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CHRISTMAS ISLAND

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JOINT STANDING COMMITTEE ON THE NATIONAL CAPITAL AND EXTERNAL
TERRITORIES

Communications and the external territories

CHRISTMAS ISLAND

Friday, 21 August 1998

Present

Senator McGauran (Chair)

Senator Crossin

Senator West

Committee met at 3.20 p.m.

Senator McGauran took the chair.

LEIGH, Ms Sharon, Senior Project Officer, Christmas Island Administration, PO Box AAA, Christmas Island, Indian Ocean

MABERLY, Mr Paul, Chief Executive Officer, Shire of Christmas Island, PO Box 863, Christmas Island, Indian Ocean

MOCKERIDGE, Mr Anthony Jeffrey, Councillor, Shire of Christmas Island, PO Box 863, Christmas Island, Indian Ocean

CHAIR—I declare open this public hearing of the Joint Standing Committee on the National Capital and External Territories. The committee has received a number of submissions from the external territories, from relevant departments and from the major telecommunications organisations. On behalf of the committee, I would like to thank those who have provided detailed submissions to the committee.

Resolved (on motion by Senator West):

That the committee authorises the publication submissions Nos 30 to 38 and exhibits Nos 10 to 22.

CHAIR—Before calling the first witnesses, I remind everyone present that these are the proceedings of the parliament and warrant the same respect as the proceedings of the parliament itself. The committee does not require witnesses to swear an oath or make an affirmation, but this does not diminish the importance of the evidence or the hearing.

I welcome Paul Mayberly, Tony Mockeridge and Kelvin Lee from the Christmas Island Shire Council. We thank you for your very extensive submission. I suppose you are the main witness before the inquiry, given your responsibilities on this island. I invite you to address your submission and I would also like to know what you see as your responsibilities in the area of telecommunications.

Mr Mayberly—Thanks, Julian. You have just introduced our Deputy-President, Kelvin Lee, and Councillor Tony Mockeridge. Tony will speak to the submission because it is his work. He is our technical adviser on communications. As you are aware, council was incorporated in 1992, so it is the voice of Christmas Island. It is a new council that is coming to terms with its roles and responsibilities and is trying to have the same sort of role that you would see in an equivalent mainland shire.

One of the main problems that people on Christmas Island have—and this is repeated throughout the submissions—is our isolation. With the introduction of the Internet recently on Christmas Island, that has certainly reduced our isolation and the access that we have to information; but our main problem is still professional isolation. We are not sure what we should be asking you for as far as communications are concerned. In a bold statement, we believe the communications are not to the equivalent standard of our counterparts on the mainland. But, as to what we are missing out on, we are not sure.

We wrote to the communications department some time ago in response to a grant application. Our first request was that we should receive some funding so we can get a mainland consultant who can analyse the situation on Christmas Island and report our

deficiencies. We are pleased that the inquiry has come to Christmas Island so you can see those problems first-hand and you can hear from a number of organisations. We have heard no more on that grant application, but I believe that the application is still open. We would like to pursue that, because that is still the intention. It is now eight months since we have spoken with anyone in the department. I think we have had a couple of phone calls saying, 'Yes, we are looking at it.' I am speaking specifically about the funding which excluded Christmas Island and Cocos Islands.

CHAIR—Is it the infrastructure telecommunications infrastructure fund that you have applied to?

Mr Mayberly—Yes. I believe that has been addressed, and either we will receive some of the allocation from Western Australia or the allocation will be increased.

CHAIR—I know that Norfolk Island had a similar problem when they were cut out of the process of telecommunications infrastructure fund applications. But it has been brought to the minister's attention, and that is about where I think it lies. He seems sympathetic.

Mr Mayberly—It was curious in our case because the documentation relating to that grant specifically mentioned Christmas and Cocos. The fund was set up to assist places like Christmas and Cocos. But, as irony would have it, we are excluded from the process. So we wait in hope. I will now pass you on to Councillor Mockeridge. Then Councillor Lee has a question which he would like to address to the committee at the end of our submission; thank you.

Mr Mockeridge—The submission that I have made to the inquiry speaks for itself in that Christmas Island is only just coming out of, if you like, the Stone Age of telecommunications. Up until the beginning of 1995, the way in which we received our television broadcasting, for example, was via a video cassette system on which the ABC was recorded and then a week later sent up to Christmas Island. That was how we received our television broadcasts.

