

Local Issues—Christmas Island

Shire of Christmas Island

- 6.1 In its evidence to the Committee, the Shire of Christmas Island raised a number of issues of concern to the people of Christmas Island, including:
- Fuel storage
 - Aged care facilities
 - Housing
 - The sea wall
 - Airfares.

Fuel storage

- 6.2 Concerns were raised about proposals for upgrading fuel storage on Christmas Island. Councillor Thomson noted that funding had been provided to upgrade facilities fuel storage, but this had not necessarily translated into increased capacity for storage of fuel for power generation. He sought clarification of the Government's plans.¹
- 6.3 In response to questions about the fuel storage situation on Christmas Island, the Department of Regional Australia stated:

The Australian Government has provided \$19 million to upgrade diesel and aviation fuel storage on Christmas Island. The first stage of the project to increase diesel storage is now complete (ahead of schedule) with an additional 1.8 million litres of fuel stored at Smith Point.

¹ Cr Gordon Thomson, Shire of Christmas Island, *Committee Hansard*, Christmas Island, 24 October 2012, p. 2.

A request for tender to build and operate a new aviation fuel supply facility on Christmas Island is currently being prepared for release in late February 2013.

Petrol storage is adequate and is not being increased.²

- 6.4 The Committee understands that Christmas Island almost ran out of petrol in March 2013 and that emergency provisions were put aside.

Aged-care facilities

- 6.5 Councillor Thomson highlighted the need for a dedicated aged care facility, and an early commitment of funds so that the facilities will be available to meet community needs. He noted the age profile of the workforce at the mine – an average age over 55 years – with other workers on the Island in their 70s. He also emphasised the difficulties in obtaining funding for health services on the Island:

The only programs we have on the island currently are the HACC services. Our point there is that it took some years of agitation because of the disagreements, or the potential for lack of decision on the basis of the mixed funding of the HACC services. You had state and federal funding, and you had this circus of the services needed but the bureaucratic problems of getting the services funded on the island because of that complex funding model.

Everybody agrees the service is needed, but it does not happen for several years because of the machinations of making funding arrangements that deliver. There was no requirement to build buildings; it was just put in the money, administer by the hospital, employ someone, get the services into the community. That took so long. If we are going to talk about building buildings like an aged-care nursing home, you can see the sorts of problems we have. We really need to start getting commitments from government that the money is there and we are going to start the planning and we are going to make these services available to our community. If not, our community will be denuded of an important part of our population profile, and we think people do have a right to live out their years in their home country, if you like.³

- 6.6 The Department of Regional Australia noted that there are no specialist aged care homes on Christmas Island, with aged care being provided in
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2 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, pp. 12–13.

3 Cr Gordon Thomson, Shire of Christmas Island, *Committee Hansard*, Christmas Island, 24 October 2012, p. 3.

the home and through the Indian Ocean Territories Health Service. According to the Department, the advice from the Indian Ocean Territories Health Service was that 'care in the person's home is the most appropriate and cost effective model for providing aged care services', but that this situation was kept under review. The Department stated that 'there are no current plans to construct a purpose built residential government owned aged-care facility', but that extensions to the Christmas Island Hospital would provide access 'to a range of specialist medical and community health services, such as aged care, counselling, rehabilitation and preventive health'. The extension is due to be completed in 2014.⁴

Housing

- 6.7 Councillor Yon identified the shortage of housing, and the impact that was having on the community, particularly young people. He stated:

With regard to housing for residents of the island, there has been a shortage. It is the younger generation that would want to come back here on the island to be with their families and they are just not getting any public housing; they cannot rent public housing. If they rent in the private sector there is always a high cost and they cannot afford that. I sought advice that the Commonwealth do something about the public housing shortages on the island. School leavers always want to come back here and live here. Without housing they will end up somewhere else over on the mainland and we cannot keep our communities together.⁵

- 6.8 Councillor Thomson argued that part of the failure was the reliance by government upon private investment in housing, but that this had not worked. He stated:

The idea was that Christmas Island, in the process of normalisation after 1992, was to create free markets et cetera. But the sale of land for the purpose of building houses has not yielded many houses. The costs of building are high and offshore investors in houses are looking for gold plated lease arrangements with the Commonwealth to rent back the houses they build. So we have not seen any significant increase in the housing availability, certainly

4 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 13.

