrastructure and 95 per cent of the schools were destroyed during the violence that followed independence in 1999. That's shameful. As a result, the newly independent country emerged as one of the world's poorest nations, with over 50 per cent of the population living below the national poverty line in 2007. Although this figure has declined to around 40 per cent at the last estimate in 2014, and there have been some improvements in some of the

development indicators, there is still a long, long way to go to get the people of Timor-Leste's living standards up to what most of us would consider to be an appropriate level.

Today's bills are really about part of that effort. Like a lot of members in this House—I think especially on this side of the House—I have a connection to Timor-Leste, not as developed as some of my other colleagues, but I have spent time there. In 2007, I spent some time there doing some training for local political activists ahead of their next elections. What I observed there was heartbreaking. It was heartbreaking to be in Timor-Leste and to see, even where some progress had been made around the building of schools or the building of basic infrastructure, that some of the political conflict in that country that spilled over to physical conflict had impacted on some of the public infrastructure. I saw a lot of schools with roofs burned out. I saw a lot of infrastructure sabotaged. It's heartbreaking, as a citizen of a rich country like ours, to see a poor neighbour like Timor-Leste having to go through that kind of destruction as a consequence of some difficult politics. That really is part of my motivation for speaking on these bills today. We do have an opportunity to get some additional funding into that country. I hope that we can make and build a lasting difference in Timor-Leste. There are also tax aspects to this bill that are of interest to me and my Treasury portfolio.

As honourable members would be aware, we Australians have been close friends with the people of Timor-Leste for a long time now—certainly since the dark days of World War II, when 151 Australian servicemen died during the Battle of Timor, and in the following years something like 40,000 to 70,000 Timorese civilians were killed by Japanese reprisals for supporting allied forces. Regarding the contribution that the Leader of the Opposition made earlier, particularly about Tom Uren, it really is fascinating to think that a remarkable guy like Tom Uren had a connection with Timor—that's where he was captured, of course—and that they have found ways in the opposition leader's electorate to mark that relationship, which exists on so many different levels, but it is certainly something that was important to Tom Uren. And if it was important to Tom Uren, it's important to all of us in this place—a remarkable man.

The support that the Timorese gave Australia was not something we forgot. I'm told that during the closing days of the Second World War Australian warplanes dropped flyers over Japanese-occupied Timor saying, 'Your friends do not forget you.' While we haven't forgotten our friends in Timor, I think it is fair to say that we could have been better friends. We could have behaved as better friends to the people of Timor-Leste. One example of this, of course, is the maritime boundary dispute between our countries, which these bills and the treaty itself go some way to resolving.

When the anniversary of independence is celebrated next month, it is important that this legislation be in place. So I support the steps that have been taken by the government, with the support of the opposition, to make sure that we can get these bills in place and the treaty in place so that when the people of Timor-Leste celebrate on 30 August, the anniversary of their independence, this can be locked in and can be something that becomes part of the celebration. The signing of the treaty brings to an end more than 40 years of uncertainty over that shared maritime border, and I think it does vindicate the strong position we've taken on this side of the House to take those decisive steps to settle our dispute with Timor-Leste. I want to particularly pay tribute to the member for Sydney for her role in that three years ago.

To give some context as to why this is such a big issue, royalties generated from projects in the Timor Sea funded more than 95 per cent of Timor-Leste's budget in 2016. That's extraordinary. Just imagine the challenges of being a country that is trying to rebuild virtually all your schools and your infrastructure and having a dispute over your primary source of revenue with one of the wealthiest countries in the world. Obviously resolving that international maritime dispute is a really complicated thing and it has taken us time to get to this point. But we as a country need to recognise how important it is and how this is part of doing the right thing in our region. We can't afford to turn our back on our international neighbours. Many of them face the challenge of dealing with the disastrous consequences of climate change, for example, as well as other challenges in our neighbourhood, in our part of the world, and we do need to do better in supporting our neighbours in their economic development.

Across the Asia-Pacific we're seeing a significant change, which makes it more important than ever that we work with people and countries to support their economic development and maintain international security and stability in our region. Labor believes that the maritime boundary dispute with Timor-Leste has strained our bilateral relations and that it is in the national interest of both Australia and Timor-Leste that this dispute is resolved in the way that we are attempting to do with these bills today. So we're pleased that this treaty is the first ever to be achieved by conciliation under the UN Convention on the Law of the Sea. We welcome the resolution of this dispute with Timor-Leste, which will improve relations between our countries and provide ongoing benefits for both countries but especially for the people of Timor-Leste.