The newspapers that you have on the mainland and in other parts of Australia are non-existent here, to all intents and purposes. We have always had ABC radio here. We also have our own local radio station, which has been in existence for quite some time—essentially since the ABC handed it over to the community in the early 1960s. What I feel is likely to occur—unless steps are put in place immediately to make sure that it does not occur—is that in the year 2000 we will revert to that situation.

The advice that has come from Telstra on their recent visits to the island is that we will not be in the footprint of the additional satellite which will be providing communications to mainland Australia. That means we will not have mobile phones of any type—analogue or digital. We will not have the information highway; that is, the Internet and all the associated technology that goes with that. And, once again, we will not have live television broadcasts from Australia.

What we will have is the ability to pick up satellite programming from Malaysia, Indonesia and Singapore. The example I have used in the submission is that, in the year

2000, while the rest of Australia is watching the Olympic Games in Sydney, we will be watching the Olympic Games via Malaysia or Indonesia. We will be receiving the Olympic Games on a foreign channel in a foreign language for an event that is taking place in Australia. The Internet will also disappear altogether. So we will return to that Stone Age of telecommunications that we were in in 1994.

The big issue in that for all of us is that we are Australians. We are part of Australia. Commitments have been made by governments of all descriptions that Australians will enjoy a reasonable and equal standard in telecommunications throughout the country. I appreciate that Christmas Island is a long way from mainland Australia but, then again, so is a lot of mainland Australia a long way from the metropolitan centres. I would suggest that the difficulties that are encountered in other remote areas of Australia would be very similar to the difficulties we encounter here.

What I would seek to put to the inquiry is that this situation cannot be allowed to occur. Christmas Island is a very dynamic part of Australia. Geographically, it is situated in the middle of South-East Asia. It would set a very bad example to the rest of the world if such a vital part of Australia and an island that is so intrinsically part of South-East Asia geographically—and Australia politically—is simply left behind in the telecommunications race. It will disadvantage people in all sorts of ways, not the least of which will be the educational things that are available through telecommunications these days.

Even with the situation we are in at the moment, the data stream speed that we receive here is very, very slow. It is slow to the point where the costs of our Internet and e-mail services and all the other electronic services available through satellite are 40 times greater than you pay anywhere else in Australia, even in remote communities. It is not a situation that would be tolerated if Sydney and Melbourne, if you like, were receiving things at a certain rate and the rest of Australia were having to pay 40 times as much, and it should not be. There is no reason for it. The only reason for it is that the systems are not in place. But it seems we are even likely to go backwards from here.

There are two parts to my submission: first, that we must continue to advance and to progress along the course we have already embarked upon as part of Australia and in conjunction with the rest of Australia; and, secondly, that we cannot be allowed to go back to virtually nothing at all. It just simply is not feasible. It would be ludicrous to suggest otherwise.

I understand that there are lots of problems to be surmounted, but I do not feel they are insurmountable. We live in an age where communications technology is available to virtually everybody. It is such a huge issue for the entire world, and the cost of it is unique in that it actually decreases on a daily basis. The cost of buying computers and of buying a lot of technology that goes with computers these days is probably one per cent of what it was even 20 years ago.

So somewhere in there there must be a method, there must be a system and there must be people in Australia, given that Australian scientists are the best in the world—and we all know they are—where we can put those systems in place. They are not going to cost a huge amount of money and very quickly they will pay for themselves anyway. That is the basis of

my submission, and I humbly submit those issues for your consideration.

CHAIR—I have a couple of points of clarification. First of all, I need to clarify the state of your television system. I was told that the administration has already spent some money on transformers and decoders—I do not know the terminology—to lock into the Telstra digital satellite.

Mr Mockeridge—The advice that I have from Telstra, and this may be something that perhaps you can take on as a secondary issue—

CHAIR—What I heard you say was that there would be basically a blackout in television.

Mr Mockeridge—That is the advice from Telstra.

CHAIR—I would like to know the status of that because we were informed otherwise.

Mr Mockeridge—Well, if there is no footprint of a satellite, then you cannot lock into it, no matter what you do. The satellite beam must be in the area. You cannot somehow link to that beam via another system. It does not happen.

Mr Mayberly—We have someone from the administration herre.

CHAIR—Would you like to come to the table, Sharon, just so that we can get clarification on that, because that is a very important point if you are locked out of Australian television.