5 Cr Azmi Yon, Deputy President, Shire of Christmas Island, *Committee Hansard*, Christmas Island, 24 October 2012, p. 3.

not to meet need, because of private investors picking up that responsibility.⁶

- 6.9 Councillor Yon argued for greater access for tenants to buy government houses, relating his own experience as a long-term renter on the island:

I was going to add to the housing issue – the right to buy housing for people who are renting Commonwealth houses. There has been so many times that the government asks if anybody wants to buy the public housing that they have put out, how would you say, a \$100 deposit, thinking they can get that house. I have lived down at kampong twice. I have been moved up to Poon San and I have seen what have done there – basically ruined the two flats – the 408 and the 412. Basically I think now the long-term residents, like myself, would like to buy a house. But the government is dragging it longer and longer. It is not easy for us to simply just rent, rent, rent all the time. We are not secure. This is where I am, this is where I live and this is where I will be and where I will die. At the end of the day, this is where I am, and I would like to have something for my family.⁷

- 6.10 In response to questions from the Committee, the Department of Regional Australia agreed that the increased number of people on Christmas Island had placed ‘significant pressure on the supply of rental housing’, but that the Australian Government was making a significant investment in new housing to reduce its demand on rental housing:

Fourteen new units will become available as Stage 1 of the project completes in February 2013. Stage 2, for a further 12 units, is expected to commence before March 2013.⁸

- 6.11 The Department notes that ‘in the same period, despite vacant freehold land in residential areas, the private sector has built only two to three houses’.⁹

- 6.12 The Departments rejects claims of a shortage of public housing or a shortage of housing for sale on the private market.¹⁰

- 6.13 The Department noted that the First Home Owners Grant was not available to IOTs residents, stating:

6 Cr Gordon Thomson, Shire of Christmas Island, *Committee Hansard*, Christmas Island, 24 October 2012, p. 3.

7 Cr Azmi Yon, Deputy President, Shire of Christmas Island, *Committee Hansard*, Christmas Island, 24 October 2012, p. 3.

8 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 14.

9 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 14.

10 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 14.

The First Home Owners Grant (FHOG) scheme was introduced in July 2000 to compensate for the increased cost of homes as a result of the introduction of the GST. However, as GST is not applied in the IOT, it was (and currently remains) Australian Government policy that the FHOG Scheme not be available to residents of the IOT.¹¹

- 6.14 However, IOTs residents 'are able to access stamp duty concessions introduced in 2004 under applied amendments to the Western Australian *Stamp Act 1921*, which are linked to FHOG eligibility criteria'.¹²

Sea wall

- 6.15 Councillor Yon also raised the issue of the sea wall at the kampong. He noted that every year during the monsoon season, sand was being pushed onto the roads in the kampong, and asked that the sea wall be raised to protect the area.¹³ The issue of the sea wall was also raised by Mr Zainal Abdul Majid, president of the Christmas Island Islamic Council.¹⁴
- 6.16 The Department of Regional Australia advised that the matter of raising the sea wall was being investigated and that a process was in train to consult with the community about what was needed. However, no funding had yet been allocated to the project.¹⁵

Airfares

- 6.17 Councillor Foo Kee Heng, President of the Shire of Christmas Island and the Union of Christmas Island Workers, raised the issue of free airfares for pensioners. Pensioners are currently entitled to one free airfare to Perth. But, as Councillor Heng noted, few pensioners have relatives in Perth while many have family to the north, especially in Malaysia. It was the view of many in the community that pensioners would benefit by using their free airfares to fly north instead of south, and he urged the government to allow this.¹⁶ This issue was also raised by Ms Di Jarosz,

11 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 14.

12 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 14.

13 Cr Azmi Yon, Deputy President, Shire of Christmas Island, *Committee Hansard*, Christmas Island, 24 October 2012, p. 4.

14 Mr Zainal Abdul Majid, President, Christmas Island Islamic Council, *Committee Hansard*, Christmas Island, 24 October 2012, p. 32.

15 Mr Julian Yates, First Assistant Secretary, Local Government and Territories, & Mr Stephen Clay, Acting Assistant Secretary, Territory Service Delivery Branch, Department of Regional Australia, Local Government, Arts and Sport, *Committee Hansard*, Canberra, 28 November 2012, p. 7.

16 Councillor Foo Kee Heng, President, Shire of Christmas Island, and President, Union of Christmas Island Workers, *Committee Hansard*, Christmas Island, 24 October 2012, p. 11.

