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CHAPTER 5

INTERNATIONAL RELATIONS

The basic principles underlying the shaping and conduct of Australia's foreign policy are that Australia is an essentially Western democratic society aligned with the United States and its allies and partners; the country's prosperity is largely dependent on trade; it is remote from its founding nation, principal migration source countries, major markets and its main allies; it is a relatively rich country in a 'populous, developing and rapidly-changing region.

Initially, Britain and the Commonwealth countries were the central elements of Australia's foreign policy and activity. Later, partly as a consequence of the vital role played by the United States of America in the Pacific in the Second World War and subsequently, close relations were also developed with that country. These links, and links with Western Europe, remain important factors in Australian policy. Australia inherits its national traditions from Western European countries, conducts a major part of its trade with these countries and with the United States, and obtains technology and capital for its development from them.

Australia is located in a region which includes the politically, economically and strategically significant countries of North East and South East Asia and the many newly independent nations of the South Pacific. Awareness of the importance of these neighbouring states has led successive Australian governments to seek to promote and maintain friendly and co-operative relations with them, not only to ensure the stability and security of the region, but also to develop mutually-profitable trade, investment, exchange of technology, and co-operation in the development process. Australia gives special attention to its relations with China, Japan, ASEAN (the Association of South East Asian Nations) and its members, New Zealand, Papua New Guinea and the other South Pacific states.

Australia has also been concerned at the increasing instability in the world strategic environment, particularly in South West Asia, Indo China, the Middle East and Africa. These will remain issues of central importance to the Government's foreign policy concerns and to the Western alliance of which Australia is an active member.

New international issues (economic, resources, human rights, etc.) and new concepts of national interest are emerging, together with an increasing recognition of the growing interdependence of the world community. This is reflected in economic issues becoming one of the priorities in Australia's foreign policy. Australia recognises the importance and growing complexity of economic issues, particularly the slow-down in world trade and economic development and the continuing energy crisis affecting both developed and developing countries. The growing interdependence of national economic and foreign policies and the increasing vulnerability of Australia's economy to international trade and other developments will remain at the heart of Australia's foreign policy concerns for some while to come. Australia's recognition of the serious implications that many of these issues have for the relationships between developed and developing countries was shown by the establishment early in 1978 of a Committee on Australia's Relations with the Third World. The Committee's Report was issued in September 1979. Australia places a high priority on its participation in the resolution of these global issues in the United Nations, the Commonwealth and other multilateral forums.

The United Nations

Successive Australian Governments have reaffirmed their support for the United Nations (UN), its Charter and the work being done in the various specialised agencies. Within the United Nations and other organisations, Australia seeks to work toward the solution of the pressing problems confronting humanity today.

Australia is involved in a wide range of United Nations matters and has served on many United Nations bodies. It was a member of the Security Council in 1973-74 and, in 1975, a long period of membership on the Trusteeship Council came to an end with the independence of Papua New Guinea. It is a member of the Special Committee on Decolonisation and the UN Committee for Namibia.

Australia is a member of the Economic and Social Council for 1980-82. Australia also supports the work of the specialised agencies and subsidiary bodies in such areas as development assistance, drug control and human rights. It is an active participant in the economic work of the United Nations through such forums as UNCTAD, and was last a member of the UNDP Governing Council in

1977-79. It is a member of the UN Commissions on Human Rights, Human Settlements, and Narcotic Drugs, and on the Executive Board of the UN Children's Fund and the Governing Council of UNEP—and has been elected to the Statistical Commission for a four year term beginning in 1981. Australia is a member of three of UNESCO's Governing Councils.

Australia has been involved in almost all UN peacekeeping activities since these began. Australia has also contributed its assessed share of the costs of all UN operations and also makes voluntary contributions as well as providing men and equipment for peacekeeping forces.

Australia is also fully involved in the work of the UN on disarmament and outer space, and is a member of the main subsidiary bodies working in these areas.

Australia accepts the compulsory jurisdiction of the International Court of Justice and plays an active role in bodies concerned with the development of international law.