Ms Leigh—From the information we have received, there would not be a blackout as described because we have purchased the necessary equipment and installed it to avoid that blackout. Also, as far as the footprint goes, it is very true that we have not had a guarantee from Telstra that a guaranteed response from them would pick up the GWN and ABC services. But my understanding of the footprint is that it just does not drop off. While you might not be in a guaranteed footprint, you gradually get diminished reception of different broadcasts from GWN and ABC. While we are outside the guarantee, we are still in a footprint, and that is what we are receiving now. That is why if we are in bad weather or if there is heavy cloud cover, it does drop out because we are outside the guaranteed footprint. But, fortunately, we can pick it up.

Senator WEST—What is the impact now in the wet season when you have cloud cover and the television drops out?

Ms Leigh—That would be a problem.

Senator WEST—Does anything else drop out with it?

Ms Leigh—The radio as well. What we would be losing is GWN and ABC and the radios stations connected to them, which at the moment are WAFM and ABC Regional. What happens is you either have it or you do not. It does not fade out because with digital,

apparently, it just drops out. It might kick in 10 minutes later when the cloud cover diminishes.

I am aware that GWN has not got a contract that actually obliges them to provide the services to the territories, unlike the ABC which I understand has that obligation. But our administration intend to write to GWN requesting that during the wet season they increase the strength of their signal. We have been advised by our contractor who looks after the maintenance on the island that if they increase their signal—I am not really sure by how much at this stage—we would have much better reception here and it would not drop out as much during the wet season. At the moment, we might put up with a couple of drop-outs a day lasting anywhere from a couple of seconds to a few minutes. But if it rained continuously for two or three weeks during the wet season, then we would find that we would lose that television and radio signal for a much greater proportion of the day.

Senator WEST—What obligation does the ABC have to provide a service—a current service not one that is a week old?

Ms Leigh—I am not really sure of the legislation behind it. When the person from the ABC came out last year—and I can take it on notice and find out what obligation they have—he did say that they were obligated to put up a signal, because it was part of Australia. He was testing as to whether they would have to put up another satellite. His way of thinking was that Australia had an obligation to provide a signal to the island. When he found out through his tests, which I believe replicated earlier tests that Telstra did, that the signal could be picked up, they ran with that. So we are getting the ABC off that same Telstra satellite but without the Telstra guarantee.

I have not seen the tests that Telstra did at that time. I do not know if they have been sent into the Territories Office or the Department of Communications and the Arts with whom we were liaising quite a lot at the time. But, to my knowledge, since that time they have not been able to give us that guarantee probably because it will drop out during the bad weather.

However, we took the decision to go ahead with it because it was either that or nothing. We were left with the situation that we were losing GWN in January—that was the advice we received. Then we were receiving contrary advice from Optus that perhaps, yes, we would still be able to get it off the Optus satellite. But that advice was chopping and changing all the time, and we had to make a decision which way we would go. So we decided to upgrade our cables at that time to digital, and it seems to have paid off to date.

Senator WEST—What has been the cost to the administration of that?

Ms Leigh—It is in the vicinity of \$65,000 to \$70,000 for that. I know it was dependent on the local conditions and it cost more for Cocos. It was much more costly to get it there.

CHAIR—That is a benefit to all. Was the council aware of this?

Mr Mockeridge—No.

Ms Leigh—We did at the time put a bulletin out and explain that we were changing over to this new technology. It is quite difficult, I find, to try to put into user-friendly terms what is actually happening. What was important to us was that there was no loss of regular broadcast. So people at home hopefully did not notice any difference. They could still turn on the TV, still use the same channel and still pick it up.

So there has not been a noticeable change, except that now, instead of a gradual fade-out, the images will freeze on the screen when we are going to lose the signal. That is probably the most noticeable change. I believe that is the difference between the analog and the digital technology. But, apart from that, they have not needed to buy new TVs, new parts for their TVs or new aerials. That is another issue that we are trying to improve all the time. But those elements did not depend on our changing over from analog to digital decoders.

Senator CROSSIN—The television stations that you currently can get are ABC and GWN?

Ms Leigh—It is also possible for us to get SBS.

Senator CROSSIN—GWN comes from?

Ms Leigh—It is a Western Australian regional television station. I understand they broadcast it from Perth, but I might be wrong. Then we get ABC Regional and ABC WA news. The radio station are connected to each of those television stations as part of the technology—I do not really know if there are contracts or whatever—but with GWN we can get WAFM, and with the ABC we can get ABC Regional which we retransmit.

CHAIR—We seem to have clarified that first point and extended it. The second point is that you mentioned that, once the mainland of Australia moves to digital mobile phones, there will be another blackout situation. Do you mean there will be a blackout in Christmas Islanders being able to ring Australia or do you mean that you will not be able to use your mobiles in Christmas Island itself?