Others have gone through the details of the bills that are combining here for this debate, the ones that we support enthusiastically—the Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill, the

Passenger Movement Charge Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019 and, from my point of view, the Treasury Laws Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019, which amends the tax arrangements for companies that operate projects covered by the treaty. As part of the treaty, Australia agreed or provided that Australian companies would face conditions equivalent to petroleum activities affected by the 2018 treaty, which is another way of saying that we're ensuring here that Australian companies aren't worse off. Some tax changes are necessary to enforce that agreement, and that's what is in the detail of this bill, which I won't go through in any more detail.

In conclusion, three years ago Labor made it clear that we wanted to be constructive and work with East Timor to reach a binding international agreement to settle the maritime border dispute between our countries. As a country, Australia has worked with East Timor to reach a permanent resolution to the development of petroleum resources in the Timor Sea, and it really is terrific to see that this has finally been achieved. That's why we are such enthusiastic supporters of the progress in these bills and in the treaty. To the people of East Timor, our friends to the north: on the anniversary of your independence next month, we wish you all the very best. Ever since the Second World War we've been proud to be your friends. We are grateful for the opportunity to rectify what has been a historical wrong, and we wish you all the best for the years ahead.

**Ms CLAYDON** (Newcastle) (12:46): It's a great honour to rise today to speak in support of these bills before the House, the Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019, the Passenger Movement Charge Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019 and the Treasury Laws Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019, which outline the new arrangements with regard to the Timor Sea maritime boundaries treaty. A number of Labor speakers have come before me, so I don't intend to speak to the detail of these bills that we now are debating in this cognate debate. Rather, I will just put on record the sheer joy I feel in the fact that the Australian parliament is finally dealing with what has been some particularly challenging unfinished business in this nation with regard to our relationship with East Timor.

We had played a leadership role in the independence struggles that took place in East Timor, so it was to our great shame that, as time passed, our relationship became quite strained when it came to discussions around the maritime boundaries between our two nations. I was really honoured to be part of a delegation that visited East Timor last October in the term of the last parliament. The member for Flynn chaired that, and I went with senators Patrick Dodson and Rex Patrick from the other place. Whilst many extraordinary things happened during that delegation in terms of the people we got to meet in East Timor and the conversations that we had there, so many people raised with us the need to get these maritime boundaries settled.

There is great excitement in East Timor about the upcoming celebrations of independence on 30 August—indeed, I met with the ambassador only last week—and people are rightly very anxious that the Australian parliament have its matters in order and that our legislation be passed. It's one thing to ratify this treaty, but there's a lot of legislation, like that before us now, that is required to implement that treaty. As I said, it remains unfinished business for Australia and East Timor, and until that takes place we won't really have reconciled the difference that grew out of some very strained relationships.

There is a long history of people seeking to redress this past wrong around the maritime boundaries. I know a number of my colleagues have spoken of this. As the Leader of the Opposition did earlier in this debate, I would like to acknowledge the role and connection of Mr Tom Uren, a giant within the Australian Labor movement and a man who had a deep and personal connection with Timor-Leste, having been taken as a prisoner of war there. But there have been many champions on the Labor side to seek redress for Timor-Leste over these last few decades. I acknowledge the work of the member for Lingiari, who will be speaking after me, who has had a very long association not just with Timor-Leste but with this great project that we need to now settle with our neighbours.

I also acknowledge the work of former member Janelle Saffin, who has long championed the rights of Timor-Leste people in Australia, and of my colleague the member for Sydney, both in her personal capacity and in her former capacity as the shadow minister for foreign affairs and international development. She is steadfast in her determination to have these maritime boundaries settled. I was very fortunate to attend the National Press Club luncheon in which she delivered a terrific speech outlining Labor's approach now. It reminded us all that we call on other nations across the world to abide by international norms and to settle our disputes within rules based systems. She challenged us by saying, 'If we expect that of other nations then we need to actually adhere to that advice ourselves.' We traditionally have had a good record in doing that, but it is far from a flawless record. Certainly, it drew attention to the situation in Timor-Leste at that point because Timor-Leste had suffered decades of war and starvation before gaining their independence. Australia played a key role in gaining that independence. That was a really proud moment for many of us in Australia.

But the maritime boundary dispute poisoned relations with our new neighbours, and I don't think we should understate the damage that has been done. The member for Sydney rightly stated at the National Press Club in very clear terms that this was a situation that had to change both for the sake of Timor-Leste people and for our own sake, because we want to regard ourselves as good global citizens. I think it would be fair to say that that was the time at which Labor redoubled our efforts to enter into good-faith negotiations with Timor-Leste to settle those boundaries between our two countries. There were many representatives of Timor-Leste present at that National Press Club speech, and they were truly delighted to hear this news that there was going to be a shift in Australia's approach.