The Commonwealth

The Commonwealth is a distinctive and unique framework bringing together about a quarter of the world's population. Australia participates actively in the broad range of Commonwealth activities. It was host to the first regional Heads of Government meeting, in Sydney in February 1978, and will host the Commonwealth Heads of Government Meeting in 1981.

South East Asia

Australia shares with South East Asian countries a concern for peace and the economic and social development of the region. The Australian Government is in regular contact and consultation with South East Asian governments on a wide range of issues. Contacts with them have widened beyond the scope of official activity to include consultation between private sector organisations, co-operation in the trade and resources field, the export of Australian expertise and technology in joint enterprise arrangements, and direct Australian investment. Benefits from this growing economic relationship are mutual, and it is essential to Australia's economic and political future in its own region.

The range of personal contacts with the region continues to widen, as tourism develops, migration from Asia to Australia grows, student exchanges increase, and academic studies and press coverage of regional affairs expand.

Australia has particularly welcomed the progress made by ASEAN and its contribution to the promotion of regional cooperation. Australia has a significant interest in helping to ensure that ASEAN succeeds in generating economic growth and political stability and supports its wish to prevent domination of the region by any major power. Australia has entered a program of economic co-operation with ASEAN to which it has pledged a total of \$34.5 million.

Asia

Australia believes that peace and prosperity in Asia depend largely on the ability of countries in the region to co-operate to secure these objectives and in ensuring that no major power, either inside or outside the region, is able to exert an undue influence in the area.

Australia's primary interest and concern in Asia has long been reflected in its active role in regional associations and organisations such as the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), the Colombo Plan, the Asian Development Bank and in many other bodies, both private and government.

Japan is Australia's largest trading partner, with total trade now around \$7,500 million a year and is a significant source of investment funds. Relations between the two countries in political, cultural, scientific, sporting and other areas are being actively fostered by both Governments with a view to enhancing mutual understanding and friendship.

Australia is developing its relations with China over a broad range of activities, putting aside the ideological and other differences between the two countries. There have been a growing number of visits by specialist groups between China and Australia, as well as several major cultural exchanges. Trade is growing, with China showing increasing interest in imports from Australia of mineral ores and other raw materials as it moves rapidly towards modernisation of its industrial base.

Australia's relations with the Republic of Korea are firmly established and steadily broadening. In addition to the important economic partnership, both countries are promoting exchanges in other areas.

Australia is developing its relations with Laos and gives it a modest amount of aid. Australia maintains normal diplomatic relations with Vietnam but the bilateral relationship has been affected by Vietnam's military occupation of Kampuchea, and until July 1979 the Vietnamese Government's involvement in the refugee exodus.

Australia recognises the strategic and political importance of the Indian sub-continent and has continued to strengthen friendly relations with the countries of that region. The Australian Prime Minister paid a State visit to India in January/February 1979.

Pacific

The relationship between Australia and New Zealand is one of the closest between any two countries. There is extensive contact and co-operation at all levels of Government and between non-Government groups and individuals based on historical, cultural and geographic affinities. Both Governments have recently established Australia New Zealand Foundations to further strengthen the relationship, and are also examining the possibility of closer economic co-operation.

Papua New Guinea is a major member of the South Pacific community and plays a significant role in the region. Australia's relations with Papua New Guinea have continued to develop since independence on 16 September 1975. There are close links between the two countries over a large range of activities. Australia each year provides substantial aid to Papua New Guinea, including budget support amounting in 1980-81 to \$244 million.

Australia looks to consolidate and to expand its co-operative activities to promote the stability, welfare, harmony and economic development of the region. Australia was a foundation member of the South Pacific Commission, the South Pacific Forum and the South Pacific Bureau for Economic Co-operation. Matters of common interest are regularly discussed with Australia's Pacific partners.

In important developments in the South Pacific relating to the law of the sea and fisheries, Australia is co-operating in efforts by countries of the region to secure the maximum benefits from marine resources. It has become a party to the convention establishing the South Pacific Forum Fisheries Agency. Australian aid programmes in the South Pacific are substantial in size and varied in nature, covering all types of infrastructural and other development projects. The Australian Government has approved a three year forward aid commitment of \$120 million and for the 1980-81 project aid to the region (excluding Papua New Guinea) is expected to amount to \$28 million. Australia has also established a small fund to promote the preservation and development of Pacific cultures. Australia and New Zealand recently entered into a Non-reciprocal Preferential Trade Agreement in favour of South Pacific Forum States. The Agreement is known as SPARTECA—South Pacific Regional Trade and Economic Cooperation Agreement.