Mr Mockeridge—Unless there is a digital satellite link, yes, that is right.

CHAIR—That would not be the case because I believe that the analog system will still be maintained. Again, Sharon, can you shed any light on that?

Ms Leigh—I am not across the digital technology for mobile phones, but I know it is quite different from what I was quite describing with the digital decoders.

CHAIR—I think, Tony, that the current system will be maintained in place. It was a matter of great debate in Australia to rural areas, too, that the plug would not be pulled on the analog system where digital was not replacing it.

Mr Mockeridge—The main issue of contention at this stage is the access to the data streams on the information highway. While the issues of television, radio broadcasting and mobile phones are very important, I think in a remote community like this one where you do not have libraries that you can go and visit and where you do not have resource centres that

you can use, it is the data stream access or nothing.

Currently, we are now paying 40 times more than what you would pay on the mainland. It is very difficult for people, especially in the lower to middle income brackets, to justify the expense to educate their children. For me, that is a fairly major issue if not the major issue involved there. I would really like to see some development where we can at least access the data stream on an equal footing with the rest of the country and not have to pay those incredible amounts of money.

Senator WEST—You do have a service provider here on the island, don't you?

Mr Mockeridge—Yes, we did and a very good service provider, I might add.

Senator WEST—I am going to ask them when they appear what numbers are taking it up. When you are talking in terms of 40 times greater, can you give us some dollar and cents figures?

Mr Mockeridge—Sure. The average cost of Internet on the mainland—in Perth, for example—is \$35 a month unlimited use. Here I think the minimum amount payable would be \$2 an hour on the cheapest rate. So if you add up the number of hours over a month, you will end up with 40 times more than \$35.

Senator WEST—What is the speed like?

Mr Mockeridge—It is very slow—extremely slow. The average speed would be around about 400 or 500 bps. The system apparently is capable of operating at 4800 bps, which is extremely slow, but the actual speed that is coming in is far less than that. I am not sure what speed you are receiving things on the mainland now, but I would suggest it is many times faster than that.

Senator WEST—What consultations have taken place between the council and Telstra re upgrading?

Mr Mockeridge—I would have to defer to the CEO for that.

Mr Mayberly—What was the question?

Senator WEST—What consultations have taken place between the council and Telstra to upgrade and overcome some of these problems?

Mr Mayberly—We have had a couple of visits from Telstra mainly in relation to the upgrade of the copper wire, and at the moment they are continuing with that. We have arranged community meetings with Telstra.

Senator WEST—Have they given you some sort of schedule as to when the upgrade will be?

Mr Mayberly—Yes, there is a schedule. It should all be up to scratch in June 1999

scratch but already I believe there is going to be some delay there.

Senator WEST—What will that give you improved access to?

Mr Mayberly—Tony may be able to better answer that, but I believe it is going to be upgrading our telephone service and it may also increase the capacity for the Internet. But the information that Tony has regarding the blackout on the Internet is at odds with that.

Mr Mockeridge—It is not a blackout on the Internet; it is the issue of the cost and the speed at which we receive the data. I believe Telstra will have the copper wire into most of the households on the island by July of next year—that was the original plan. I am not aware of there being any change in that. But I do not believe that is going to increase the speed as such. It may increase the integrity of the system but not necessarily the speed. In other words, it may not be so prone to drop outs because of the radio link between telephones that we have on the island at the moment, but we will still have a problem with the speed because it is the speed at which the server is receiving and being able to sent out the information—the bandwidth.

Senator WEST—What is going to happen when they get the copper wire installed if you have a break down and what happens now?

Mr Mockeridge—A break down in the system?

Senator WEST—Yes.

Mr Mockeridge—There are technicians on the island that are capable of fixing it.

Senator WEST—Are they Telstra technicians or are they other technicians?

Mr Mayberly—I think it is the service provider.

Mr Mockeridge—Two of them are in the room at the moment.

Senator WEST—Maybe they can tell me later because that is an important issue. It is not just a matter of having the copper wire go from point A to point B. If there is a break down or something goes wrong with equipment, is there somebody on the island to fix it up or are you dependent on Telstra sending somebody in?

Mr Mockeridge—No, I don't believe so. I think we are fortunate in that the people who do the work for Telstra are also the providers of our data stream services; so they view the whole thing homogenously. I think that is a very good situation to be in and that we are lucky to have that.

Senator CROSSIN—Can I ask about pay TV and what might be happening with that on the island?

Mr Mockeridge—No idea. We have had no information about that.

