



SHIRE OF COCOS (KEELING) ISLANDS RESPONSE TO JOINT STANDING COMMITTEE INQUIRY INTO ECONOMIC, SOCIAL AND ENVIRONMENTAL SUSTAINABILITY IN THE INDIAN OCEAN TERRITORIES AND AVAILABILITY AND ACCESS TO ENABLING COMMUNICATIONS INFRASTRUCTURE IN AUSTRALIA'S EXTERNAL TERRITORIES

Enquiry One: The Terms of Reference for the inquiry into and report on the availability and access to enabling communications infrastructure to inquire into and report on:

- the availability of, and access to communications technologies and infrastructure in each of the external territories;
- future opportunities in enabling communications technologies and infrastructure in each of the external territories including telecommunications services, submarine cables, satellite capabilities;
- opportunities and barriers arising from current and potential future communications infrastructure in each of the external territories;
- examining the economic benefits of improving the availability of, and access to communications infrastructure in each of the external territories; and
- recommendations for any future communications technologies and infrastructure for each of the external territories.

Shire's Response:

While there are many challenges and opportunities with enabling communication infrastructure, the Shire recognises that the remote location and small population make it a costly and logistically challenging region to serve and appreciates the current level of service. However, in the Shire's view, the single and most pressing telecommunications issue on the Cocos (Keeling) islands is the lack of a mobile phone network.

Currently calls can be made and received using services over the 4G LTE data network, but these services are less reliable and work differently to a mobile phone network, and many users cannot receive calls or text messages to a mainland mobile phone number (starting with 04). It is also very expensive for consumers to access.

This lack of basic communication infrastructure impacts socially and economically. It is detrimental to businesses, tourism and emergency services. Examples include:

1. MyGov – need for users to receive a SMS to be able to access MyGov Services; and

2. Banks require users to enter a code to access some services online. The code is sent via SMS which poses difficulties for CKI residents;
3. While mobile phones are not a primary emergency service comms tool, many Councils issue emergency information via SMS for example fire warnings.

RECOMMENDATION: That the Australian Government supports the implementation of mobile phone services on the Cocos (Keeling) Islands that are comparable to standard mainland mobile phone services. The services should be managed by, and compatible with, a standard commercial service provider, to ensure the support and sustainability offered by a large-scale provider.

Enquiry Two: The Committee has been tasked with inquiring into and reporting on the challenges, barriers and opportunities for economic, social and environmental sustainability in the Indian Ocean Territories (IOT). The specific terms of reference are as follows:

- Encouraging innovation and investment that addresses sustainability challenges and provides economic opportunities. This could include innovative approaches to waste management, and capitalising on the unique environmental qualities that represent the marketing and strategic advantage of the Islands in the long term.
- Building on investments in education and research by encouraging partnerships across the IOT with local, mainland and international organisations with an education, research, biodiversity or sustainability focus to drive investment and innovative economic outcomes.
- Identifying how the community can contribute to citizen science, and capitalise on jobs flowing from government investment, including in education and research.
- Socially responsible development that addresses the social impact of cost of living and geographic isolation; and supports community needs and aspirations.
- Strengthening and diversifying the IOT economies; and identifying future infrastructure needs to support sustainable economic growth.

Shire's Response:

The Shire acknowledges the investments made by the Australian Government in the past and appreciates the challenges of servicing the IOT. The following suggestions are, in the view of the Shire, areas of priority that would address barriers to sustainability.

Priority One: (Addressing ToR 5)

While the scientific community has established that anthropogenic climate change is occurring, uncertainty remains about the magnitude and extent of the impacts from these processes and changes. The risk arising from coastal vulnerability of built assets is of paramount importance to Cocos (Keeling) Islands being a low-lying coral atoll in the middle of the ocean. Our vulnerability is influenced by the level of preparedness and response of the community and its recovery capacity.

Despite the uncertainty, early consideration of coastal hazards and the management of appropriate planning responses can provide economic, environmental, and social benefits. National and international coastal planning practices are increasingly adopting a risk management approach to deal with uncertainty associated with the potential adverse impacts and their timeframes, arising from coastal hazards. This ensures that risks arising from coastal hazards are appropriately factored into decision-making processes for sustainable land use and development in the coastal zone. The Western Australian Government's coastal planning policy, State Planning Policy 2.6 Coastal Planning Policy (SPP 2.6) requires a risk management approach and provides the framework for coastal hazard risk management and adaptation planning (CHRMAP).

The Shire of Cocos (Keeling) Islands is in the process of developing a Coastal Development Policy which will be informed by the Cocos (Keeling) Islands Coastal Vulnerability Study (CVS). This policy will act as an interim guide to possible development while we are awaiting a subsequent Coastal Hazard Risk Management and Adaptation Plan (CHRMAP).

The CVS considers the coastal inundation and erosion hazards across the Cocos (Keeling) Islands, whilst the CHRMAP will provide a holistic approach to manage and mitigate coastal hazard risk and will be developed in consultation with the local community and key stakeholders.