Secretary of the Christmas Island Women's Association¹⁷ and Ms Jeannie Ku, Treasurer of the Chinese Literary Association of Christmas Island.¹⁸

Christmas Island Women's Association

- 6.18 Ms Di Jarosz, Secretary of the Christmas Island Women's Association, raised a number of issues with the Committee, including:
- The cost of fresh produce, particularly for pensioners
 - The cost of dental care for pensioners
 - Lack of special aged-care facilities
 - Limits on the airfare concessions for pensioners
 - Lack of youth recreation facilities
- 6.19 Ms Jarosz suggested some form of subsidy for fresh food for pensioners, a dental care concession, and a change to the airfare concession to allow pensioners to fly north to Asia rather than just south to the mainland. She suggested the creation of aged care facilities – 'for instance, residential care, a nursing home, and special care workers – and home care visits'. She also suggested a go-kart track – possibly 'linked with someone teaching mechanical skills' – and a motorcycle track – 'because there are lots of young boys now with motorcycles on the island'.¹⁹
- 6.20 The Department of Regional Australia advised that dental services in the IOTs are provided at a generally lower cost than on the mainland using Department of Veterans Affairs remote area rates. The Christmas Island Hospital extension will include an upgrade of the existing oral health unit.²⁰
- 6.21 The Department advised that the airfare concessions for pensioners paralleled that under Western Australian law, and that at this stage the Australian Government continues to apply the equivalent Western Australian arrangement, which is an annual flight to Perth. The Department stated, however, that it was aware of local interests in the

17 Ms Diane Jarosz, Secretary, Christmas Island Women's Association, *Committee Hansard*, Christmas Island, 24 October 2012, p. 29.

18 Ms Jeannie Ku, Treasurer, Chinese Literary Association of Christmas Island, *Committee Hansard*, Christmas Island, 24 October 2012, p. 36.

19 Ms Diane Jarosz, Secretary, Christmas Island Women's Association, *Committee Hansard*, Christmas Island, 24 October 2012, p. 29.

20 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 13.

IOTs for an equivalent concession for flights to Asia, and was considering advice to the Minister.²¹

Christmas Island Islamic Council

6.22 Mr Zainal Abdul Majid, Christmas Island Islamic Council, raised the lack of housing, especially for young people; the cost of living, especially food; and funding for the Islamic Council to assist in upgrading facilities for the Islamic community. With regard to the community facilities he stated:

We have a number of projects in hand to upgrade the existing building into a preschool or a room that can be used for culture meetings. It is run-down. In order to do that, we are willing to pick up the labour costs, but we cannot afford to buy everything. If the cost can be shared we could fully utilise it. If there is funding to buy materials and we can put in labour that would be a positive thing.²²

6.23 The expected cost of the refurbishment was \$50,000.²³

6.24 The Department of Regional Australia stated that it had given advice on this matter to the Islamic Council and was awaiting a grant application. The Administrator was working with the Council and other bodies to assist them in applying for grants²⁴, and the Committee understands that the Islamic Council has recently been provided with \$75,000 to fund the refurbishment.

Chinese Literary Association

6.25 Ms Jeannie Ku, Treasurer of the Chinese Literary Association of Christmas Island, also raised concerns about the cost of living, especially for seniors; the availability of housing for residents; lack of facilities and activities for young people, and access to the north by air. She explained to the Committee:

Due to the uncertainty and the detention centre, there has been a decline in tourism arrivals, in passenger loads, and this has affected the operation of the northern service. We need to preserve

21 Mr Julian Yates, First Assistant Secretary, Local Government and Territories, Department of Regional Australia, Local Government, Arts and Sport, *Committee Hansard*, Canberra, 28 November 2012, p. 7.

22 Mr Zainal Abdul Majid, President, Christmas Island Islamic Council, *Committee Hansard*, Christmas Island, 24 October 2012, p. 31.

23 Mr Zainal Abdul Majid, President, Christmas Island Islamic Council, *Committee Hansard*, Christmas Island, 24 October 2012, p. 32.