Ms Leigh—We have not had any approaches about that.

Senator CROSSIN—Do you have any communications with the Australian Communications Authority, the ACA, or with the Australian Broadcasting Authority, ABA? Do they ever come to the island or make contact with you about what is happening?

Ms Leigh—Only with the licensing of the equipment. They may come to the island but not in the 12 months I have been here.

Mr Mayberly—We may be on their mailing list but that would come via ship. I think there are some people who will talk to you about the mail services later on.

Senator CROSSIN—So there is no analysis, for example, by the Communications Authority on how well Telstra are servicing you in providing you with repairs and maintenance and other upgrades and so forth?

Mr Mayberly—No. It gets back to the point I was making before that we really do not know what we are missing out on. We are lucky that we have been joined by Sharon, because she has been able to clarify a couple of points. But what we really need is for a communications expert to come and analyse our situation and let us know whether we are missing out on 90 per cent of applications or we are only missing out on 10 per cent.

CHAIR—Sharon, you are very well positioned to give your advice on that.

Ms Leigh—I am not a communications expert but I have been on the mainland recently.

CHAIR—Okay, we take that point. Just taking you back to Telstra and the upgrade, you intimated that Telstra have said to you they will be not finished their complete upgrade, which is their requirement and commitment, by June 1999; is that right?

Mr Mayberly—Yes.

CHAIR—Did they say why?

Mr Mayberly—We have had unseasonal rain here in the middle of the dry season, and that has certainly put a lot of projects back some time. Christmas Islanders are a pretty forgiving lot, so a delay of a few weeks or a couple of months is no big drama.

Senator CROSSIN—Turning to your postal services, you make a very good point, Tony, in your submission about the fact that you actually have to go and collect your mail from the post office, which is something I have experienced in north-east Arnhem Land. Do you want to expand on the impact that has not only on the elderly and the infirm but also generally on a healthy person who is very sick for a few days?

Mr Mockeridge—You have experienced it, so you know what it is all about. If you are an active person and in good health, you can go to the post office to pick up your mail. That may or may not be an inconvenience, but I think it is something that you come to accept fairly quickly. However, a person who for whatever reason is immobile or who do not have

access to transport—as I have said, there is no public transport on Christmas Island—and may live quite some way from the post office. As you can see from the terrain, it is a difficult place to walk around for some distance because it is extremely hot and extremely hilly. There are many people who simply cannot make the journey to the post office to pick up their mail and have to rely on other people.

Senator CROSSIN—Is there no capacity for the post office or even the council to make arrangements for those people who are out of action in some instances—if you know there are elderly people, if you know somebody is particularly sick—could you make your own arrangements for that?

Mr Mockeridge—That raises other issues of things like home and community care funding which we do not have access to. So, no, there is no way of doing that, other than relying on people's good nature. That is all we have.

Senator CROSSIN—So you generally get the mail now once a month; is that right?

Mr Mockeridge—No, two flights a week that carry mail. But what happens is that the monthly mail is on the ship, and the plane does not carry mail as a priority item. There are other items that will take priority over the carriage of mail.

Senator CROSSIN—Such as?

Mr Mockeridge—Medical supplies, personal baggage that is not in excess of the aircraft capacity. The administration have put out a list of what the priorities are, and mail is not at the top of the list. It comes third or fourth, I think. Sharon would know.

Ms Leigh—I think the list gives first priority to medical supplies, then perishable food items for shops, then mail and then perishable food items by individual people—many of whom are coming back in.

Mr Mockeridge—It means that, if you do have anything in the mail which is urgent, there is no guarantee of you receiving it in time. As I have illustrated in the submission, it might be a bill that you have to pay like a telephone bill. This has happened to me and it has happened to just about everybody I know where phones have been cut off and have not even received the bill.

You get on to Telstra and say, 'My phone has been cut off.' They say, 'You have not paid the bill.' You then say, 'I have not received it.' They then say, 'Oh, yes, they all say that.' These things go on. But it could be something far worse than a telephone bill. It could be something to do with a family issue at home where they do not have phone contact and they are relying on the mail to get to you. There are items that just simply disappear. There are many items that I know have been sent to me and to other people in the community that simply do not arrive. You do not know where they have gone or where they have ended up. There was a situation where mail was being off-loaded in Singapore and in Jakarta. I believe that at one time almost two tonnes of mail just disappeared.

CHAIR—Whose fault would it be—the carriers or Australia Post?

Mr Mockeridge—Who is responsible for the mail?