Not only did we say that we were going to seek to settle the maritime disputes but the then shadow minister for foreign affairs, the member for Sydney, made the important additional statement that, if we weren't unsuccessful in negotiating a settlement with our neighbour, we would be prepared to submit ourselves to an international adjudication or arbitration system. That was a very important statement to make. We would subject ourselves to the international frameworks because it would be in the national interests of both Australia and Timor-Leste to do so. That's because it was a matter that required settlement. We had both signed up to using these international frameworks and entering into a rules-based system for the settling of disputes. It was only right that we would be willing to freely participate and submit ourselves to that as well. It was a big shift of momentum in the debate.

I believe this is one of those remarkable examples in which oppositions can actually lead and shape debates in the national interest and encourage governments to come on that journey as well. We stand here today, some years later. That speech that the member for Sydney delivered was back in February 2016. We are a few years on, but I am truly delighted that the government has also committed itself to the settlement of this unfinished business between Australia and Timor-Leste.

As I said, it is critical that these bills get passed by the Australian parliament in this sitting. We need these laws to be enacted so that the treaty can do what it is intended to do. It should be the centrepiece of celebrations for Timor-Leste's Independence Day at the end of this month. Time is short. I am going to leave my speech there to enable my colleagues to continue with their contributions, but it is with tremendous joy that we get to take part in a parliament that might finally sign off on some of that unfinished business between Australia and Timor-Leste.

**Mr SNOWDON** (Lingiari) (12:57): I thank the member for Newcastle for her contribution on the Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019 and associated bills and her acknowledgement of others who have participated in the debate not only in this chamber but also the Senate over the many years passed in support of the Timor-Leste people. She mentioned Janelle Saffin, and I do want to reaffirm the importance of Janelle's advocacy and support here. Previously, of course, in former parliaments, advocates such as Ken Fry, Cyril Primmer, Tom Uren, Jean McLean and Jean Melzer were all very important in advocating around the issues to do with East Timor, particularly after the occupation of Timor-Leste, as it is now known, by Indonesia way back in December 1975.

Since that time, neither side of this parliament has covered itself in glory. Today is a chance for us, as the member said, to rectify what has been an anomalous situation and, much to our shame, one where we have been the bovver boy. The member for Solomon mentioned the 2/2nd and 2/4th independent companies. The 2/2nd arrived in December 1941-early 1942, in East Timor. They were out by September or October. The 2/4th took over, and they left in December 1942. My father subsequently served with the 2/2nd, so I am fully aware and very cognisant of the importance of the role of these independent companies, later commandos, and the protection that was provided to them by the East Timorese, where we were able to contain 12,000 Japanese troops. But, at the same time, whilst that was happening, and post the departure of the Australians, 40,000 Timorese lost their lives. There's a debt of blood here. In 1975 we saw the Indonesians march in, and we acquiesced. Subsequent to that Indonesian takeover, up to a quarter of a million East Timorese lost their lives. When you think about what that means to us and our responsibilities just as human beings, we've got to rectify this. And today we get a chance to do a bit of that.

We had the Fraser government sitting by, complicit, as the events of 1975 unfolded, and subsequently giving de jure recognition, which was reaffirmed by the Hawke government, shamefully, in 1984. I remember these days vividly because I was involved in working with supporters of Fretilin in Australia post December 1975, and I had the great privilege of being involved—'involved' is a difficult word in this sense. After 1999, at last, under the Howard government, the Australian government took a position that was morally the right thing to do, to head INTERFET. That was very important, and that was referred to by the member for Solomon.

My office in Darwin was really very active in talking and working with members of the East Timorese community, both in East Timor and in the Northern Territory, in particular. Today—and I should have said this at the beginning—we have in the Northern Territory Legislative Assembly the first East Timorese person to be a member of a parliament in Australia, Sandra Nelson. Her mother, Rosa, is the sister of Jose Ramos-Horta—so he's

her uncle—and the member for Solomon told me that her brother, Joao Carrascalao, was his medic when Major Gosling, as he then was, was serving in East Timor. So there are connections here.

Post the start of INTERFET on 20 September 1999, I went to Dili—I think in November. Subsequently I had the great privilege of doing a number of things, but these most clearly stick in my mind. I had the opportunity to attend the first Fretilin conference after the Indonesian occupation. As well as being at the launch of that party's first campaign for the election of the constituent assembly, I also attended the National Council of the Timorese Resistance, CNRT, after the United Nations took over East Timor. I also had the great privilege of being at the opening of the Constituent Assembly when it was elected in June 2002. At that first meeting of the Constituent Assembly, the first meeting of the new parliament, there was no official Australian representative. That says more about Alexander Downer and John Howard than it does about the rest of us. But I went there, and the guests of honour on the floor of the chamber at the swearing in of the new members of parliament included the then Northern Territory Chief Minister.

