

The development of northern Australia: a little aid, and more Pacific labour

by Robin Davies
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Early in 2013, it seemed that northern Australia might become a major beneficiary of Australia's aid program. A [leaked draft](#) of the Coalition's discussion paper on the development of northern Australia included the following action:

Allocate during a first term, to meet our neighbourhood foreign aid obligations, \$800 million from the foreign aid budget to further build world centres of excellence in tropical health provision and tropical medical research ... including such capacity building as training doctors, nurses and all other medical specialists from aid recipient countries in Northern Australia.

The draft discussion paper was [disavowed](#), but the [final](#) version of the Coalition's 2030 Vision for Developing Northern Australia, released as a campaign policy document in June 2013, retained the action, *sans* costing:

Allocating funds from the foreign aid budget to advance tropical health and medical research ... and capacity building in training doctors, nurses and all other medical specialists to meet our neighbourhood foreign aid obligations.

Two years on, the Coalition government's [White Paper on Developing Northern Australia](#) is out, and the now-depleted aid program is largely off the hook. From an international development perspective, the most interesting initiatives in the White Paper relate to Pacific-Australia labour mobility. The government will:

Expand and streamline the Seasonal Worker Program by reducing costs to business, increasing worker numbers and

allowing more countries and industries to participate.

And also:

Pilot a two-year visa for up to 250 citizens of the Pacific microstates (Nauru, Tuvalu and Kiribati) for work in the north.

The originally intended action relating to tropical health centres of excellence, which would have been expensive, partly ineligible to be reported as aid (with respect to capital costs) and of dubious relevance and impact, doesn't figure. Instead, we have two sets of actions relating to tropical health research, as follows.

(1) \$15.3 million for a Tropical Health Strategy aimed at protecting our people and economy from the increased risks of disease, while commercialising Australian tropical disease R&D. ... The Commonwealth Government will invest \$6.8 million to support a new tailored tropical health and medical research strategy ... Research will focus on tropical diseases with a high potential impact on health in Australia and the region ... The Commonwealth Government will provide \$8.5 million to lift Australia's position in global supply chains, generating new opportunities for Australian researchers and businesses to gain greater access to foreign direct investment.

(2) To further build the north's capacity in tropical research, the Commonwealth Government will invest \$2 million to strengthen links between research institutions working in tropical health with world class health research institutions and with selected regional partners. The Government will also introduce a new tropical health and medical research theme for fellowships under the Australia Awards programme. ... The Government will also invest \$3 million to trial a new tropical health and medical research short course for Indonesian professionals.

The second set of actions will certainly to some extent be a

charge to the aid program, totaling up to \$5 million (assuming the creation of a health and medical research ‘theme’ within the Australia awards program will be cost-neutral). Of this, it looks like \$3 million will be a charge to the bilateral aid program in Indonesia – presumably with the blessing of the Indonesian government. Given the reference to ‘regional partners’ in connection with the other \$2 million, and the fact that it forms part of a distinct set of actions, this amount will probably also be taken from the aid budget, though there is no reference to a funding source anywhere. The government’s just-released [Health for Development Strategy](#), it should be noted, makes no mention of being helpful to northern Australia.

The first set of actions — the provision of \$15.3 million for a Tropical Health Strategy — is presented as domestically and in part commercially focused, and might well involve no cost to the aid program. However, it’s notable that the \$6.8 million in funding for a ‘tailored tropical health and medical research strategy’ is presented as benefiting Australia and ‘the region’, and that it attracts the following slightly peculiar comment:

[E]stablishing partnership arrangements with one or more leading international institutions — and a research institution in a neighbouring country in our region (for example Papua New Guinea or Indonesia) — can increase capacity and expertise on tropical health and technology transfer, as well as training.

Even if none of this \$6.8 million is aid, it looks like somebody might be angling to tap into the aid budget for follow-on funding at some point in the future.

In any case, for now, Australia’s aid program is making a mercifully small financial contribution to this particular aspect of Australia’s own development – probably less than 0.7 per cent of the amount that the Coalition was briefly contemplating back in early 2013. Placing regional restrictions on the supply side is hardly model behaviour from an aid effectiveness perspective, but at least DFAT, or Julie Bishop, drove a hard bargain.

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What is far more important is that this White Paper process has finally led to some significant changes to the Seasonal Worker Program (pre-empting the outcomes of a recently-announced [parliamentary inquiry](#)) that should increase its flexibility and also its user-friendliness for employers — expect more on this when Devpolicy has seen the details — and that Australia has for the first time made special provision for long-term access to Australia’s labour market, or one segment of it, for workers from several Pacific microstates. The latter initiative could be the thin end of a very sensible wedge.

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