

JOINT STANDING COMMITTEE  
ON THE NATIONAL CAPITAL AND EXTERNAL TERRITORIES

**Question Number 1**

**Senator Lundy asked the following question on 9 March 2010**

1. Can you provide a complete breakdown of the \$50 million infrastructure funding package for Christmas Island?

**The answers to the honourable senator's question is as follows:**

1. The \$50 million package to expand and enhance infrastructure and services on Christmas Island is comprised of the following:

<b>\$</b>	<b>Component</b>	<b>Comments</b>
\$600,000	Health	Employment of additional doctor, a mental health nurse and visiting specialists (psychiatrist, physiotherapist).
\$2.1 million	Education	Employment of additional teachers, teacher aides and fit out of additional classrooms. Conversion of a part-time coordination role to full-time.
\$23.9 million	Power	Expand an existing project to upgrade power station. \$1.9 million of this has gone towards immediate maintenance and the purchase of additional fuel. The remaining funds will supplement an existing allocation for the purchase of four new power generators.
\$22.6 million	Wastewater	Purchase and installation of additional pumps and controls and modular treatment infrastructure at the existing Smith Point sewerage treatment site.
\$200,000	Wharf expansion feasibility	Determine current and future passenger transfer requirements, safety and environmental risk factors of the current usage profile and options for lengthening the wharf. Examine economic benefits and environmental impacts of an expansion.
\$600,000	Road sealing feasibility study	Determine health and safety and environmental issues, including the cost to protect the iconic red crab migration.

## Question Numbers 2 to 5

### Senator Lundy asked the following questions on 9 March 2010

2. Can you please clarify the status of the CLMPs for the IOTs?
3. How will the CLMPs be used to inform planning decisions?
4. Can you provide some background as to how crown land is currently managed and whether it is readily made available for development? If not,
  - a. What is the current process for this?
  - b. How will the CLMPs change this process?
5. What measures are there to shorten approval times and encourage investment through development?

### The answers to the honourable senator's questions are as follows:

2. The Report on the Crown Land Management Plan was completed in September 2009. It has been circulated to stakeholders on both Christmas Island and the Cocos (Keeling) Islands and is available on the Department's website.
3. The Report will guide the Department's land management activities in the Territories and inform conversations about land management with the local communities. The Shire Councils remain responsible for land planning. The Report is a useful tool; however it will not replace the normal land planning process.

The Report identified priorities for action, which will be considered by the Department. For example:

- As a priority, the Report recommended an Outline Development Plan (ODP) for the Light Industrial Area on Christmas Island and the former Quarantine Station on the Cocos (Keeling) Islands. The Department is implementing this recommendation. Community consultation has been completed and the draft ODPs will be available shortly.
- The Report also identified areas suitable for tourism development (for example, the site known as the Chicken Farm on Christmas Island) and future residential release. The Department has issued an Expression of Interest for the Chicken Farm site.

The Department will consider further recommendations in the Report based on the needs of the local communities. We will continue to consult with the Shires on these issues.

4. a) Crown land has previously been released as needs were identified, either by the Department or the private sector. Decisions about land release are often taken with advice from the WA Department of Lands and the responsible local shire.
- b) The Report will be used to identify priority areas for development and ensure land release decisions are taken consistently. It will inform land planning discussions between the Department, the Shires and the local community.

5. The Department recognises that the approvals process for the Territories does require compliance with both applied state and Commonwealth legislation. Any development in a Commonwealth area in the Territories is subject to the *Environmental Protection and Biodiversity Conservation Act 1999* in addition to applied Western Australian legislation. The Department is considering ways to streamline the approvals process, including active management of specific developments.

The Department takes a range of action to encourage development in the Territories including through land release and provision of economic development funding. For example, the Department has identified the opportunities to develop a resort on sites in both Christmas Island and the Cocos (Keeling) Islands. These opportunities have been made available to the open market.

## Question Numbers 6 to 8

### Senator Lundy asked the following questions on 9 March 2010

6. In regard to the Christmas Island Destination Development Report, can you clarify:
  - a) Whether the Report contains a tourism plan for Christmas Island?
  - b) How the Report was intended to be used to develop Christmas Island's tourism industry?
  - c) How funding is provided for activities contained in the Report?
  - d) What onus is there on parties to complete tasks assigned to them under the report?
7. Has a Cocos (Keeling) Islands destination development report been drafted? If so, what was the process undertaken to do this? If not, is there an active development strategy underpinning future growth in tourism for the islands?
8. Are you aware of whether the steering committee responsible for implementation of the tourism plan has determined a body to coordinate, monitor, review and report on implementation of the plan?