When you think that in a couple of weeks the Prime Minister and the Leader of the Opposition will be in East Timor together, that is a good thing. That is a really good thing. But it really only marks the rebalancing of the ledger. It doesn't cover the enormity of what's gone on in the past and the bullying behaviour of Australian governments—the role of Alexander Downer in negotiating the Timor Gap treaty. I remember two things in particular. In 1989 there was the initial negotiation of the joint area between Australia and Indonesia with Ali Alitas, who was the Indonesian foreign minister, and Gareth Evans, the foreign minister for Australia, in Darwin. I can still visualise the media at the time of them signing a document in the air over the Timor Sea. That was all fine and terrific, except it excluded the role of the East Timorese; it was all about Indonesia and Australia.

Subsequently, in 2002, when there was a renegotiation after Timor-Leste gained independence, there was still no permanent maritime border negotiated. Regarding Alexander Downer—and the member for Solomon referred to this earlier—Mari Alkatiri, who was a good person, was the Prime Minister and was negotiating with Alexander Downer over the Timor Gap. Downer, in a most belligerent fashion, stood over Mari Alkatiri. And here I quote from a book by Kim McGrath, a great Australian—*Crossing the Line: Australia's Secret History in the Timor Sea*—in which she quotes Paul Cleary, who writes about those meetings and the interaction between the two. At the end of this interaction a lecture was being given by Alexander Downer to Mari Alkatiri in which he said:

We don't like brinkmanship. I think your Western advisors give you very poor advice that public opinion supports East Timor in Australia. We are very tough. We will not care if you give information to the media. Let me give you a tutorial in politics—not a chance.

What a disgrace. What an absolute bloody disgrace. And that was Australia's foreign minister. We learned subsequently that they'd bugged the conference. We've still got Australians in the courts for belling the cat, because of the role of an Australian government.

It's about time we got over ourselves and treated people properly, fairly and with respect. This treaty gives us that opportunity. And I do lay credit at the feet of the member for Sydney, and the speech that was referred to by the member for Newcastle, in bringing this forward so that we end up with conciliation over the boundary issue and we end up seeing a proper allocation of resources from this area to Timor-Leste, and that is as it should be.

We shouldn't be afraid of accepting the critique that we've really had our hands in their pockets for too long. It should've been 100 per cent from day one, not 80-20, 90-10 or 70-30—a very nifty drawing of boundaries to make sure we get a huge slice of the action at the expense of almost the poorest people in the world. So it is important that that situation is rectified, and it is rectified as a result of this legislation.

I want to thank the government, although, as the Leader of the Opposition said, this stuff could have been debated in November of last year. Why has it taken so long? They had no business prior to the election; we knew that. But, nevertheless, it's being done. It is important that we move forward but also have an eye to the past and understand the challenges that the people of Timor-Leste confront, that we appreciate their heroes that led them to the position that they're in today and that we appreciate that we need to do a lot more than we've done in the past in working with our near neighbours.

I commend particularly the member for Solomon for his ongoing relationship with the people of Timor-Leste and in the new role he's achieved and been given by the Leader of the Opposition in trade with our near neighbours. The Timorese are wonderful, forgiving people, really, and I think we should show our appreciation in a proper way. I had the great privilege of welcoming Xanana Gusmao to Australia after he was released from Indonesia, and I escorted him onto the floor of this House. That was a great honour, and it is a great honour to speak in this debate today to support this legislation to see, at least partially, wrongs of the past rectified.

**The DEPUTY SPEAKER (Dr McVeigh):** I call the member for Moreton and, in so doing, compliment him on his tie.

**Mr PERRETT (Moreton) (13:12):** Thank you, Deputy Speaker, I'll tell my wife. We have matching Queensland colours today, Deputy Speaker—good to see! I rise to speak on the Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019 and acknowledge the great contributions from those from the Labor side already in this debate.

I'm just going to give a little bit of history first. Timor-Leste, previously called East Timor, was the eastern half of the island of Timor—the area colonised by Portugal in the 16th century. Why Portugal? Well, because the countries of Spain and Portugal sat down together—they were the big maritime powers of the time—and struck the Treaty of Zaragoza in 1529, which basically divided the world in two—on this side of the planet, on the 141st degree of longitude, which is basically that bit of the Queensland border west of Toowoomba. If you kept going west, from Haddon Corner down to Cameron Corner to the western boundary of New South Wales down until it hits the Murray—it's actually not quite on 141st degree of longitude from the Murray down south, because Victoria actually stole 3½ kilometres off South Australia and went a little bit further west. There are lots of arguments as to what happened. They actually had a big argument for 60-odd years about that 1,800 square kilometres on the western side of Victoria that Victoria took off South Australia and it ended up in the Privy Council in 1914, where the Privy Council basically said: 'South Australia, you're never getting that back. That's now a part of Victoria.' I mention the world being divided in two because that's what this legislation is all about: where people draw lines on maps in terms of who owns what. That's what this legislation, which I commend the government for, is sorting out.