The CHRMAP is a critical body of work that will assist in determining the future direction for the Atoll and we ask the JSC to highlight the importance and priority of the CHRMAP. Without a CHRMAP, the Shire, the Commonwealth, the Community and potential developers, cannot make informed decisions about future investment on the Cocos (Keeling) Islands.

RECOMMENDATION: That the Coastal Hazard Risk Management and Adaptation Plan (CHRMAP) is completed as a priority.

Priority Two: (Addressing ToR 4 and ToR 5)

A well planned and coherent settlement pattern and careful management of urban growth and change is critical in delivering wider social, economic and environmental objectives. For

example, to create liveable, efficient and attractive communities there needs to be (but not limited to) choice in housing and lifestyle opportunities, easy access to employment, services and recreational opportunities for people of all ages and abilities, a strong and shared sense of community, and good urban design and neighbourhood planning.

Planning for new growth should be co-ordinated with the cost-efficient provision of infrastructure and services such as roads, public transport, water supply, sewerage, electricity, telecommunications, drainage, open space, schools, health and recreational facilities.

There is continued pressure for development on the Cocos (Keeling) Islands for tourism projects, holiday homes and for people seeking a lifestyle change from mainland Australia.

Due to the small essential service schemes on both Home and West Islands, any change of land use or new development has the potential to significantly impact the capacity of essential services. West Island is currently at or near capacity for all essential services (water, wastewater & power). The new water source (a desalination plant proposal) and treatment plant design (upgrade of existing plant) has factored in growth and tourism into the design, and this will allow for additional developments in the future. However, both these upgrades require Australian Government funding to enable these works to be carried out so the timeline on these works is currently unknown.

RECOMMENDATION: That the Australian Government be required to provide a timeframe for investment into upgrades to essential infrastructure Services to give some certainty for future development.

Priority Three: (Addressing ToR 1)

Waste Management presents many challenges on CKI. Given the topography of CKI, there is no landfill option. Waste is incinerated where possible or stored for off-island disposal. The Shire operates one incinerator on Home Island. The incinerator is diesel fuelled at an annual plant operation cost of \$165,000. Waste on West Island is open burned.

Examples of waste minimising and recycling currently employed at CKI include:

Glass Crushing – crushed glass is used in road base and as an aggregate in concrete.

Aluminium Can – cans are crushed and stored for off-island disposal.

Putrescible waste – currently attempting to obtain relevant licence to commence composting.

Batteries – stored for off-island disposal. In 2020, batteries accumulated over many years were disposed of off island, via Christmas Island Phosphates, at a cost of \$78,961 to the Shire of CKI.

Other waste streams such as asbestos and scarp metal are currently stored in anticipation that the Department of Defence Runway Upgrade project will result in backhaul of waste. However, at this stage there has been no funding allocated for the backhaul of waste. Not progressing with this project during the Runway Upgrade project would result in an opportunity lost and one that may not present itself again in the near future.

RECOMMENDATION: That the Australian Government funds the removal of waste from CKI as backhaul during the Runway Upgrade project.

Priority Four: (Addressing ToR 5)

There is limited insurance available to homeowners and businesses on the Cocos (Keeling) Islands for property. This impacts the full spectrum of economic drivers from homeownership to business future and succession planning, to major business and land development.

This matter has been explored in previous inquiries and was raised in the Committee's Report on the visit to the Indian Ocean Territories, 21-25 October 2012. In that report, the then Committee recommended the Australian Government urgently address the insurance problems facing the communities of the Indian Ocean Territories. At that time the recommendation was not supported by the Australian Government, citing a number of remote communities experiencing similar issues of insurance affordability and availability, and considering the issue to be market driven. The Australian Government response also noted that in similar situations some communities have engaged in cooperative action to gain access to insurance and increase coverage.

In November 2020, the Australian Competition and Consumer Commission issued its Northern Australia Insurance Inquiry Final Report. It should be noted that despite its geographical position the IOT are not considered to be part of Northern Australia by the Australian Government and so fell outside of scope for this Inquiry. Although out of scope, DITRDC provided a submission to this inquiry regarding the IOT. The RDO would commend this submission to the Committee.

RECOMMENDATION: That the lack of home / building insurance availability on CKI, due to market failure, be addressed by the Australian Government.

Priority Five: (Addressing ToR 4)

The Australian Government underwrites the air service between Perth and CKI as it is not a commercially viable route. There is no domestic market competition and fluctuations in demand result in pressures on freighting goods into the IOT.

Freight, which includes basic food and postal deliveries are subject to the cost and reliability of air services. Frequent flight disruptions have resulted in mail and fresh produce not being delivered to CKI for weeks. In some cases, mail, even when posted priority, does not reach CKI for months. Mail is regularly off-loaded.

Sea freight to CKI while somewhat more reliable is also subject to weather and other logistic delays. The cost structure for sea freight places pressure on any project, in some projects are not viable due to freight costs. The lack of reliability combined with the excessive cost of freight is a major barrier for local businesses and economic development.

RECOMMENDATION:

Options for more reliable and cost-effective air and sea freight services are considered and made available to residents and businesses on CKI.