24 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 21.

this route due to our culture and links to the north. Most of the Chinese community and the Malay community come from the north, from Malaysia, and we would prefer to have the northern charter so that every year we can go back and visit our families. We would prefer that, but, due to circumstances, the northern air charter is still not certain for us. So we are a bit worried about that.²⁵

- 6.26 Ms Ku also urged improvements to the local bus system, for the benefit of residents and tourists:

The cost of cars, maintenance and petrol is very high now, and there is no alternative mode of transport provided by the Commonwealth. We need a bus system to operate over a full day. At the moment the shire have one, but it is only at certain hours and it does not operate after dark. We reckon that, with a full-day service, we can encourage more people, including senior people, children and workers, to use the bus instead of relying on their corporate or private cars. We can save a lot. Also, it is good for tourists if they come here. At least they will know there is a bus provided for them.²⁶

The Department's Response

- 6.27 The Department of Regional Australia addressed many of these issues in its response to the Committee.
- 6.28 With regard to the cost of living in the IOTs, the Department stated that 'the price of foodstuffs is market driven and is not subject to the application of anti-competitive price controls applied by the Government'. DRA 'has contracted the WA Department of Regional Development and Lands to undertake an evidence-based project to create a Regional Price Index. This will help to determine the cost of living in the IOT compared to Perth'. The index, which will be reviewed every two years, 'will inform Departmental policy'.²⁷ The Department also notes that GST does not apply in the IOTs, and that the 'Australian Government subsidises freight and transport costs through its commercial contracts with Patrick Ports,

25 Ms Jeannie Ku, Treasurer, Chinese Literary Association of Christmas Island, *Committee Hansard*, Christmas Island, 24 October 2012, p. 36.

26 Ms Jeannie Ku, Treasurer, Chinese Literary Association of Christmas Island, *Committee Hansard*, Christmas Island, 24 October 2012, p. 36.

27 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 20.

Toll Logistics and Virgin Australia (through port and airport fees and charges, and the underwriting of passenger and freight services)'.²⁸

- 6.29 The Department also noted that it was actively engaged in promoting the growing of food locally through market gardens. The Committee was advised that:

There are a number of proposals under active consideration for areas of land so that local people can increase economic activity through growing fruit and vegetables locally. Only this week, on Monday, I met with Megan Lalley in Perth. She is our Water Corporation regional manager who looks after, amongst other things, the operation of the sewage treatment plant, which is producing a significant amount of – let me put it this way – solid waste at the moment. She is looking at a further processing step that can be put in place that can make that material useful as a fertiliser.²⁹

- 6.30 With regard to the impact of the cost of living on pensioners, the Department stated that pensioners in the IOTs 'are provided benefits on the same basis applying to pensioners generally in Australia'. With regard to particular schemes and eligibility, the Department recommended that individuals contact Centrelink. The Department also noted that individual pensioners 'may also be eligible for the Pension Supplement to help meet the costs of daily household and living expenses, including phone, internet, utilities and pharmaceutical costs'. Individuals should contact Centrelink to determine their eligibility. The Department was not aware of any specific program aimed at subsidising the cost of fresh food, but observed that 'Departmental initiatives such as the weekly airfreight service have increased availability of fresh food and some residents now ship their own supplies from Perth'. The Department noted that the 'market garden proposal may also have a positive impact on fresh food prices'.³⁰

- 6.31 In discussion surrounding the question of free flights for pensioners, the Department advised that the current arrangement was in line with what applied in Western Australia under state law. The Department explained:

The arrangement has always been one that parallels the Western Australian entitlement for seniors and others on pensions, if you

28 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 20.

29 Mr Julian Yates, First Assistant Secretary, Local Government and Territories, Department of Regional Australia, Local Government, Arts and Sport, *Committee Hansard*, Canberra, 28 November 2012, p. 7.

30 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, pp. 20-1.

live above the 26th parallel. It is called a 'flight to the coast' for some reason. It is a Western Australian entitlement. We parallel it. It is the flight from Christmas or Cocos Island to Perth for eligible pensioners. It has not been to the north. We are certainly aware of local interest in something like that and we are considering advice to the minister on it. At this stage, though, the government continues to apply the equivalent Western Australian arrangement, which is an annual flight to Perth.³¹

6.32 With regard to extending the Christmas Island bus service, the Department of Regional Australia stated:

The Community Bus is funded by the Australian Government for \$30,000 per year and operated by Shire of Christmas Island (SOCI), which determines its timetable and hours of operation.

If SOCI considered that an extension of the service was desirable and could not be funded within existing arrangements, SOCI would need to develop a business case for submission to the Department for assessment.