Timor-Leste was a Portuguese colony until Fretilin—the Revolutionary Front for an Independent East Timor—declared independence. That lasted only about nine days before the Indonesians came in and declared East Timor to be the country's 27th province in 1976. That continued until 1999, when, after the United Nations sponsored an act of self-determination, Indonesia relinquished control of the territory and Timor-Leste became the first new sovereign state in the 21st century on 20 May 2002. It has been a close friend of Australia ever since.

The reason this legislation is here is mainly resources. Timor-Leste is a very poor country, with nearly half the population living in extreme poverty. It is one of our closest neighbours and a country to which Australia owes a great debt, because of the great work that the East Timorese people did in World War II supporting Australian farmers, but it is a very poor community apart from the fact that they have petroleum. The Timor-Leste Petroleum Fund provides most of the East Timorese government's income. In fact, the International Monetary Fund has called Timor-Leste the most oil-dependent economy in the world. So it is important to get this right for East Timor, a land where many people in villages are still relying on subsistence farming; anything we can do to assist our good friend and neighbour is a good thing, obviously.

Previous speakers have touched on the fact that the call to correct this wrong and to get it right came mainly from the member for Sydney, Tanya Plibersek, in one of her recent speeches. She was calling for justice and not just because of that debt stretching back to World War II, when people like Tom Uren, who was a prisoner of war, were assisted by the East Timorese. Tom has been a great friend of the East Timorese. He was a prisoner of war on the Burma railway and the like, as the previous speaker, the member for Grayndler, mentioned. The member for Sydney called for justice to make it right, to repay the debt, because to do so is obviously in our national interests. Why? Because we must have a safe, stable community. Timor-Leste is a Christian country in the middle of Asia, a country that we have great connections with and a country that we need to make sure is stable, developing and growing. We obviously need to get the balance right.

The Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019 gives effect to the treaty that has been struck between Australia and Timor-Leste that recognises the extended maritime boundaries for Timor-Leste, and makes new arrangements for the petroleum development and revenues and the opportunities that will flow from making sure that the East Timorese are able to access all of those resources. There is an area struck out—the special regime area—where the gas fields known as Sunrise and Troubadour have their own set of arrangements, which include protection for current Australian petroleum activities, because the Greater Sunrise Special Regime area is a joint venture between Timor-Leste and Australia. There will also be some international areas to do with the gas pipelines to make sure that we get the best possible outcomes in terms of the value of the resources, and there are a few other things we need to sort out in terms of taxation arrangements for the companies that are operating in this area. It is a great opportunity for this government to do the right thing and to do things that are in the national interest that will benefit Australians.

We know that this coalition government doesn't have a big legislative agenda. This treaty was concluded on 6 March last year, so this could have actually taken effect much earlier. Instead, we see stunt after stunt from those opposite. They're all about the cheap politics and trying to wedge Labor rather than doing things that are in the

national interest. This is important legislation on the world stage. We have a shadow over us because of the behaviour of past governments, as detailed by the member for Lingiari in her speech, which should be listened to and read. We have a shadow that springs from the Liberal and National parties and now there's a chance to do it right. I'm glad to see that the Leader of the Opposition and the Prime Minister will be travelling to Timor-Leste to make this right. But I would ask the coalition, the government of the day—the government about to enter its seventh year—to actually start focusing on the nation and on the people it's supposed to be benefiting rather than on the cheap politics. I commend these bills to the House.

**Ms RYAN** (Lalor—Opposition Whip) (13:21): In the debate on these bills, the Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019 and related bills, we've heard the military and geopolitical history traversed ably by the member for Solomon, the member for Lingiari and the member for Morton. I want to take this opportunity to join with the member for Newcastle to celebrate, if you like, that this legislation is before the House. Our relationship with Timor-Leste over decades has been a point of great shame for me personally. I have always felt strongly that the previous treaty did not do justice to our nearest neighbours and that the previous positions of Australian governments of both colours did not go to the fairness that Australians like to see themselves espouse. It is terrific to see the bills come into the parliament today and before us to ensure that the new treaty does represent the values of our great country. It is an incredibly important relationship with our neighbour to north.

Like the member for Newcastle, I was incredibly proud when federal Labor changed its position in 2016 under then shadow minister Plibersek's leadership. I join the member for Newcastle in reading into *Hansard* a quote from the member for Sydney's National Press Club speech. She said:

Timor-Leste suffered decades of war and starvation before gaining independence. Australia played a key role in securing that independence—a proud moment for many Australians.

The maritime boundary dispute has poisoned relations with our newest neighbour.

