



**Submission to 2015 Joint Standing Committee on the National Capital and External Territories**

## **Inquiry Into Governance in the Indian Ocean Territories**

### **Indian Ocean Group Training Association**

Indian Ocean Group Training Association is a not-for-profit organisation established in 1995 by key community stakeholders to provide cost effective training services and vocational education to the Indian Ocean Territory communities of Christmas Island and Cocos (Keeling) Islands.

### **IOGTA Management Committee**

IOGTA has a well-represented and engaged volunteer management committee comprising of key business/community stakeholders from both Christmas Island and the Cocos (Keeling) Islands comprising of:

#### **Education Leaders**

- Christmas Island District High School- Ian Francis (Principal)
- Cocos (Keeling) Island District High School- Ray Denholm (Principal)

#### **Local Government**

- Councillor SOCKI – John Clunies-Ross
- Governance, Research, Policy and Grants Officer for SOCI – Chris Su

#### **Business Community**

- Farzian Zainal – Christmas Island Phosphates
- Haji Lofty Raptikan – Cocos Cooperative

#### **Union of Christmas Island Workers**

- Gordon Thomson

IOGTA's General Manager and staff engage extensively with all sectors of the economy and communities of the IOT to inform and decide where best to use our limited resources to provide quality Education, Group Training and Employment services to the IOT.

## Key objects of the Association

IOGTA operations and the objectives of the association align strongly with point 4 of the terms of reference for this inquiry;

*‘Opportunities to strengthen and diversify the economy, whilst maintaining and celebrating the unique cultural identity of the Indian Ocean Territories.’*

## IOGTA key objectives

- To encourage, promote and undertake the training of apprentices/trainees on Christmas Island and Cocos (Keeling) Islands.
- To assist with and advise on the training of apprentices, trainees and other residents of Christmas Island and the Cocos (Keeling) Islands.
- To participate in other activities that promotes employment, economic and community development on Christmas Island and the Cocos (Keeling) Islands.

IOGTA is passionate about strengthening and diversifying the economy of both Christmas Island and Cocos (Keeling) Island through upskilling local residents to make the most of the opportunities available now and those that will become available in the future.

## Terms of Reference

### **The role of the Administrator and the capacity (and appropriateness) of the Administrator taking on a stronger decision-making role;**

IOGTA considers more relevant the discussion of how decisions are made that affect the residents of the Territories as opposed to discussing which Government entity should have a stronger decision-making role. We refer to two previous JSCNCET recommendations:

Recommendation 11 of the 2006 JSCNCET ‘Current and Future Governance of the IOTs Inquiry’:

*“The Committee recommends that Section 8 of the CKI and CI Act be amended to include a framework for consultation with the IOT communities in relation to service delivery arrangements with the State of WA, and in the review of WA legislation which is applied in the territories as Commonwealth law.”*

Recommendation 3 of the 2012 JSCNCET ‘Report on the Visit to the IOTs’

*“The Committee recommends that the Australian Government develop a formal mechanism to allow consultation with and feedback from the IOT communities in relation to the application of WA law to the IOTs and the negotiation and implementation of SDAs”*

If the previous 2006 and 2012 recommendations were actioned, then whoever the decision makers were be it the Office of the Administrator or the IOTs Director would be delivering outcomes more closely aligned with the priorities of the community.

Expanding beyond the SDAs and review of WA legislation, two items which clearly need appropriate consultation, formal mechanisms for consultation with residents on other items such as aged care provision, cancellation of the international student program is also a reasonable expectation of good governance.

**Existing consultation mechanisms undertaken by government representatives, including the IOT Regional Development Organisation, and best practice for similar small remote communities' engagement with Australian and state governments;**

IOGTA recognises the historical reasons for the establishment of the Community Consultative Committee and argument that it is still relevant as the framework of the applied laws regime with WA and the Commonwealth is still in effect. The CCC and the Department were to liaise on SDA management, and it is understood that this has not happened since April 2013, 24 months ago. The SDAs have largely all expired in 2010-2011 and are in need of renewals with input from residents.

IOGTA has not historically attended meetings of the Community Consultative Committee as a member, although it has made representations at the CCC level in the past. IOGTA understands that there are measures between the CCC and Department to reboot an agreed format for consultations being developed at the moment.