This would need to be considered in the context of the Department's budget position.³²

6.33 With regard to the provision of youth facilities and services, the Department informed the Committee that there are a number of youth programs and activities on Christmas Island, including:

- CI Kung Foo Association – includes Chinese Lion
- Islamic school – undertakes a number of activities
- CI Recreation Centre runs a series of after school and holiday programs along with evening sports competitions (limited this year due to the facility being closed for repairs for some of 2012)
- SOCI maintains a number of parks/playgrounds and the skate park for unstructured activities
- SOCI runs a series of youth programs through their youth and cultural services Community Development Officer
- CI Neighbourhood Centre organises youth events
- Music lessons

31 Mr Julian Yates, First Assistant Secretary, Local Government and Territories, Department of Regional Australia, Local Government, Arts and Sport, *Committee Hansard*, Canberra, 28 November 2012, p. 7.

32 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 22.

- CI Arts and Culture have a number of activities with which youth have been involved each year
- CI Cricket and Sporting Club after school activities coaching and competitions, plus one off family events and activities (coach in residence programs)
- CI Cricket Club Junior sports trips including Cocos and Perth for Auskick and other sports
- The CI District High School runs 'Country Week' activities.³³

6.34 With regard to attracting and retaining young people on Christmas Island, the Department stated that the Australian Government 'has made a strong commitment to excellence in schooling in the IOT and years 11 and 12 are available on Christmas Island'. It noted that the Australian Government funds the Indian Ocean group Training Association, 'which provides employment, training and community services to both employers and jobseekers and manages the employment and training of apprentices to develop the capacity of young people to enter the workforce'. The Department further stated that youth attraction and retention policies will be included in the activities of the new Regional Development Organisation. 'Membership of the RDO is broad and inclusive, with representatives from youth and cultural interests eligible for membership.'³⁴

Arts and Culture Christmas Island

6.35 Concerns were raised about the process and outcomes surrounding the urban design master plans for Christmas Island. Ms Patricia Power, chairperson of Arts and Culture Christmas Island, explained to the Committee:

Recently the government spent \$60,000 towards an urban master design plan for the Gaze and Vagabond roads areas – Gaze Road is down here and Vagabond Road is up in the sports and rec area. Although it was a shire project it was facilitated by Christmas Island administration. Lisa [Preston] and I were both involved in the process from the beginning as members of the selection panel. Due process was not followed but, despite our concerns, the project proceeded. The 1996 Gaze Road development plan was initially completely ignored in the urban design plan process, even though it was an excellent reference and full of detailed ideas.

33 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 23.

34 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 24.

- 6.36 The outcome, from the point of view of some in the community was a failure:

The resulting urban design plan reflected our initial concerns and lacked any real design and certainly did not meet the aim of being a plan that is easily envisaged and implemented. Several organisations have been waiting for a design plan so that they can proceed with developments. A prime example is Arts and Culture Christmas Island. We assumed that the urban design plan would contain a design detailed enough to allow us to proceed with the development of the Tea Gardens area, which is commonly known as the police padang. It is where the fish vulture is if you drive along on the left, near the fuel tanks. We received funding for a mosaic seat and had to delay the project for over a year in anticipation of the urban design plan. When the plan came out there was no design for the area, so we could not decide where to place the seat in relation to all the other elements we had hoped would be identified. Fortunately, just in the last two weeks, we have had the mosaic artist here and we are using a production process that has allowed the mosaic work to proceed and be assembled at a later date. Everyone at some stage will be going up past the old tech school. Pop in there, around the corner, and go in and have a look, because it is quite impressive.

- 6.37 Ms Power explained that it was 'It is essential that a detailed design for Gaze Road be developed so that any work undertaken is part of a whole design concept and not a mishmash of well-intentioned efforts':

Some locals, for example, want to start planting trees, but we need to know what to plant and where to plant them. Several members of the urban design plan steering committee are now planning to seek funding to develop a design portfolio that can be used as an appendix to the urban design plan and act as a reference for any organisation or individual involved in development.³⁵

- 6.38 The Department of Regional Australia advised the Committee that the Urban Design Master Plans were developed for the Tourism and Commercial Precinct (Gaze Road), and the Sports and Recreation Precinct of Christmas Island. The Plans were produced by GHD in 2011 for the Shire of Christmas Island in conjunction with the Christmas Island Economic Development Consultative Group. The Australian Government

35 Ms Patricia Power, Chairperson, Arts and Culture Christmas Island, *Committee Hansard*, Christmas Island, 24 October 2012, pp. 33-4.

