

Emerging Pacific Leaders Dialogue 2010 New Calendonia Report

“Our identity lies ahead of us” Jean-Marie Tjibaou

New Caledonia, a French territory, lies north of Australia and New Zealand. The country faces some important choices in the coming years as it seeks to find its path forward as a Pacific nation and navigate its governance, economic, social and cultural path forward.

This report will outline:

- The structure and processes of governance;
- Social stability;
- The economic basis of New Caledonia;
- Health, Education and Environmental Issues; and
- Regional Co-operation.

Each section contains a description of what the study group observed, a discussion of key issues and recommendations.

Governance

Description of Governance processes and structures

New Caledonia is a French territory. Following a decade of civil unrest by the pro-independent Kanak movement, an agreement called the Noumea Accord (1998), and the Organic Law arising from this, outlined the powers of the respective political institutions. The French government retains a number of powers including defence, international relationships, justice and currency.

The Noumea Accord also put in place a unique system of government for the remaining powers allocated to the New Caledonians. There are 3 Provincial Assemblies consisting of 76 members. From these a 54 seat Congress is elected; and from the Congress, 5 to 11 members are elected to form the Executive Government.

These institutions are serviced by 2 advisory bodies:

- The Economic and Social Council made up of 39 appointed members; and
- The Customary Senate, made up of 2 members from each of its 8 customary areas, which advises on matters relating to Kanak culture.

One of the unique aspects of New Caledonia's system of government is that the Executive Government is elected by proportional representation. This means that a number of political parties can form Government. At the moment the Executive Government is made up of 5 political parties. Women

must occupy 50 percent of elected positions. These institutions operate on a model of decision making based on consensus.

Discussion

While this system of government initially appears to be complex and problematic in its operation, it appears to be working for New Caledonia at the moment.

New Caledonia's system is also recognised as progressive in relation to its representation of women in elected positions which seeks to ensure parity of elected members within the Provinces and Congress.

How influential the respective institutions are in the decision making process was not always clear. There is potential for the Customary Senate to be more engaged in decision making.

Further, decision making by consensus must be acknowledged as an important feature of the political and governance structures and one the elected representatives were rightly proud of. However, the drive for consensus can mean minority voices are not included, or the views of those best able to navigate the political processes prevail. Indigenous world views and *lores* contain concepts that do not readily translate into *law*. Processes of negotiation and decision making can also be slow and may hinder policy and service development.

Recommendations

It is recommended that:

1. New Caledonia continues the progressiveness of its political and governance system; and
2. As it embarks on the process of deciding its future, elected members of government ensure consensus decision-making processes encompass indigenous world views and those of minority populations.

Social Stability

Current Status of Social Stability

The Noumea Accord provides for a referendum to be held before 2018 when New Caledonians will decide if they wish to be independent of France or have greater autonomy as a territory. To date, there is not a consensus about New Caledonia's future status. Pro-independence parties and those seeking to retain links both have considerable following – potentially 50 percent each. A complicating factor in their decision is whether New Caledonia will be economically sustainable post-independence given their reliance on French income and human resources.

Discussion

In recent history, conflict has been largely well contained. Since the civil war, the political Accords have established political representation for Kanak people and the processes of 'rebalancing' (redistribution of resources between the three provinces) provides an economic basis for stability.

Respect for both Kanak and French systems of law are expressed in the systems of government through a careful division of powers and creation of institutions. As the discussion and decision making about the future status of New Caledonia intensifies, the balance of power will need to be carefully managed if a peaceful and productive future is to be realised.

Recommendations

It is recommended that:

1. The current policies of political and economic distribution of power are maintaining social stability and should be continued; and
2. Careful on-going monitoring of the effectiveness of such policies be undertaken.

Economy

Overview of the New Caledonian economy

Nickel mining and exporting is the basis of the New Caledonian economy. It accounted for 15% of GDP in 2008. Each year, New Caledonia produces on average 20% of world's nickel production. In 2008 the world nickel prices fell significantly affecting the national GDP.

Nickel deposits are mainly found in the Northern province and most mining activity is focused there.

Minor industries include manufacturing, agriculture and tourism.

Wealth generated through mining and inputs from the French government mean that the current social and economic status of New Caledonia is to a standard to that of Australia and New Zealand, and higher than most of the other nations in the Pacific.

Discussion

New Caledonian leaders, when questioned, are not actively seeking to diversify their economic base. Nickel deposits are predicted to last for 400 years and it is viewed as the current and future basis of their economic wealth.

Tourism is under-developed as are other productive sectors. Many consumables are imported from Pacific neighbours or France. The potential for tourism growth in New Caledonia was identified by most leaders. However, the primacy given to nickel mining and the expensive cost of living were identified as the major obstacles to promoting New Caledonia as a tourist destination.