The Americas

Australia has a long-standing and close relationship with the United States which extends across the whole range of the national life of both countries. Government-to-Government relations are only one part of a larger and more extensive interaction between the two countries which derives from common experiences, culture and language. In general, relations between the countries are warm and co-operative, with a high degree of official political consultation and a close personal relationship between the political leaders. The affinity between Australia and the United States is underpinned by substantial economic ties. The United States is Australia's largest supplier of imported items and its second largest export market.

Canada is, to a greater degree than other nations, a country comparable with Australia in terms of institutions and traditions, geographical size, economic standing and international outlook. The genuine goodwill established between the two countries has allowed Canada and Australia to co-operate on the achievement of mutually desirable objectives, reflecting individual national interests and competition in certain commercial fields.

Developments in the Caribbean and the Latin American region are of increasing importance to Australia, and resident missions have been established in Jamaica, Mexico, Chile, Argentina, Brazil, Peru and, most recently, Venezuela. Australia has observer status at the annual General Assemblies of the Organisation of American States.

Europe

Australia attaches considerable importance to maintaining warm and friendly relations with the countries of Western Europe, with the European Community and its institutions, including the Parliament.

Bilateral relations with individual Western European countries continue to be of considerable importance. These relations are promoted by the very close cultural and historical links we share with these countries and are reinforced by the presence in Australia of large numbers of people of recent European origin. Economic ties between Australia and the major Western European economies are likely to be significantly strengthened by a major increase in the export of Australian energy resources to Europe.

The European Community (EC) is Australia's second largest trading partner and a major source of investment funds and scientific and technological expertise. The 1979 agreement with the EC over the Multilateral Trade Negotiation (MTN) has gone only some way towards resolving trading difficulties. Australia remains committed to seeking the development of a closer and mutually advantageous relationship with the EC based on our wide range of common interests.

With the establishment last year of the first directly elected European Parliament, it is evident that the Parliament will assume an increasingly important role in the Community. Australia expects the visit of a delegation from the European Parliament early in 1981 during which the foundation for further mutually advantageous contact will be established.

Australia's relations with the Soviet Union have been circumscribed following that country's invasion of Afghanistan. The Government has denounced unequivocally the Soviet invasion as being totally without justification and as being in contempt of the Charter of the United Nations. Australia does not accept the Soviet view that what has occurred in Afghanistan can be divorced from the conduct of bilateral relations. To demonstrate its concern, the Government has taken a number of measures to curtail relations between Australia and the Soviet Union.

Australia has expanded its contacts with Eastern European countries in the past decade, which saw the establishment of diplomatic missions in Yugoslavia, Poland and the German Democratic Republic (GDR). Eastern Europe is a sensitive area in world affairs and Australia has an interest in the maintenance of a balanced East/West relationship. Eastern Europe also has significant potential for Australian exports, particularly commodity exports, and our trade relations with the area have been expanding. Another aspect of our relations with Eastern Europe is the presence in Australia of large ethnic groups from countries of the region which have substantial links with their country of origin, notably in the cultural field.

The Middle East

Much value is placed on Australia's longstanding and close relations with the Arab nations and with Israel. Australia has an interest in seeing what is probably a most serious threat to world peace removed. Although Australia's ability to bring influence to bear towards a settlement in the Middle East is very limited, it has important interests in the region which cannot be overlooked. Australia supports the Peace Treaty between Israel and Egypt, seeing it as the first step towards a just, lasting and comprehensive peace settlement in the Middle East. Australia sees the basis for a peaceful settlement in the United Nations' Security Council resolutions 242 and 338. It regards full recognition of Israel's right to exist as an essential part of any settlement and at the same time supports legitimate rights of the Palestinian people to a homeland alongside Israel. The terms of a settlement are a matter for negotiation among the parties directly concerned.