**Local government's role in supporting and representing communities in the IOTs**

IOGTA considers the Shire of Cocos (Keeling) Islands and the Shire of Christmas Island to be valuable members of the IOGTA Management Committee. They are two of the largest stakeholders in the IOTs and join Christmas Island Phosphates, Cocos Island Co-Operative, Christmas Island District High School, Cocos Keeling Islands District High School and the Union of Christmas Island Workers as the rounding of organisations that feed the island's training needs into IOGTA.

The Shires on both islands have at times provided in-kind support of plant and equipment for IOGTA to be able to deliver training courses. As the elected representatives of their respective islands, the two Shires are the peak representative organisations for local economic and social development affairs.

## **Opportunities to strengthen and diversify the economy, whilst maintaining and celebrating the unique cultural identity in the Indian Ocean Territories**

To quote this Committee's 2006 report *"The Committee observes that ..effective governance is an important component of economic sustainability, for ...poor decision making within the context of an inadequate governance framework can undermine economic development."*

IOGTA supports that statement and highlights that its own successes are owed to the accountability and transparency that the Board Members have to the communities on CKI and CI. The Board is held accountable to the residents from living in the communities as residents.

The major decisions that IOGTA makes are based on the input from the Board Members, who come from local organisations, to satisfy the needs identified in the community.

This governance framework of having the decision makers come from the key stakeholder organisations that operate in the community ensures prompt and appropriate responses to developing trends. This is documented in our annual training hour targets which have been surpassed three years in a row for both islands; our training programs are all industry relevant, requested by local industry to deliver the outcomes that they needed to suit them.

IOGTA thus submits that the opposite is true; when decision making is made remotely without accountability to the people whom the decision affects then the outcomes are not optimal.

The JSCNCET's 2006 report stated *"The Committee is of the view that the summary of economic potential and departmental activity provides a limited and flawed perspective. There is no sense of dynamism or direction. Even the strategic plan for the economic development of the Territories prepared by the Administrator has the feel of 'top-down' planning. Addressing development on Christmas Island, there is no response to the impending demise of the phosphate mine and undue emphasis is placed on the economic potential of the Detention Centre, an institution whose use is wholly dependent on the shifting requirements of government policy, and the APSC, a project which now appears defunct."*

The potential of the marketplace is not being accessed effectively with control of the land held by Government. Government needs to ensure that the land is accessible to capital investment that is compatible with the cultural identity of the IOTs and the wishes of the residents. In the same vein, Recommendation 1 of the 2006 and recommendation 8 of 2012 JSCNCET reports both in support of a Casino being re-established on Christmas Island have not been supported by the Department.

In the instance of the 2006 recommendation, the response was:

*"Do not support. On 16 July 2004, the Government announced it would prohibit casino operations on Christmas Island. Problem gaming is a major social concern in today's society. The Government's decision takes into account not only the financial aspects of a casino on Christmas Island, but also the social impacts as a consequence of problem gaming."*

– Australian Government Response to the Current and Future Governance Arrangements in the IOTS, June 2007

The reasoning given to ban gaming on Christmas Island leaves the question as to why the Government has different standards for the mainland and for the island when it comes to gaming.

IOGTA's interest in economic diversification is dominantly in providing the skills and qualifications needed to support any burgeoning industry, be it casino tourism, nature tourism, horticulture or otherwise. To this end, IOGTA keeps itself informed of the decisions to be made in this field and supports any economic diversification proposal that enjoys wide cross community support on Cocos and Christmas respectively.

What IOGTA and other island organisations need however, is a clear direction as to what will be supported by the Commonwealth. In the instance of the 2004 prohibition of the Casino license being awarded, a 180 degree turn from what was promised, resources put into hotel qualifications would have gone to waste. Those resources could have been allocated to other needed fields in forestry, mining and harbour works. Similarly, Cocos Island residents have an Outline Development Plan for the West Island Quarantine Station – several key ocean front hectares - that features planning for accommodation, scientific research and food/beverage outlets. The ODP had the support of the Cocos Shire, CSIRO and local residents. The ODP was commissioned by the Commonwealth but not actioned. A clear direction as to what will be supported by the Commonwealth is needed in land release.

IOGTA supports all avenues of diversification provided they have been vetted through the community and will structure our annual funding to appropriately skill up the population in that confirmed field.

Su Zhong Xiong  
**Chairperson**  
**Indian Ocean Group Training Association**

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