CHAIR—Australia Post.

Mr Mockeridge—That is what it comes down to. People at one end of the country put letters in the mail box and they arrive here at the post office box. I ask: who is responsible for them in between?

Mr Mayberly—It is a function of the size of the plane. If you have sea mail—or road mail as it is called on the mainland—it will go via the ship. If you have airmail and there is room on the plane, it will go on that. As Tony has pointed out, the size of the plane is the limiting factor. Because the plane is small we have the list of priorities, and the carrier will take items according to that list. Tony was looking for examples and a classic one was the prospectus that was sent out for the sale of Telstra. You will not find too many people on Christmas Island who have shares in Telstra, because I think we got the prospectus the day after the shares were sold. Quite often you get an invitation to buy shares but you are a week over the deadline date.

Mr Mockeridge—The other thing is that it artificially inflates the cost of business on the island, because people will simply not use the mail for anything that is of even a modicum of importance. They will use faxes rather than the mail because at least they know that it will be received within the amount of time necessary to conduct the day-to-day operations of business. It is something else that has to be considered.

Senator WEST—What size aircraft are we talking about—the BAE 146?

Mr Mayberly—Yes, the BAE 146. Are you talking about the Jakarta one or?

Senator WEST—Both.

Mr Mockeridge—I am not sure of the capacity. I believe it is the area of 4 tonnes of freight but then on at least one of the runs that, of course, has to service the Cocos Islands as well.

Mr Mayberly—I have just got some information that it is an RJ 70, and that is the AJS one that goes from Perth.

Mr Mockeridge—The situation is that, more often than not, mail gets off-loaded. It is not something that happens every now and then; it is something that happens quite frequently.

CHAIR—The postal service is the most common complaint that we have had in this inquiry. Norfolk Island has exactly the same problems, and Cocos Islands too. We have had Australia Post come before the inquiry and, from their point of view, they are very convincing. They will admit that they have these problems, but they do not believe that they are as frequent as perhaps you are putting to us. You are saying it is a frequent problem?

Mr Mockeridge—Absolutely.

CHAIR—What is the answer? Is it to have a bigger plane?

Mr Mockeridge—That may not be possible given the size of the airport or the frequency of the service. Once again, we get back to the data stream access because that is an alternative, if you like, to the post.

Mr Mayberly—I think the answer is that we need a bigger aircraft. That will take away the problem because you then do not have to have a priority. I do not know about Norfolk Island, but the only reason the Commonwealth put out a priority is that, while the plane is not too small, it just cannot carry all the freight requirements of the island. That is why we have now got another airline coming through Jakarta. Perhaps some arrangements can be made through that carrier because that freight is not going through the Jakarta process. It is being transferred on the tarmac for security reasons. One of the problems with Australia Post was that they did not want to go outside the country to deliver mail within the country.

CHAIR—Australia Post normally have a good record on the mainland but it does not seem so good with the external territories.

Mr Mockeridge—I do not know there is an easy answer to the problem. That is why I feel we need to explore the alternatives as much as possible.

CHAIR—E-mail?

Mr Mockeridge—Yes, absolutely, because it is a cost-effective method of delivery. It is one that both business and families can deal with quite easily—as long as it is cost-effective. At the moment it is certainly not, but it should be.

Senator CROSSIN—I think we should probably ask a general question on the implications of the Northern Territory becoming a state, which was announced in the last two or three weeks. Does the council think that there is some anomalous situation in having the political attachment of Christmas Island and Cocos Islands with the Northern Territory yet the provision of the bulk of your services coming from Western Australia? Do you think this disadvantages the islands in any way?

Mr Mockeridge—I could only give you an individual opinion on that, because council has not met to form a view on that. Would that be all right?

Senator CROSSIN—Yes.

Mr Mockeridge—I think that the intrinsic nature of Christmas Island and Cocos Islands is vastly different from that of the Northern Territory. The issues are vastly different. While I believe there is some common ground, I do not really believe that there is enough common ground. That is my personal opinion based on an analysis of the situation only within the past couple of weeks. We have only really thought about it since the review committee came here. Perhaps on further analysis and closer study I might form a different opinion, but I do not think so. You are right in that the anomaly of having Western Australian law and being part of the Northern Territory would have to change. We would have to come under the laws of the Northern Territory.

Senator CROSSIN—Are there some disadvantages in having your services sent from Western Australia, yet being covered by me from the Northern Territory in terms of federal representation?