provided \$60 000 to the Shire to produce the plans.³⁶ An Implementation Reference Group has been formed to advise on the delivery of key recommendations in the Plans. The Implementation Reference Group is chaired by the Shire CEO, and comprises representatives from the community, local business, local associations, WA Government departments, and Australian Government agencies.³⁷

Committee conclusions

6.39 The Committee notes the efforts being made to address fuel storage issues on Christmas Island. Problems associated with fuel storage have been an issue on Christmas Island for a number of years. The Committee got first-hand experience of the problems caused by the rationing of aviation fuel when its flight plan was changed, then changed again, to conform with the expected availability of fuel on Christmas Island. Given that the Island almost ran out of petrol in March this year, the Committee believes that petrol storage needs to be increased as a matter of urgency.

Recommendation 19

6.40 **The Committee recommends that the Australian Government provide increased storage capacity for petrol on Christmas Island as a matter of urgency.**

6.41 The Committee is concerned that there is currently no planning underway for dedicated aged-care facilities on Christmas Island. While home care in a tight-knit community may be a viable option for many, the ageing of the local population and the possible need for specialist care suggest that an aged-care facility will become necessary in the near future. The Committee suggests that planning should begin for a dedicated aged-care facility to be constructed on the hospital campus.

Recommendation 20

6.42 **The Committee recommends that the Australian Government commence planning for, and funding of, a dedicated aged-care facility to be collocated with the Christmas Island Hospital.**

36 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 21.

37 Department of Regional Australia, Local Government, Arts and Sport, *Submission 6*, p. 22.

- 6.43 The Committee is conscious that there are strong concerns within the community about the availability of housing. The Government has played down these concerns, yet it would appear that investment housing on Christmas Island has not translated into more widespread ownership of property or any surplus of affordable rental accommodation. At the very least, it would be useful to gain a comprehensive picture of what housing is available on Christmas Island, and match it to the needs and aspirations of the Government and the community. If a significant discrepancy between availability, need and aspiration are found, then a housing strategy should be developed to meet those needs and aspirations. A similar exercise would be equally valid and useful on Cocos.

Recommendation 21

- 6.44 **The Committee recommends that the Australian Government undertake a comprehensive housing survey to establish levels of availability and demand for housing in the Indian Ocean Territories.**
- 6.45 The Committee welcomes the news that a process is underway to consult the community with regard to the raising of the sea wall. The Committee is of the view that the Department should commit funds to this project.

Recommendation 22

- 6.46 **The Committee recommends that the Australian Government provide funds for the raising of the sea wall in the Kampong, with a view to facilitating design and construction within the next two years.**
- 6.47 The Committee supports pensioners in the IOTs being able to use airfare concessions to fly to Asia and recommends that the Australian Government adjust the airfare concession to allow for flights to Asia.

Recommendation 23

- 6.48 **The Committee recommends that the Australian Government adjust the rules for the pensioner airfare concession, which currently provides for an annual flight to Perth, to allow for an equal concession to be put towards flights to Asia.**

- 6.49 The Committee is concerned about the apparent outcome of the urban design planning process that has occurred on Christmas Island, and the apparent lack of coordination and effective consultation in the planning process. The Committee will watch with interest how the work of the Implementation Reference Group unfolds and will review this matter on its next visit to the Island.
- 6.50 The Committee understands that Christmas Island has similar waste management issues to Cocos (Keeling) Islands. Again, this is a complex issue given the limited resources and potential for environmental damage, and the Committee is of the view that the Australian Government should coordinate with the Shire in the development and funding of a waste management strategy for Christmas Island.

Recommendation 24

- 6.51 **The Committee recommends that the Australian Government provide the necessary funding to implement a comprehensive waste management strategy on Christmas Island, including funding facilities for the incineration of organic waste and the safe removal of inorganic waste from the island.**
- 6.52 The Committee is aware of the cost of living pressures facing residents of the IOTs and welcomes the creation of the Regional Price Index to provide ongoing and up-to-date evidence of the cost of living. The Committee urges the Government to make this information public. The Committee also endorses measures to promote the growing of fresh food on Christmas and Cocos as a way of reducing the freight costs in food prices. The Committee will follow these endeavours with interest in the expectation of positive outcomes for the IOT's communities.

Recommendation 25

- 6.53 **The Committee recommends that the Australian Government make the Regional Price Index for the Indian Ocean Territories publicly available.**

Senator Louise Pratt

Chair

26 June 2013