Africa

Australia wishes to broaden the range of its contacts with independent black African states and consolidate links with those with which it already enjoys friendly relations. It maintains formal diplomatic relations with South Africa without allowing this to derogate from its opposition to that country's policies of racial discrimination. Australia has supported international action and has welcomed negotiations to bring about majority rule in both Namibia and Zimbabwe.

Indian Ocean

Australia is concerned that the Indian Ocean should not become a major area of superpower competition and believes that there should be a balance at the lowest practicable level between the forces of the superpowers in the region. Discussions between the United States and the Soviet Union on mutual arms limitation in the Indian Ocean began in 1977 but were suspended in 1978. Australia supported the idea of such mutually negotiated limitations and would again support them if circumstances favourable to negotiations were to return. Australia continues to play an active role in the UN Ad Hoc Committee on the Indian Ocean in its consideration of the proposed implementation of the Declaration of the Indian Ocean as a Zone of Peace.

ANZUS

Maintenance of the ANZUS alliance with the United States and New Zealand remains of major importance in Australian foreign policy. The alliance continues to play a valuable role in the promotion of stability and normal relations in the Asian and Pacific area.

Nuclear issues

Australia's nuclear policies are based on strong support of the Nuclear Non-Proliferation Treaty (NPT), which Australia ratified in 1973.

On 24 May 1977, the Prime Minister announced Australia's nuclear safeguards policy to cover exports of Australian uranium under new contracts. The policy includes requirements for International Atomic Energy Agency safeguards on Australian origin nuclear material, the conclusion of bilateral nuclear safeguards agreements with customer countries, and support for constructive international non-proliferation initiatives. Nuclear safeguards agreements incorporating all the requirements of the Government's policy have been signed with Finland, the Philippines, the Republic of Korea, the United States and the United Kingdom. Negotiations are continuing with other countries.

Australia participated in the two year International Nuclear Fuel Cycle Evaluation study (INFCE), established in October 1977 to examine ways in which nuclear energy could help in meeting the world's energy needs consistent with nuclear proliferation objectives. INFCE successfully completed its work in February 1980.

During the post-INFCE period, international attention is concentrating on improved safeguards, improved assurance of nuclear supply and new institutional barriers to proliferation such as an international plutonium storage scheme. Australia is participating in work in these areas under the auspices of the International Atomic Energy Agency (IAEA). Australia is a member of the Board of Governors of the IAEA and also a member of the Nuclear Energy Agency of the Organisation for Economic Cooperation and Development.

Australia encourages universal adherence to the NPT and supports other measures to strengthen generally international arrangements to provide assurance against the further spread of nuclear weapons.

Disarmament and arms control

For a number of years Australia has been active in promoting nuclear arms control and disarmament objectives in the United Nations, and, since January 1979, as a member of the Committee on Disarmament in Geneva. Australia attaches particular priority to the earliest possible conclusion of a treaty banning all nuclear testing in all environments. Australia is also active on a number of non-nuclear disarmament questions. A promising start to serious consideration of a possible chemical weapons convention has been made in the Committee on Disarmament.

Australia has acceded to the following disarmament and arms control agreements: The Partial Test Ban Treaty, the Geneva Protocol (on Asphyxiating, Poisonous or Other Gases), the Outer Space Treaty, the Seabed Arms Control Treaty, the Nuclear Non-Proliferation Treaty, the Biological Weapons Convention, and the Environmental Modification Ban.

North-South Relations

Australia seeks to play a constructive role in the dialogue on international economic issues between the developed ('the North') and developing countries ('the South'). Proposals directed to the establishment of a New International Economic Order (NIEO) cover a range of possible initiatives which developing countries argue will promote a more efficient and more equitable international economic system and facilitate more rapid growth in developing countries. Australia shares economic interests with the developing countries and has taken a forward position on a number of North-South issues. Australia has worked actively in recent years to pursue changes to the system which are viable and effective, and which are aimed at promoting a greater harmony of interests in an increasingly interdependent world.

