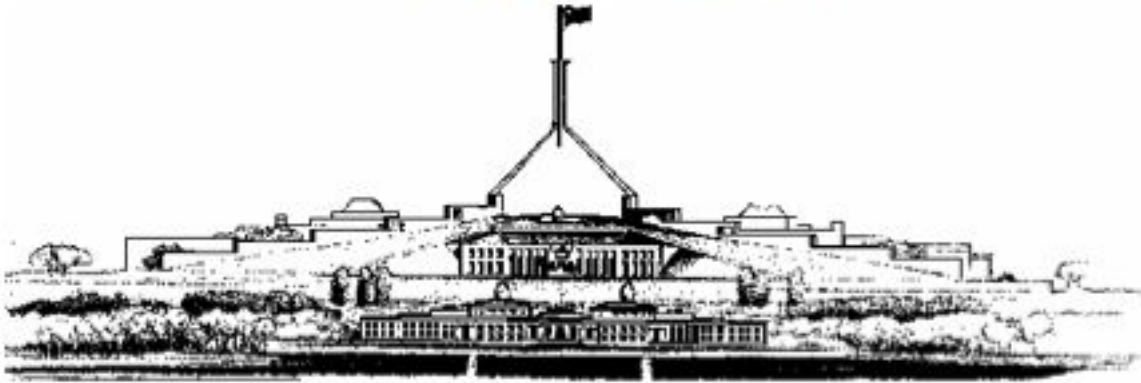




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

Federation Chamber

ADJOURNMENT

Timor Sea Treaty

SPEECH

Thursday, 3 December 2015

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

<p>Date Thursday, 3 December 2015 Page 132 Questioner Speaker Thomson, Kelvin, MP</p>	<p>Source House Proof Yes Responder Question No.</p>
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Mr KELVIN THOMSON (Wills) (10:52): The Timor Sea Treaty, following the restoration of independence in Timor-Leste in May 2002, did not settle maritime boundaries between Australia and Timor-Leste. If these boundaries were drawn under international law, the fields of gas inside the treaty's Joint Petroleum Development Area and outside it would belong to Timor-Leste in its exclusive economic zone, or EEZ. The Greater Sunrise gas field, located 100 kilometres from Timor-Leste's coastline, is expected to generate about \$40 billion in government revenue. If boundaries were established in accordance with international law, Greater Sunrise would lie within East Timor's EEZ. Another field—Laminaria-Corallina—has yielded \$2 billion in taxes and royalties for Australia since 1999, all of which would flow to Timor-Leste.

As a sovereign nation, Timor-Leste wants maritime boundaries and is legally entitled to them. Unfortunately, the Australian government has persistently refused to establish permanent maritime boundaries with Timor-Leste in accordance with international law. Immediately prior to the restoration of independence to Timor-Leste, the Australian government withdrew from the jurisdiction of the International Court of Justice and the International Tribunal for the Law of the Sea for the specific purpose of delimiting maritime boundaries, leaving East Timor with no legal avenues to assert its rights. Not only would permanent boundaries bring some closure to the Timorese's long and determined struggle to become an independent and sovereign nation but they would also deliver a significant income to the second poorest country in Asia.

Australia asserts that Timor-Leste sits on a separate continental shelf that collides with Australia's continental shelf at what they call the Timor Trough; therefore, because Australia's continental shelf extends to the Timor Trough, it is entitled to claim seabed and subsoil resources up to this marker. Timor-Leste holds that it is entitled to claim sovereignty up to the median line, which is a line equidistant from the coasts of Timor-Leste and Australia. Timor-Leste seeks a permanent maritime boundary on this legal basis.

According to experts, Australia's position is wrong. Australia and Timor-Leste do not sit on separate continental shelves; Australia and Timor-Leste lie on the same continental shelf, which extends north of Timor-Leste to the islands of Flores and Wetar. The Timor Trough, they state, is simply 'a narrow, deep buckle at the leading edge of the Australian plate' and not a 'break' as Australia asserts. Where two countries lie on the same continental shelf, the continental shelf principle, as asserted by Australia, simply does not apply. Article 7 of the Convention on the Continental Shelf of 1958 requires states to determine their boundaries by 'agreement between them'. In the absence of agreement, and unless another boundary line is justified by special circumstances, the boundary is the median line.

Australia is not being generous by allowing Timor-Leste to share in profits from resources in the Timor Sea. Under international law, these resources rightfully belong to Timor-Leste. A common misconception is that Timor-Leste is asking for its maritime boundaries to be redrawn. In fact, Timor-Leste has never had maritime boundaries; it is simply seeking to have them established for the first time, as is the right of every sovereign nation. Australia has refused to negotiate permanent maritime boundaries. Instead, it has jostled Timor-Leste into three temporary resource-sharing arrangements. The latest is the Treaty on Certain Maritime Arrangements in the Timor Sea. Timor-Leste initiated arbitration proceedings seeking to have this treaty voided on the basis that it was concluded in breach of Australia's obligations of good faith. The uneven negotiating positions have resulted in a series of temporary resource-sharing agreements that short-change Timor-Leste billions worth of government royalties from Timor Sea oil and gas resources.

The maritime boundary between Australia and Timor-Leste has been a significant and unresolved issue since the late 1960s. The dispute has involved four states—Indonesia, Australia, Portugal and now Timor-Leste. The Australian government needs to give Timor-Leste a fair go in the Timor Sea by establishing fair and permanent maritime boundaries, in keeping with current international law. The Timorese fought for 25 years for their independence. They do not want or need our charity. They simply want what is theirs by law. Timor-Leste seeks to exercise its legal and sovereign right, and Australia seeks to stymie Timor-Leste's right. Australia has taken the

position, rightly, that all should abide by international law and the United Nations Convention on the Law of the Sea. In practice, and specifically in relation to Timor-Leste, however, Australia needs to practice what it preaches.