Mr Mockeridge—There are enormous disadvantages in that we do not have a lot of common ground with the Northern Territory in many of the areas that both islands cover. That is why the laws have to be varied—even in slight degrees—for Christmas Island and Cocos Islands. The other thing is that it does not give us the ability to shop around, which is something that perhaps we would like to do. The reason for that is we do have acts which apply here that have no bearing at all in mainland Australia.

Mr Lee—I would like to make a comment about this statehood issue. At the moment what I can see in the community out there is that they are still very uncertain about which way to go. The community seems to be a bit confused because they seem to have three choices: either they belong to the Northern Territory or to WA or we stay as what we are and then work for the ACT.

We have had a bit of discussion between some of the councillors, and we are heading to Perth tomorrow. We are intending to seek out a constitutional lawyer or barrister to give us advice. Maybe it would be preferable to discuss that issue the next time that Nick Dondas comes back—maybe in October. I believe that at the moment the shire should not just jump in and start commenting on which way we should go.

Mr Mayberly—The council resolved at its last meeting that we seek some advice on the matter. A number of councillors and I are travelling to Perth for Local Government Week next week, and we have made an appointment with our solicitor to start that process.

Senator CROSSIN—But your current services operate out of WA—Perth mainly—is that right? And if you are sending post back to the mainland, it goes in through Perth?

Mr Mayberly—Yes, that is correct.

CHAIR—Councillor Lee, did you have another matter that you wanted to raise?

Mr Lee—Yes, regarding ATV. I think you should know that we have been losing a lot of money and that at one stage the government was thinking of taking it off the air. It would be interesting because the year 1996 served as a reminder with US-China tension over the Taiwan Strait crisis. And now obviously at the moment we are experimenting over the issue of the currency crisis from our neighbouring countries. So, therefore, it has suddenly struck my mind that Christmas Island during the post Cold War years had always been a very important link in regard to communication in other forms—I am talking about the international strategic plan—and that was in the early 1960s. My question is: does this inquiry take into consideration international strategy planning; and, if so, how and which department would the committee recommend to oversee the project—if there is?

CHAIR—I think I understand your question to be: does this inquiry take into account an international strategy?

Mr Lee—Yes.

CHAIR—I suppose the short answer would be no, but we may have to take that on notice. We are really looking at the state of telecommunications on this island and on the other external territories to see if they are up to the standard and compare with the state of telecommunications on the mainland and more particularly in rural and regional areas. I do not think it reaches beyond that. It is a very domestic inquiry.

Mr Lee—So is it purely on domestic issues?

Senator WEST—Are you saying that Christmas Island wants access to ATV?

Mr Lee—In fact we do have access to ATV, but I am not sure whether you are going to take it off the air or not.

Senator WEST—It has been sold, but there is an arrangement between Channel 7 and the ABC for it to continue. A couple of years ago the Senate foreign affairs committee did an inquiry into Australia's telecommunications in relation to Radio Australia and ATV. But that inquiry finished two or three years ago. None of the committees, as I understand it, are looking at the issue of communications at this stage and I do not think any of them intend to do so. Certainly the Senate foreign affairs committee did an inquiry and finished its report some 18 months to two years ago. We can always send you a copy of the report, if you would like it.

Mr Lee—Yes, please.

Senator CROSSIN—I am assuming that in Jakarta, which is 360 kilometres from here, you can get ATN through the network up there?

Mr Mockeridge—Yes. You can get it here, too.

Senator CROSSIN—Here?

Mr Mockeridge—Yes, we can pick up at least six channels from Indonesia and Malaysia. I live down here in Kampong where there are a lot of Malay speaking people, and they all have five or six channels from Indonesia and Malaysia.

CHAIR—Before we get too far behind time, we should finish it there. I thank the shire council for coming and I also thank Sharon for coming to the table. Our secretary will contact you if we require additional information. You will be sent a copy of the transcript of your evidence to which you can make editorial corrections.

[2.17 p.m.]

HILL, Mr Bradley Michael, Systems Operator, Network Manager and Customer Support, IOCOMM Technologies Pty Ltd, PO Box 519, Christmas Island, Indian Ocean 6798

HILL, Mr Brian Kevin, Managing Director and Technician, IOCOMM Technologies Pty Ltd, PO Box 519, Christmas Island, Indian Ocean 6798

CHAIR—On behalf of the committee, I welcome representatives from I.O. Communications. If you wish to make an opening statement, please do so.

Mr Brian Hill—We are an Internet service provider. As you have gathered from the shire's presentation, we also service Telstra's maintenance requirements on the island. I do not know whether I have much more to add, apart from going through some of the points in my submission and explaining a few things.