Law of the Sea

Australia is participating in the Law of the Sea Conference, the largest and potentially, the most important conference in the history of the United Nations, involving major strategic, economic, transport, scientific and environmental issues. The current draft text of a Convention includes articles on the system of exploration and exploitation of the deep seabed beyond the limits of national jurisdiction; the extension of the territorial sea to 12 nautical miles; the establishment of coastal state sovereign rights in the living and non-living resources of an 'exclusive economic zone' of 200 nautical miles; recognition of coastal state sovereign rights over the exploration and exploitation of the natural resources of the continental shelf, defined in terms of the natural prolongation of the land-mass; protection and preservation of the marine environment; marine scientific research; and the settlement of disputes. Rights of freedom of navigation and passage through straits and archipelagos which are important to trading nations such as Australia are also recognized in the text. The Conference has reached informal agreement on all but a few of the 400 articles in the negotiating text and its annexes and negotiations on the outstanding issues are at an advanced stage. It is hoped that negotiations can be concluded in 1981.

Antarctica

Australia has had a long association with Antarctica commencing with early expeditions and continuing until today with an active scientific program. Its importance to Australia derives from its geographical proximity, the history of Australian involvement there and Australian administration of the Australian Antarctic Territory. Australia maintains three permanent bases in the Territory at Casey, Davis and Mawson (as well as one on Macquarie Island).

As one of the twelve original signatories Australia attaches particular significance to the Antarctic Treaty of 1959, which serves important Australian scientific, environmental and security interests. Australia hosted the First Antarctic Treaty Consultative Meeting in Canberra in 1961 and such meetings are held approximately every two years in one of the Consultative Party States. In May 1980 Australia was host to a diplomatic conference in Canberra which successfully concluded negotiations on a Convention for the Conservation of Antarctic Marine Living Resources. The Convention was signed in September 1980 and Australia is expected to be the host for a preparatory meeting next year to facilitate the early operation of the Commission which will be set up in Hobart to administer the Convention.

Treaties

The texts of bilateral and multilateral treaties to which Australia becomes a party are printed in the Australian Treaty Series when they enter into force. The most recent consolidation of the Australian Treaty List was published as Australian Treaties Series 1971, No. 1. Australia's current position with regard to individual treaties may be ascertained by referring to the 1971 list in conjunction with Cumulative Supplement No. 3 and the annual lists of Treaty Action for 1974, 1975, 1976, 1977, 1978 and 1979. These publications are available from the Australian Government Publishing Service.

Cultural Relations

The Department of Foreign Affairs administers a program of cultural relations overseas in furtherance of the Government's foreign policy objectives. The program includes exchanges in the performing and visual arts, sport, film and literature as well as academic exchanges. The Department co-operates and consults with Australian organisations active in international cultural exchange.

Australia has cultural agreements with France, Greece, India, Indonesia, Iran, Italy, Japan, South Korea, Malaysia, the Philippines, Romania, Singapore, Thailand, USSR, and Yugoslavia. A cultural program is agreed annually with China and a cultural agreement is currently being negotiated.

Australian Aid Program—1980–81

Australia's development assistance program is directed towards promoting economic growth and social advancement in developing countries, particularly in the Asian and Pacific regions. It aims to meet the expressed needs of these countries and is directed towards key activities in their economies, such as rural development. All of Australia's aid is given in grant form and a significant proportion is untied.

About 80 countries receive assistance, but Australia's efforts are aimed principally at assisting its nearest neighbours—Papua New Guinea (PNG), the South Pacific region—and member countries of the Association of South-East Asian Nations (ASEAN).

In 1980–81, Australia expects to spend about \$547 million on its aid program. Of this amount, \$445.8 million (81.4 per cent) will be provided as bilateral aid given directly to the governments of developing countries. The major elements of the bilateral program are budgetary support for PNG, project aid (equipment and expertise), the education of Third World students and trainees, food aid and assistance through non-government organisations. Development import grants have become a permanent feature of the program this year and will be available to certain South Pacific, African and Indian Ocean countries. A new item—Development Import Finance Facility and Joint Venture Scheme—is an element of the program. The facility will enable ASEAN countries to import capital goods and services required by the development objectives on more concessional terms than are available commercially.

In addition, \$102 million has been allocated to multilateral agencies. Support provided to these bodies has been increased by 14 per cent over the previous year, with a large increase going to the International Development Association of the World Bank.

