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OUR PACIFIC NEIGHBOURS AN IMPORTANT RELATIONSHIP

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Events in the Pacific are focussing attention on Cairns' important long-standing relationship with its Pacific neighbours. At its northern extremity in the Torres Strait, the Far North Queensland region serviced out of the regional city of Cairns, shares an international boundary with Papua New Guinea.

Not surprisingly, the Cairns region has a long history and close relationship with Papua New Guinea and the Pacific than any other Australian city and region.

There are real benefits to be had from further developing and strengthening this relationship for both the Cairns region and Papua New Guinea and the nearby Pacific Islands.

Understanding the Challenges

Papua New Guinea and the Pacific Islands have a massive challenge to achieve development. Papua New Guinea currently has a Gross Domestic Product (GDP) of about \$30 Billion (AUD), about the same as the Cairns and Townsville regions combined. But in the case of Papua New Guinea, this is to provide basic services of education, health, roads, water supplies and the like to a population of almost nine (9) million compared with about 560,000 in the Cairns and Townsville regions. The Solomon Islands with a population of 690,000 has a GDP of about \$2 Billion (AUD) only.

While both economies are based mainly on resource-based earnings from the rest of the world, of minerals/ energy, primary products and in the case of the Cairns region, tourism, the Cairns and Townsville regions have much more highly developed service sectors.

Direct exports from Cairns to Papua New Guinea at over \$50 million a year are almost all by air and composed of a wide range of equipment, parts, etc., for mines and industries. Very little is imported from Papua New Guinea.

However, the strength of the relationship between the Cairns region and the PNG/ Pacific area lies in services. The Cairns region can provide to assist these countries develop their economic and social structures.

The development of the relationship is helped by the large number of people living in the Cairns region that have traditional ties with Papua New Guinea and the Pacific - former PNG Nationals, Expats and people with long standing working, business and social relationships with Papua New Guinea.

A recent report completed for the main organisation promoting trade, business and social relationships with PNG and the Pacific – Tradelinked (<https://www.tradelinked-cairns-png.com/>), highlights the extent of these factors.

Air transport links lie at the heart of the services relationship between the Cairns region and the Papua New Guinea/ Pacific area.

A Tradelinked report looking at the potential viability of direct flights between Cairns International Airport and Lae Airport, currently being upgraded to international standards (<https://www.tradelinked-cairns-png.com/wp-content/uploads/2019/12/Summary-Direct-Air-Services-Lae-Cairns.pdf>), identified that regular flight movements between Cairns and Port Moresby and other PNG centres greatly exceeded in number those between PNG and any other Australian city. The study identified that the shortest flight route between PNG centres and a large part of Australia was to transit via Cairns.

A large part of Air Niugini’s flights crews have their families in Cairns and a range of other aviation operations including aircraft maintenance for aircraft operating in Papua New Guinea and the Pacific area are based at Cairns Airport including regular passenger and freight services to mines and special charter operations.

The city’s education and training institutions have among their students, substantial numbers from PNG and the Pacific at school, vocational and university level. The availability of a local population with traditional links with PNG, lower cost of travel and a similar tropical climate add to the advantages for students.

Cairns offers a wide range of superior health services including private hospital capacity and a wide range of specialist services. Cairns also offers a very wide range of business services including superior IT services, engineering, designing, insurance and the like, close by to PNG and the Pacific.

There is a substantial number of persons living in Cairns but working in Papua New Guinea, especially on a fly-in/fly-out (FIFO) basis, not just in mining but in other sectors. For their part, Papua New Guinea/ Pacific based citizens and companies have invested heavily in the property market in Cairns and established office presence in Cairns.

Looking Forward

With Australia’s relations with Papua New Guinea and the Pacific Islands area becoming a growing strategic issue, Cairns and the region are in a key position to play a growing role – obviously in the field of defence with the upgrade of Cairns as Australia’s North Eastern Operational Naval Base but more widely in building economic, but especially, social ties with our Pacific neighbours.

High on the agenda needs to be further development of grass route community organisation links including in sport.

Some city businesses have been seeking the establishment of a special hub location where businesses and organisations with a particular interest in Papua New Guinea and the Pacific can locate and cluster around – both those based in Australia and those from Papua New Guinea and the Pacific wanting to extend their contacts with Australia for mutual benefit. They see the Commonwealth Government's recently established Office of the Pacific having special links with this initiative and working through it in having personnel co-located.

This would be a centre that constantly focuses on keeping the business and wider community aware of, and engaged in, what is happening in the Pacific area.

It is important that at this point in its history, the city and region get behind these initiatives and bring the State and Commonwealth governments with it to play its special role in fostering and strengthening relations with our Pacific neighbours.