This must change, for their sake, and for ours.

It is terrific to be here today to see that change forever, to see that the new treaty is going to be enacted, and to be able to proudly say that we've now come to a point where our values are driving our actions and our friendships with our nearest neighbours.

We've traversed the fact that we haven't always been the best neighbours. Today is a proud moment for all of us in this chamber. This treaty demonstrates our commitment to international law and rules—and, I would add, to fairness. I commend Australia's intention to have robust bilateral relationships with Timor-Leste and to jointly develop the Greater Sunrise gas fields, and I commend the bills to the House.

**Ms SHARKIE** (Mayo) (13:23): These bills implement the first tranche of measures to implement the recent treaty on maritime boundaries between Australia and East Timor. Sadly, the history of Australian negotiations with East Timor over maritime boundaries has been shameful and fraught with scandal. Australia unlawfully bugged the East Timorese cabinet to give it an unfair advantage in negotiations on the original maritime boundary treaty—to give it the upper hand in dividing the benefits of oil and gas reserves in the Timor Sea. That is a fact, and we did that to one of the poorest nations in Asia, which is really reprehensible.

As I mentioned, East Timor is one of the poorest countries in our region, with little revenue base other than these oil and gas reserves. In 2012, after learning that former foreign minister Alexander Downer had become an adviser to Woodside Petroleum, which was benefiting from the treaty, an ASIS agent, now known as 'Witness K', followed the proper internal processes to raise his concerns about the unlawful bugging operation. And now our government is prosecuting Witness K, and—unprecedented—his lawyer Bernard Collaery, for speaking out.

The case of Witness K and Bernard Collaery will likely stand for a long time as a landmark in Australia's democratic history. The question is: what sort of landmark will it be? Will the case of Witness K ultimately demonstrate the power of individual conscience against the abuse of power by the state, or will it be another step towards a future in which government secrecy and the power of secret agencies crowd out democracy and the rule of law? That has yet to be decided, but much will depend on the campaign to support Bernard Collaery and Witness K and, more broadly, on the effects of bringing our intelligence and national security agencies under full and proper scrutiny and control. At the heart of this case is an illegal act. At the heart of this case is a government decision to use the Australian Secret Intelligence Service, our overseas espionage organisation, to spy on our small and impoverished neighbour, East Timor. Our government did not seek to protect our national security but to advance narrow commercial interests for financial gain.

If there was ever a case of shooting the messenger, this has been the case. Collectively, we have worked with many members across the parliament, including former senator Tim Storer, and together we have referred the matter of the 2004 spying case on East Timor to the AFP. We ask the AFP to pursue the matter with diligence and

rigour, knowing that no-one should be above the law, especially not our intelligence agencies. This disgraceful case of spying should never have taken place, and this is a very real moment of shame for this nation.

What we have now is the opportunity to right the wrong. I hope that, to right one of the wrongs, our Attorney-General decides to drop the case against Witness K and Bernard Collaery. However, in returning to the bill, this bill does take a positive step in the right direction. I again urge the Attorney-General to drop the case, and in the meantime I commend this bill to the House.

Debate adjourned.



## BILLS

### Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019

#### Second Reading

Consideration resumed of the motion:

That this bill be now read a second time.

**Mr SUKKAR** (Deakin—Assistant Treasurer and Minister for Housing) (16:11): I want to thank members for their contribution to the debate and the passage of the Timor Sea Maritime Boundaries Treaty Consequential Amendments Bill 2019. This bill gives effect to the majority of the 2018 treaty between Australia and the Democratic Republic of Timor-Leste, establishing maritime boundaries. The treaty, as has been said on a number of occasions, is a historic achievement for Australia and Timor-Leste, and its implementation is firmly in our national interest.

The bill implements the new maritime boundaries agreed under the treaty and transfers the Joint Petroleum Development Area and some adjacent areas to Timor-Leste's exclusive jurisdiction. The bill provides the necessary transitional arrangements for petroleum activities in the areas adjacent to the Joint Petroleum Development Area that will transition either to Timor-Leste's exclusive jurisdiction or to the other areas of jurisdiction, including the Greater Sunrise special regime area. The bill also makes amendments to the petroleum title areas affected by the boundary and provides for two new international offshore areas for the purposes of the Bayu-Undan pipeline corridor and a potential Greater Sunrise pipeline corridor. I thank you.

Question agreed to.

Bill read a second time.

#### Consideration in Detail

Bill—by leave—taken as a whole.

**Mr SUKKAR** (Deakin—Assistant Treasurer and Minister for Housing) (16:13): I present a supplementary explanatory memorandum to the bill and move the government amendment as circulated:

(1) Schedule 1, item 133, page 67 (after line 4), after subitem (5), insert:

(5A) However, the Joint Authority must not consent under section 270 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* to the surrender, in whole or in part, of the new licence unless the pipeline to which the licence relates has been removed from the surrender area to the satisfaction of NOPSEMA. This has effect despite subparagraph 270(3)(c)(ii) and subsection 270(5) of that Act.