Australia has increased the level of its forward commitment of aid to the South Pacific nations. Over the period 1980–81 to 1982–83, it will provide \$120 million to these countries. Australia is now the principal source of developmental funds in the South Pacific.

Australia will provide Zimbabwe with development assistance amounting to \$10 million to help it through its initial post independence phase. The Australian Government has allowed as tax deductions contributions made to international appeals for Kampuchea and East Timor during 1979-80. These were the first occasions for which such donations have been made eligible for tax deduction. The Government has now decided to extend tax deductions to eligible non-government organisations active in overseas aid activities.

Training

During 1980-81 Australia will sponsor more than 3,000 people to study in Australia and Third World countries. The training program is designed to assist countries in Asia and the Pacific and Indian Ocean regions to develop the manpower skills needed for social and economic development.

Australia's training program seeks to encourage recipient governments to relate their requests for training to their national development priorities. The aim is a matching of Australian expertise with the requirements of recipient governments, whose role it is to decide who should be nominated for scholarships and also to indicate the level of training required and the field of study.

A new approach in providing training assistance is the progressive development of country training 'packages' for each recipient of Australian aid. Each package seeks to meet, in part or in whole, the recipient's manpower training needs in fields in which Australia has special expertise.

Within Australia the training includes individual training awards to regular Australian courses and special group courses known as Australian Development Assistance Courses (ADACs), some of which are run at the International Training Institute in Sydney. Courses planned for 1980-81 will be in fields such as agriculture, health, engineering, education and management.

Australia's international training awards are provided under a number of regional, Commonwealth and other schemes. They include the Colombo Plan; the Special Commonwealth African Assistance Plan; the Commonwealth Co-operation in Education Scheme; the South Pacific Aid Program; the Australia Papua New Guinea Education and Technical Assistance Scheme; the Australian-Asian Universities Co-operation Scheme; and the South-East Asian Ministers of Education Scheme.

Spending on training and educational aid is estimated at \$18.7 million.

The following table shows the number of private students and sponsored overseas students and trainees in Australia. The Department of Immigration and Ethnic Affairs and the Department of Education prepare statistics of overseas students admitted under the *Private Overseas Student Program*. The statistics in the following table exclude practical experience and specialised trainees, exchange students and students not currently undertaking study. Further details on sponsored overseas students and trainees in Australia are available from publications issued by the Australian Development Assistance Bureau within the Department of Foreign Affairs.

OVERSEAS STUDENTS: NUMBER OF PRIVATE STUDENTS AND SPONSORED STUDENTS AND TRAINEES BY LAST PLACE OF RESIDENCE

| <i>Last place of residence</i> | <i>Sponsored students and trainees (a)</i> | | | | | <i>Total</i> |
|--|--|---------------------|---|------------------------|--------------|--------------|
| | <i>Private students (b)</i> | <i>Colombo Plan</i> | <i>Commonwealth Co-operation in Education</i> | <i>Home government</i> | <i>Other</i> | |
| Africa | 139 | — | 37 | 15 | 193 | 245 |
| America | 185 | — | 18 | 2 | 8 | 28 |
| Asia— | | | | | | |
| Burma | — | 11 | — | — | 3 | 14 |
| Brunei | — | — | — | 1 | — | 1 |
| China— | | | | | | |
| Excluding Taiwan Province | 3 | — | — | — | — | — |
| Taiwan Province only | 22 | — | — | — | — | — |
| Hong Kong | 1,169 | — | 5 | 17 | 1 | 23 |
| India | 160 | 21 | 4 | — | 4 | 29 |
| Indonesia | 478 | 183 | — | 13 | 32 | 228 |
| Japan | 217 | — | — | — | — | — |
| Laos | — | 45 | — | — | — | 45 |
| Malaysia | 4,875 | 154 | 3 | 219 | 19 | 395 |
| Pakistan | 41 | 23 | — | — | 1 | 24 |
| Philippines | 76 | 35 | — | — | 13 | 48 |
| Singapore | 339 | 99 | 2 | 1 | 2 | 104 |
| Sri Lanka | 107 | 54 | 4 | — | 6 | 64 |
| Thailand | 291 | 172 | — | 5 | 11 | 188 |
| Vietnam | — | 16 | — | — | 29 | 45 |
| Other Asia | 79 | 157 | 7 | 5 | 4 | 173 |
| <i>Total Asia</i> | <i>7,857</i> | <i>970</i> | <i>25</i> | <i>261</i> | <i>125</i> | <i>1,381</i> |
| Europe | 229 | — | 2 | — | 2 | 4 |
| Oceania— | | | | | | |
| Fiji | 339 | — | 21 | 13 | 42 | 76 |
| Nauru | 77 | — | — | 1 | — | 1 |
| New Caledonia | 16 | — | — | — | — | — |
| Papua New Guinea | 129 | — | — | — | 87 | 87 |
| Solomon Islands | 19 | — | — | — | 13 | 13 |
| Tonga | 28 | — | 8 | 1 | 32 | 41 |
| Other Oceania | 44 | — | 7 | — | 25 | 32 |
| <i>Total Oceania</i> | <i>652</i> | <i>—</i> | <i>36</i> | <i>15</i> | <i>199</i> | <i>250</i> |
| Not stated | 13 | — | — | — | — | — |
| <i>Total overseas students</i> | <i>9,118</i> | <i>970</i> | <i>118</i> | <i>293</i> | <i>527</i> | <i>1,908</i> |