### The answers to the honourable senator's questions are as follows:

6.
  - a) The report, developed through a community workshop in December 2007, provides a range of strategies to develop tourism on Christmas Island. The strategies are aspirational and provide stakeholders with a set of tools and goals to assist in developing programs to incorporate tourism in business plans and activities.
  - b) The workshop clearly identified the desire for local leadership to implement the actions and strategies.

A Steering Committee was formed under the chair of the President of the Shire of Christmas Island. Members were representatives of CITA, the Attorney-General's Department and the Christmas Island National Park. Secretariat support was provided by the Attorney-General's Department. It was intended that the Steering Committee would take a lead role in implementing the plan. The Steering Committee has not met since early 2009. The Committee's role was to work with stakeholders to prioritise and implement actions and to determine the most suitable body to facilitate long term implementation. The Steering Committee did not complete these tasks.

The Report is now used to inform agencies of strategies to develop Tourism.

The Destination Development Report continues to provide guidance to support the Attorney-General's Department's policy and programs. Examples of policy and programs identified in the Report which have been acted on include:

- improving air services – Virgin Blue are commencing on 1 April 2010;
- improving directional signage – a joint project of the Department and the Christmas Island Tourism Association (CITA) has resulted in new signs which are ready to be installed;
- ongoing funding for CITA. In 2009/2010 this is around \$525,000;

- investing in port facilities to enable cruise ships to visit Christmas Island. The investment by the Australian Government was \$3.5m;
- releasing land for a Tourism Development on Christmas Island; and
- building capacity through services of an Economic Development Officer, Small Business Development Corporation and the Indian Ocean Group Training Association.

c) The activities in the Report were not designed to be fully funded. The Report provides a range of strategies and ideas to enable stakeholders to fund activities from their own resources or to bid for funding under a range of different programs such as State-type grants and the Economic Development Funding Program.

d) There is no onus on parties to complete the strategies and activities in the Report.

7. Tourism is a key economic activity for the Indian Ocean Territories as part of a diversified economy. The Department's role is to provide state-type services and foster a climate suitable for economic development within constraints, budgets and frameworks.

The Department undertakes a range of activities to support tourism on the Cocos (Keeling) Islands including:

- funding the Cocos (Keeling) Islands Tourism Association (CKITA). In 2009/2010 this is around \$120,000;
- funding CKITA to develop and implement a Tourism Plan. The plan was completed in 2009 and implementation is underway;
- working with the Shire of Cocos (Keeling) Islands to attract a developer for a resort;
- building capacity through services of an Economic Development Officer, Small Business Development Corporation and the Indian Ocean Group Training Association; and
- considering a more regional approach to tourism. The approach will support the local tourism associations and develop the industry through additional resources and skills.

8. The Steering Committee has not advised the Department of a suitable body to implement the Report. As the Steering Committee has not met since early 2009, the Department does not anticipate that the Steering Committee will determine a suitable body.

In developing a more regional approach the implementation of the Christmas Island Destination Development Report is being considered by the Department.

## Question Number 9

**Senator Lundy asked the following question on 9 March 2010**

9. Can you provide an update of how the new fare structure is expected to impact on the affordability and frequency of passenger air transport and air freight?

**The answers to the honourable senator's question is as follows:**

9. Virgin Blue will fly to Cocos (Keeling) Islands on Tuesdays and Saturdays and Christmas Island on Tuesdays, Thursdays and Saturdays. The Department will review the continuation of three flights per week to Christmas Island based on future demand. The third flight may also be extended to Cocos (Keeling) Islands if there is sufficient demand. Flight schedule attached.

Services will be direct to the Islands without a need to refuel at Learmonth

The Virgin Blue fare structure for one way flights from Perth to Cocos (Keeling) Islands and Christmas Island ranges from \$484 (Blue Saver) - \$899 (Premium Economy) with additional discounted fares to be offered to the market. Freight rates will remain the same under the new contract with general freight charged at \$6.50/kilogram and priority freight charged at \$9.75/kilogram.

## Flight Schedule - Virgin Blue

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<b>TUESDAYS</b>	
<b>Perth</b>	<b>Cocos (Keeling) Islands</b>
11.00am	2.10pm
<b>Cocos (Keeling) Islands</b>	<b>Christmas Island</b>
2.55pm	5.05pm
<b>Christmas Island</b>	<b>Perth</b>
5.50pm	10.20pm

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<b>THURSDAYS</b>	
<b>Perth</b>	<b>Christmas Island</b>
1.20pm	4.20pm
<b>Christmas Island</b>	<b>Perth</b>
5.05pm	9.35pm

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<b>SATURDAYS</b>	
<b>Perth</b>	<b>Christmas Island</b>
11.00am	2.00pm
<b>Christmas Island</b>	<b>Cocos (Keeling) Islands</b>
2.45pm	3.55pm
<b>Cocos (Keeling) Islands</b>	<b>Perth</b>
4.40pm	10.15pm

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