**Mr BURKE** (Watson—Manager of Opposition Business) (16:13): The amendment that's in front of us the opposition is just working through now. We take the government at its word that it's not controversial, but, with respect for due process, we're going through it now. We don't in any way want this to undermine the fact that this is a very important, bipartisan moment for the parliament. What's happening right now is that, in many ways, the parliament is taking Australia's reputation and Australia's relationship with our neighbours very seriously.

We're working through the amendment right now. For the sake of detail, I might invite the minister, if he has some specific notes—he might; he might not—to give a quick description. If not, for the benefit of the House I

might read out the amendment that's in front of us, just so that everybody, when they're voting, knows exactly what they're dealing with.

(1) Schedule 1, item 133, page 67 (after line 4), after subitem (5), insert:

I'm sure that will help everyone listening on the radio—

(5A) However, the Joint Authority must not consent under section 270 of the Offshore Petroleum and Greenhouse Gas Storage Act 2006 to the surrender, in whole or in part, of the new licence unless the pipeline to which the licence relates has been removed from the surrender area to the satisfaction of NOPSEMA. This has effect despite subparagraph 270(3)(c)(ii) and subsection 270(5) of that Act.

The shadow minister has just left the chamber to, I think, get that detail confirmed right now. So, in terms of the process, I let people know that we'll be dealing with this quickly for the very simple reason that we all want to make sure that, before we hit half past four, we haven't got through just this bill but also the two ancillary bills that are attached to it. We'll be limiting speeches accordingly to make sure that's dealt with. I'll stop now.

**Mr FITZGIBBON** (Hunter) (16:16): In the short time available to us, we've come to the conclusion that we have not been consulted on this. We're happy to be corrected if that is untrue, but we are unaware of it. I can't have any confidence that I know what this amendment does. I have a fair idea and I'm fairly relaxed about it. On the basis that I doubt very much, on what is very much a bipartisan issue, that the government would put forward anything that would disturb us, the opposition is prepared, regrettably in the circumstances, to support the amendment.

**Mr SUKKAR** (Deakin—Assistant Treasurer and Minister for Housing) (16:16): I'm advised this was provided to your office two days ago, but we appreciate that the shadow minister may not have seen it. This amendment essentially ensures that the relevant section of the pipeline be removed before the Australian licence for the pipeline, and therefore the responsibilities of the relevant licensee will end. It's a technical amendment just to ensure the intention, as has always been the intention of both sides of the House, is given effect. We believe it's an uncontroversial amendment but appreciate the shadow minister needs to look at it at the very least. But I think it's very uncontroversial.

Question agreed to.

Bill, as amended, agreed to.

### Third Reading

**Mr SUKKAR** (Deakin—Assistant Treasurer and Minister for Housing) (16:17): by leave—I move:

That this bill be now read a third time.

**Mr BANDT** (Melbourne) (16:18): I want to put a few remarks on the record, but we don't have any intention of taking it past 4.30, as I understand the significance to the House of passing this on time. I'll endeavour to limit my remarks to that time so that it can certainly pass in due course. This is, in many respects, obviously, a very good day for East Timor. Timor-Leste has had such a long struggle for self-determination, and Australia's role in that has not always been covered in glory, from the beginning—there was the Indonesian invasion, and Australia did not come to the aid of those in Timor-Leste but, instead, stood by and in fact endorsed the invasion—through to some of the more recent acts. The history of Australia's relationship with Timor-Leste, which has led us to the point of this treaty, has not always been glorious. It has caused an immense amount of pain and suffering in some respects to the people of Timor-Leste. But the long struggle for self-determination for the people of Timor-Leste and control over their own resources, including over their oil resources, is something that has now reached a point—again, perhaps not in the fairest of ways—and the Timor-Leste parliament has said this is a treaty that should be approved. And it is now something that the Australian parliament and the Australian government is going to do, which is also very significant, because of course the amount of resources that are the subject of this treaty is significant.

Of course, the Greens will have our view about the future role of fossil fuels, and we will continue to push for a phasing-out of fossil fuels and replacement with renewable energies, including the oil that is subject to this debate. But what we do not quibble with is that the country—in this case, Timor-Leste—that has responsibility for those resources in its area should be the one to decide what happens to them and the one who gets the benefit. So, yes, we will be making a transition away from fossil fuels, but that should not come at the expense of countries like Timor-Leste.