(a) As at 30 June 1979. (b) Excludes practical experience and specialised trainees, exchange students and students not currently undertaking study as at 30 June 1980.

Food Aid

Food aid has always been an important part of Australia's aid program. This year Australia has allocated over \$78.5 million for food aid, more than double its June 1977 level when Australia announced significant changes to the food aid program. Most of Australia's food aid is given bilaterally and is generally allocated among developing countries on the basis of relative need. More than 20 countries in South Asia, Africa and the Pacific Islands receive gifts of food grain, mainly wheat, flour and rice. The largest amounts go to Bangladesh, Indonesia, Pakistan, Egypt and Sri Lanka.

Australia also has a non-grain food program providing non-grain foods valued at \$2.5 million for special nutritional impact projects in five or six developing countries.

As well as providing food bilaterally, Australia channels resources through the World Food Program (WFP). Total value of this aid through the WFP is about \$21.9 million.

Part of Australia's food grain aid is directed to the International Emergency Food Reserve for use on a bilateral and multilateral basis to help feed people living in areas struck by droughts, floods, pests and other natural disasters. Food aid is being provided for disaster relief operations in areas of East Africa suffering extreme hardship and malnutrition as a result of severe and prolonged drought. Australia for some time has been supporting efforts to alleviate suffering in Uganda, and Sudan with its Eritrean refugees.

Papua New Guinea

More than half of Australia's bilateral aid goes to PNG because of a special relationship with the country based on long historical association. The level of Australian aid in 1980-81 is \$243.7 million, of which \$232 million is a direct grant to help PNG meet its budget priorities. Under the terms of the five-year aid agreement of 1976, Australia has guaranteed PNG at least \$180 million a year, to which an annual supplement for inflation and other factors has been added. The supplement this year is \$52 million. Arrangements for assistance beyond this financial year are currently under consideration.

In addition to the budget support grant, which is untied, Australia provides aid for construction work at Port Moresby airport, the cost of termination payments and retirement benefits for former Australian employees, and training for Papua New Guineans. This training will be supplemented by a jointly funded technical assistance program to be introduced this year. It will provide services and related equipment to increase the technical capacity and capability of Papua New Guinea.

Bilateral Projects

Most of Australia's bilateral aid to countries other than PNG is for specific development activities undertaken by the developing countries. These range from large-scale regional development programs to simple facilities in villages. At 1 July 1980, Australia was involved in 474 projects in 35 countries. The total value of its contribution is about \$512 million. Generally, Australia meets the foreign exchange costs of a project, but it also pays, in an increasing number of cases, some of the local costs associated with projects.

South-East Asia receives the bulk of Australia's bilateral project aid. Australia is contributing about \$340 million to 125 projects in the region. Many of these involve infrastructure development work, agricultural improvements through crop and livestock research as well as practical extension work. In recent years Australia has become increasingly involved in large-scale, integrated rural development programs intended to bring about the balanced growth of whole regions, particularly in Indonesia, the Philippines and Thailand.

