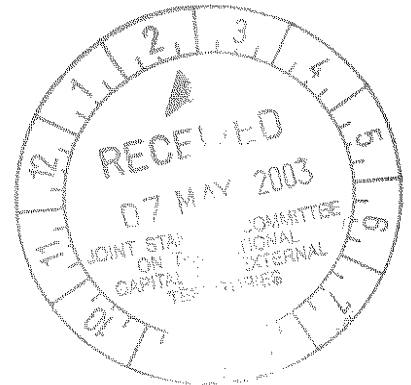




DEPARTMENT OF TRANSPORT AND REGIONAL SERVICES

SUBMISSION 51

Mr Quentin Clements
 Secretary
 Joint Standing Committee on the
 National Capital and External Territories
 Parliament House
 CANBERRA ACT 2600



Dear Mr Clements *Quentin*

I refer to the Joint Standing Committee's request for the Department to provide clarifications of issues raised by the evidence it took whilst on Christmas Island and the Cocos (Keeling) Islands on March 11 and 12 2003.

I have examined the transcripts from those hearing dates and have attached an explanation of issues which I believed the Committee needed further information on.

Yours sincerely

Mike Mrdak
 First Assistant Secretary
 Territories and Local Government
 6 May 2003



Department of Transport and Regional Services Comments on issues raised at the Joint Standing Committee on the National Capital and External Territories Hearings on Cocos (Keeling) Island 13 March 2003

Demographic study of Cocos - also development strategy for the island.

In 1994 the Department employed Unisearch (University of NSW) to undertake a study of the economic development opportunities of the Cocos islands. The study, which is still current, identifies areas of employment and economic growth opportunity. The study has been provided to the key stakeholders of the community such as the Co-op and the Shire.

Buffet Close - the lack of an EIS process

To assist in the longer term development of the Cocos economy, the Commonwealth has been keen to sell the land parcel known as Buffet Close to the private sector for development. The sale of the site does not require the Commonwealth to undertake an EIS as the Commonwealth is not proposing to develop the property itself but merely selling the property.

Should the purchaser of the land decide to develop the site they will be obliged to comply with all environmental requirements pertaining to development at the site, including if necessary, an EIS. In placing the property on the market the Commonwealth ensured that as well as development requirements potential purchasers were advised of their obligations under the appropriate environmental legislation by including a full and comprehensive list of all environmental legislation applying in the IOTs.

Provision of Training on Island

The Department recognises the need for post compulsory training on the IOTs and in 2001 undertook a consultancy to establish training needs on the Islands including Vocational Education Training (VET) in schools.

The Department has contracted Indian Ocean Group Training Association (IOGTA) to provide group training and adult education services for both Christmas and the Cocos (Keeling) Islands. Under the contract:

- IOGTA is paid at northern WA-equivalent rates for adult education courses it delivers, and higher than WA rates for the training of its trainees and apprentices; and
- IOGTA is required to consult with a wide range of community representatives in developing its training plans and priorities to ensure that the services provided are meeting the community and business needs of the Territories.

The Department also provides IOGTA with Joint Policy funding at a rate calculated by the WA Department of Training.

Shire Transfer

The Department is in the process of developing a package of assets to transfer to the Cocos Shire. Initial discussions have been held with the President and the CEO of the Shire regarding transfer

arrangements and it has been agreed that rather than transferring assets in an unstructured way, the transfers will be done on the basis of agreed responsibility for service delivery. That is, the Department is seeking to work with the Shire to better define the role of the Shire, and of the Commonwealth as the 'State Government', and assets will be allocated to the entity responsible for delivery of each service. The Shire has agreed with this methodology.

Responsibility for services has been broadly agreed and the Department is now analysing current asset holdings and working to develop a package of assets to be transferred which will be mutually beneficial to both the Shire and the Department.

Any transfers of assets to the Shire may have a significant impact on the Department's budget through the cost of writing off the book value of the assets. Whilst this issue is considered by Government, the Department has agreed with the Shire that interim arrangements may be able to be put in place to allow practical handover of some assets earlier than the formal accounting transfer.

The Department is aware of the potential implications for the Shire in terms of financial impacts and staffing requirements. The Department is concerned not to put the Shire in a position, which would impact adversely on their viability, and arrangements for asset replacement and transition timing will be negotiated as part of the asset transfers.

Clunies Ross collection of busts

Prior to its disposal, Occania House contained a large collection of moveable objects known as the Clunies Ross Collection. Many of these objects are historically significant. Prior to the sale of the House, DOTARS consulted with the AHC and the WA Museum to determine what should be done with this collection. All parties agreed that the most appropriate course of action would be to remove the collection from the House and to transfer ownership of the collection to the Shire for the benefit of the wider community and all Australians. The Shire was consulted and also agreed to this course of action.

The Collection has been removed from the House and stored in SOCKI premises. SOCKI has agreed to a deed of transfer with the Commonwealth and the WA Museum has completed a report on the Clunies Ross Collection, which includes a comprehensive photographic inventory. It is anticipated that the deed will be signed shortly and legal ownership of the collection transferred to the Shire. The deed does allow the Shire to dispose of low level significance or no significance items.

The Commonwealth is working with the Shire to ensure that a fair and reasonable approach is taken to the disposal of the collection and that interested on-island parties are given every opportunity to purchase items that it desires to dispose of.