In regard to the negotiations that have led up to this treaty or agreement that we're being asked to ratify in this legislation, there is in law a concept of unconscionability. The concept of unconscionability basically says that, where there's a massive imbalance of power between two parties and one has access to knowledge and resources that the other doesn't, that should be taken into account in determining what is fair and that you've got to, if not

show restraint, at least conduct yourself as a model nation. That is not what Australia has done in the lead-up to this treaty that forms part of this bill. That is not what Australia has done.

You would think that, at a minimum, basic principles of fairness and decency to our neighbours would mean you would sit down and have negotiations on a level playing field. You wouldn't think that the more powerful side would go in and bug the negotiations of the other side. That is the kind of stuff that we accuse other companies or other countries of doing and condemn it when it happens. It's the kind of stuff that we say is about manipulating the outcomes of elections or should be the subject of legislation to restrict it. Instead, what happened? We had a neighbour whom we have not always treated well, although at some stages we have come to their assistance. I should note that previous governments—indeed, previous Howard governments—deploying Australian military forces to assist the people of East Timor was something that even the Greens supported, notwithstanding our founding principles of peace and nonviolence. That was actually a good use of international deployment to ensure that people who were otherwise being oppressed might have the opportunity to take their place as an independent nation and then be able to conduct negotiations like this. What did we do instead? Instead, we went in and bugged their negotiations. That is unconscionable. That is not how a country should behave towards someone else in its region, especially when it's got a past that it has to atone for, especially when there's such a massive power imbalance and especially when there is so much at stake.

The whistle was blown on that, and rightly so. And what did we do? In this country, we should be applauding whistleblowers, especially whistleblowers who say, 'Hang on, we're treating a neighbour in a not very neighbourly way. We're treating a neighbour in a way that is going to cost one of the poorest countries in the world a lot of money and make it harder for them to continue to develop.' But that's not what we did. When someone blew the whistle, they were prosecuted. They and their lawyer have been hounded. I'm talking about this treaty that we're being asked to ratify. Since then the prosecution of lawyer Bernard Collaery has been conducted by the government in a way that is incredibly oppressive. That is coming at a massive toll to him and is probably, I would say, designed on the government's part to do that. I'm not criticising the conduct of the courts here; I'm criticising the conduct of the government during this prosecution.

Then there are other things that are within the government's control, like the ratification of this treaty that we are being asked to legislate today. The government has even dragged its heels on that. We know that Timor-Leste, until now, has been largely an aid-dependent country. Its revenues have been rapidly dwindling. The country's sovereign wealth fund could have been empty within a few short years, in part because this government has dragged out the timing of ratification. That has come at enormous cost. It has come at a benefit for some companies and perhaps the government thinks that it has come at a benefit to this country, Australia, but it has come at enormous cost to Timor-Leste.

Some estimates suggest that the revenue taken by Australia since the signing of the treaty now totals more than what Australia has given to Timor-Leste in foreign aid and more than Timor-Leste spends on health in a year. In other words, there is the history of the relationship and the history of the negotiations and then there is the prosecution of the whistleblower and the delay in ratifying the treaty to the point where it is costing a poor neighbour money that it simply cannot afford.

This is a good day for Timor-Leste. We should not stand in the way of that, but we should also not attempt to whitewash the history and our failure to act in a way that we should to one of our neighbours.

Question agreed to.

Bill read third time.

### **Passenger Movement Charge Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019**

#### **Second Reading**

Consideration resumed of the motion:

That this bill be now read a second time.

**Mr SUKKAR** (Deakin—Assistant Treasurer and Minister for Housing) (16:27): I thank members for contributing to the debate on the Passenger Movement Charge Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019, which complements a range of other measures to give effect to the treaty. This package of bills is again another step in the great relationship between Australia and Timor-Leste.

Question agreed to.

Bill read a second time.

#### **Third Reading**

**Mr SUKKAR** (Deakin—Assistant Treasurer and Minister for Housing) (16:28): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

### **Treasury Laws Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019**

#### **Second Reading**

Consideration resumed of the motion:

That this bill be now read a second time.

**Mr SUKKAR** (Deakin—Assistant Treasurer and Minister for Housing) (16:28): I thank everyone for contributing to the debate on the Treasury Laws Amendment (Timor Sea Maritime Boundaries Treaty) Bill 2019. The bill fulfils Australia's tax related obligations under the treaty by ensuring that these arrangements apply to transition petroleum activities in accordance with annex D to the treaty, which sets out the transitional arrangements. I, therefore, commend the bill to the House.

Question agreed to.

Bill read a second time.

#### **Third Reading**

**Mr SUKKAR** (Deakin—Assistant Treasurer and Minister for Housing) (16:29): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

#### **ADJOURNMENT**

**The SPEAKER** (16:30): It being 4. 30 pm, I propose the question:

That the House do now adjourn.