ASEAN member countries are major beneficiaries of Australia's project aid. The basis of the aid program to these countries has been a \$250 million commitment announced by the Prime Minister in August 1977 and subsequently brought back to the original level in 1979.

South Pacific countries will benefit from a three-year forward aid commitment of \$120 million over the period 1980-81 to 1982-83. This is an increase of \$36 million over the \$84 million approved for the three years 1979-80 to 1981-82. The expenditure target in 1980-81 for project activities in the South Pacific is \$28.2 million. Most of it will be in the form of bilateral project aid for Fiji, Tonga, Western Samoa, Solomon Islands, Vanuatu, Kiribati, Tuvalu, Cook Islands and Niue.

At 1 July 1980, Australia was undertaking 235 projects in the South Pacific worth \$74 million. The large number of projects reflects the small-scale nature of island economies. These projects cover a wide range of activities and include assistance with transportation, rural development, water and sewerage schemes, telecommunications and upgrading health facilities.

South Asian countries and certain African and Indian Ocean States receive significant amounts of project aid mainly to help rural development and meet the needs of the poor. Australia's total contribution to the 64 aid projects in South Asia is \$72 million.

Africa and the Middle East have a relatively small number of projects funded by Australia. The agricultural sector is the main target for these projects, which are mostly in Tanzania, Kenya, Zambia and Ghana. Australia is giving \$18 million to 30 projects in these regions.

Non-Government Organisations (NGO)

The Australian Government gives financial assistance to a number of Australian and international non-government organisations for their development assistance activities. Support for these organisations this year is about \$3 million. The principal avenue of Government/NGO co-operation is a Project Subsidy Scheme under which eligible NGOs are assisted to undertake a variety of small scale projects at the grass roots level in developing countries. Further evidence of the Government's commitment to assist the work of NGOs is the decision to make donations to a large number of NGOs active in aid work tax deductible.

Multilateral Aid

Australia contributes to several international organisations and financial institutions concerned with aid to developing countries. They include the World Bank Group, Asian Development Bank, United Nations Development Program (UNDP) and other UN agencies, International Fund for Agricultural Development, Commonwealth Fund for Technical Co-operation, Economic and Social Commission for Asia and the Pacific, South Pacific Bureau for Economic Co-operation, South Pacific

Commission and various international science, technology and research centres. Support for these bodies provides Australia with an opportunity to participate in major development projects which are beyond the resources of individual donors.

Contributions to international financial institutions are estimated at \$48,905,000 and include substantial rises in amounts this year to the World Bank Group and Asian Development Bank.

Payments to UN, regional and international agencies are estimated at \$53,155,000 including \$21,863,000 to the World Food Program. The main Australian contribution to technical assistance through UN agencies is to UNDP, which will receive more than \$3.6 million, to fulfil Australia's 1980 pledge to this body. The 1981 pledge will be paid next financial year. The United Nations Children's Fund will be given \$3 million. Contributions to the United Nations High Commissioner for Refugees will total \$5.01 million; the United Nations Fund for Population Activities will be given \$1,229,000.

A sum of \$3,738,000 will be directed to international science, technology and research programs and \$800,000 is held for contributions to the International Fund for Agricultural Development. Payments of up to \$1.8 million will be made to the Commonwealth Fund for Technical Co-operation, and up to \$5.1 million to regional multilateral organisations' programs and projects in Asia and the South Pacific, in line with Australia's aim of fostering regional co-operation.

Passports

The Department of Foreign Affairs is responsible for Australian passport matters. Australian passports are normally valid for five years. Proof of citizenship must be produced. It is the responsibility of the passport holder to obtain any necessary visas. More than one million Australians travel abroad each year. The Department issued 453,000 new passports in 1979.

Diplomatic representation

The Department of Foreign Affairs is responsible for advising its Minister on the conduct of foreign affairs and relations with foreign governments. It operates 85 Australian diplomatic missions and consular posts, and has responsibility for the protection of Australian interests and Australian citizens abroad. Numbers of Australians travelling overseas are increasing, as are the numbers of those requiring consular assistance.