The reliance on nickel mining is not without risk. In a post-independence context, whether the economy (without French support) could weather sustained price shocks needs to be explored. Similarly future international environment agreements or global sanctions may see nickel smelting attracting emission taxes or levies.

Recommendation

It is recommended that:

1. The New Caledonian government and related institutions consider promoting and developing sectors and industries other than nickel mines.

Health, Environment and Education

Health

New Caledonia has its own public health system independent from France. The health infrastructure is funded by the New Caledonia medical insurance scheme and borrowings. There is investment in infrastructure to cater for the mental health and the aged sector.

The territory has problems attracting and keeping trained medical professionals. There are also problems with succession planning as no interest is shown by individuals to enter into the area of health / medicine. Staff turnover is consistent and the territory must provide incentives for medical professionals to serve communities in the outer islands and areas away from Noumea.

Leaders spoke of an increase in health issues including suicide, alcohol and drug abuse.

Education

As part of the process of the transfer of powers from France to New Caledonia (as prescribed by the Noumea Accord), primary education is the responsibility of the three provinces. Secondary education is currently being transferred.

There is a comprehensive scholarship system for students to study in metropolitan France to pursue professional qualifications. The University of New Caledonia also offers courses and other opportunities for trade training

and work attachments are offered. The French army offers training for disaffected youth.

A key platform of the Noumea Accord is building the capacity of Kanak people to take leadership positions. There is a substantial programme “Cadre Avenir” which provides scholarships for Kanak professionals to train in France. More than 400 Kanak professionals have been trained since the inception of the programme.

Education plays an important role in the transmission of culture and identity. The current system in New Caledonia is based on the French curriculum and delivered by either French teachers or French trained teachers.

Currently four indigenous languages are offered as optional units at tertiary level. At provincial level, some communities have integrated Kanak language and customs into the curriculum.

Discussion

Although some progress has been made in teaching indigenous customs and languages within the compulsory school system, more work is needed to develop a curriculum that reflects the nature of the children being taught and develop teachers able to teach within the Kanak indigenous world view.

Education offers opportunities to develop closer links with Pacific nations and the National and Provincial governments could consider sending more of its professionals to tertiary institutions within the Pacific.

As New Caledonia seeks to develop its own identity as a Pacific nation, taking control of its education system and developing a New Caledonian specific curriculum and workforce able to effectively deliver it should be seen as a priority.

Recommendation

It is recommended that:

1. The New Caledonian national and provincial governments should consider prioritising the creation of a New Caledonia curriculum and workforce to deliver it.

Environment

The Government has decided not to introduce a recycling programme. The rationale behind this was that the volume of rubbish generated was not substantial, recycling was not economic and land available for land fill is substantial.

Environmental protection polices and a code have recently been introduced and will provide for the protection of coral reefs, humid forests, dry forests and mangroves.

One of the two main challenges in managing the environment is squatter housing settlements on the outskirts of Noumea. Housing is expensive in this city and as families move looking for work opportunities, they settle in make-shift villages. A number of responses are in place by both provincial and national governments to find solutions.

The second environmental challenge is managing the impact of mining. This challenge provided the impetus for the development of the environmental code. Mines and smelters are subject to extensive environmental monitoring and reporting. The risk of damage remains.

Regional Cooperation

Description

The New Caledonia Government has engaged the necessary steps to become a full member of certain regional organizations, such as the Pacific Islands Forum and the Melanesian Spearhead Group.

The Government has decided to set up New Caledonia representations in Pacific island countries, initially to be hosted within French embassies in the region, French President Nicolas Sarkozy has noted the difficulties associated with French overseas territories attempting to integrate themselves regionally and is in full support of New Caledonia's current efforts. In addition, a recent high-level delegation visit to Australia headed by New Caledonia's President Phillip Gomes took place from March 8-12, as part of moves to accelerate the long-initiated process of regional integration.

There is other ongoing regional participation in Sports, with New Caledonia set to host the next Pacific Games in 2011, in Culture, through the Festival of Pacific Arts, in Security and Defense, with joint military exercises held regularly amongst other Security Forces in the region and at the Secretariat of the Pacific Community, which is headquartered in Noumea.

Recommendations

It is recommended that:

1. The New Caledonian government develop specific training so they can take charge of their international relations; and
2. The New Caledonian government continue to participate at regional meetings and high-level visits to other Pacific countries to further accelerate the process of regional integration

Conclusions

New Caledonia stands at the edge of its new future – a future that New Caledonians will be asked to determine through referendum in the near future. The road to independence has been one paved with blood already. The future will bring many challenges but the common spirit amongst leaders is of a 'common destiny' - a united identity for New Caledonia within the Pacific, deeply rooted in its cultural heritage, but strongly reaching toward a global future.

Team New Caledonia, March 2010

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