Department of Transport and Regional Services Comments on issues raised at the Joint Standing Committee on the National Capital and External Territories Hearings on Christmas Island 12 March 2003

Visas from Indonesia

This has been raised a number of times by island interests as they believe that this will lead to an increase in tourism from the North.

There was a visa scheme in place when the Casino was operating that allowed visitors from Indonesia to travel to Christmas Island for the purpose of visiting the Casino/Resort. These visitors could enter "Australia" for this specific purpose with limited restrictions. Under current arrangements this situation does not apply. This issue is a matter for the Minister for Immigration and Multicultural and Indigenous Affairs and the island's views have been brought to that portfolio's attention.

Tourism SDA

Discussions have been ongoing with the WA tourism authorities for quite some time. An officer of the WA Tourism Commission (WATC) travelled to the IOTs in late 2001 on a fact-finding exercise and produced a report for both IOT tourism associations relating to areas where their expertise could be improved and highlighting aspects of operations in both territories.

WATC has provided ad-hoc support from time to time but negotiations to date have not yet resulted in finalisation of an SDA. One of the major issues to address prior to completion of such negotiations is the potential conflict of WATC promoting IOT holidays to the detriment of their role in WA. Pending the move to implementation of a whole of government SDA it may be possible to put in place an SDA for advice only and this will be pursued.

An arrangement is in place between the Department and the IOT Tourism Associations where funding is made available to these groups to assist with the marketing of tourism opportunities. This funding amounted to \$114,000 this financial year.

Airport Fire Tender

A "Notice of Difference" has been published in Aeronautical Information Publications (AIP) advising the industry the differences between Australian standards and ICAO. In AIP GEN 1.7 - 34, readers are advised that ARFFS are not available at some Australian International and international alternative airports, with specific reference to Christmas Island. This notice states:

"Rescue and fire fighting services are not available at some Australian International and international alternative airports. Operators should consult AIP En Route Supplement Australia (ERSA) for details.
Note: This difference is being lodged with particular reference to Christmas Island as well as some international alternative airports which do not have full RFFS availability."

CASA has advised that this current exemption for the provision of ARFFS at Christmas Island should continue.

General Fire Services are provided at Christmas Island by a volunteer service supported under an SDA with FESA (WA). The airline that operates from the mainland does not require Airport Fire Services and like other mainland domestic routes these are not provided. Most WA county airports do not have such services (including Port Hedland and Learmonth, which are classified as International alternatives). Broome however, a privately owned and operated Airport, does provide a fire service for both international and domestic movements.

Insurance for Hire Vehicles

Since the collapse of HIH Insurance in Australia, the September 11 disaster in the United States and more importantly, the withdrawal of CGU Insurance from operations in the IOT's insurance coverage has become more difficult to obtain for IOT businesses and private individuals.

The Department, in conjunction with a WA Insurance Broker, has endeavoured to source providers for all types of insurances.

At least one individual on Christmas Island has indicated that they are having difficulties accessing insurance coverage for Hire Vehicles. There seems to be some confusion over this situation. The Department understands that a provider for Hire Vehicle insurance has been identified to provide coverage of hire vehicles however the premium being quoted is significantly higher than previously offered by CGU.

Landslip at Poon Saan

At the time of the heavy rain in February, work on Site A1 was not complete particularly with respect to the scaling and kerbing of the roads and car parks. This resulted in greater run off and bank erosion on the site than will occur on completion of the works.

The fact that the landscaping works have not been fully established also contributed to the higher level of erosion and runoff. These works are currently in the process of being completed and will be carried out to ensure that in the next wet season these problems will be diminished.

The Commonwealth's Project Managers for this work (GHD) have recently carried out a detailed inspection of the stormwater and erosion control measures adopted by the Contractor on all sites, and a detailed report will be issued which identifies areas which need to be improved to achieve the requirements of the specification.

Road Slippage

This was identified on 24th February 2003 on the lower access road into Site A1 and at the cul de sac end of the road on Site A2 on 6th March 2003. A detailed geo-technical investigation has been undertaken of the site. There are two main issues being considered as the cause of the failure. One being the impact of the stormwater basin and the other related to the design and construction of the embankment. Temporary measures were taken immediately to remove load from the edge of the road bank and to add load at the foot of the bank to restrain any further movement.

The cracks in the roads have been continuously monitored since the temporary remedial works were completed and to date no further movement has been recorded. Once a final report and recommendations are received, remedial actions will be determined.

Training in health and other professions

IOTs residents are eligible to apply for funding from the Commonwealth under WA Government grants programmes, including scholarships provided by the WA Department of Health. There are 2 teacher assistants at the Christmas Island District High School who have been undertaking on island training as teachers and are expected to graduate as local teachers at the end of 2004.

Tourism and Travel Agent – training assistance

The Asian Business Council, raised points relating to the provision of training for tourism operators on the island and assistance for mainland training.

Indian Ocean Group Training has various hospitality courses available for island residents and the Tourism Association has also participated in the provision of some training for its members. Both these organisations receive assistance from the Commonwealth. Recently the Department, in conjunction with NJS have provided travel agencies on Christmas Island with airfare assistance to assist with sending a trainee to the mainland for travel agent training.