CHAIR—You are welcome to.

Mr Brian Hill—I also have my son with me, Bradley.

Mr Bradley Hill—I am training as the network manager and customer support for the ISP. That is my only domain. So any Telstra questions will have to be directed to Brian.

Mr Brian Hill—I actually transferred up here with the government. I have spent 30 years working for the federal government as a technician. While I was up here, things changed on the mainland—scaled down operations and what-have-you. At the end of my two-year term I did not have a job to go back to, so I took a redundancy and have gone private.

During the time I was here, I could see a need for data communications, particularly in the government sectors. They were crying out for it. I was a bit amazed that Telstra was not able to provide it. As it turns out, Telstra can provide it but at a cost because they are renting their capacity from an international source. They use the Intelsat satellite link. Telstra have to rent their space from them, so their costs are quite high as well. I saw that by sharing the data link services could be provided.

While I discussed that with government people at the time, there was not anyone who could see any way around forming a method of raising the funds. I made a decision to do it privately when I got my redundancy pay-out. As it turns out, it was rather a bad decision because it is very difficult to cover the costs. I still have had a lot of trouble getting people to share the link in a sensible fashion.

The Internet has really been the only thing that has been interesting to people, and we are slowly getting more and more subscribers on that. There are some disappointments with that on the island. Firstly, we do not have good communications around the island. We have an analog telephone system. While we have a 64k link back to the mainland, getting that speed through to the people is very difficult. There are limitations even with the copper

lines. That is effectively limited to 26.4k. That is a little behind the mainland.

We divided the services for cellular connections into professional and residential. The professionals have copper lines and they can dial in at 26.4k, while the residential at best dial in at 4800bps. That is all they can get. That will change next year with the copper lines appearing. Telstra tells me that 64k will be possible on all customer diallings into our system at that stage.

Senator WEST—What are they going to do to enable dialling to be done at 64k? I presume it is not just the wiring. They are going to have to put something else in there as well.

Mr Brian Hill—They are putting a new exchange in. At the moment it is only a cellular switch with some other extensions to provide telephone services. Instead of the system at the moment, where it goes from analog to digital and back to analog, it will be a fully digital service and the channel's bandwidth will be available totally as digital. Instead of a 64k channel effectively only throughputting 26.4k, the full 64k will be available because it will be purely digital.

Senator WEST—When is that expected?

Mr Brian Hill—Telstra tell me they are obliged to have it up and running by 1 July next year.

Senator WEST—So they have made a commitment and have an obligation to meet that?

Mr Brian Hill—As I am aware, yes.

CHAIR—I have just been informed by Matthew, who is our technician on the job here, that Telstra gave evidence to us that copper lines would not be effective for 64k. It would be less than that.

Mr Brian Hill—They would not be prepared to guarantee a 64k service unless you subscribe as a data service. That is basically the way they see it. From our practical testing that we have done at the moment we find that most connections at the moment are capable of 26.4k. The limitations for that are that the remote customer multiplexes that Telstra use to get all the services on to the fibre-optic and up to the exchange is obsolete technology. They will be using the RIM system next year. They tell me they are digital and they can accept 64k.

CHAIR—What is the status of I.O. Communications at the moment? Is it ongoing?

Mr Brian Hill—We are going broke. We are struggling.

CHAIR—Are you ahead of your time?

Mr Brian Hill—Yes. We could see that it would be difficult to provide the service ahead of Telstra providing a decent phone system on the island. We were talked into it by

the resort. They were desperate to get it. They have a good couple of lines out there. They have fibre-optic that runs out there. There is plenty of capacity to provide a direct link to us if that is what they want. They said they needed it. They wanted it up and running. Unfortunately, we did not come to any agreement on paper, not that it would have done any good. By the time we had our link, they had folded up and left. That was a sad situation for us. With them went a lot of the residential customers as well. We are finding that the island people are gradually taking it on board. There are more and more people becoming interested in the Internet now that it has found its way into the school and the school kids are learning about it.

CHAIR—You are connected to that by communications in the school?

Mr Brian Hill—The school has a connection, but it is only one dial-in line and it is limited to 26.4k. That is on a network of 100 computers. They have only one dial-in line to feed 100 computers. You can imagine how slow it is. As it turns out, Brad says that it is great for us. They know it is slow. They dial in from home and it is slow and there is no change. It is a disappointment that they do not have the advantage of a full speed system. When we use it from our office, we have the full 64k speed and it works rather well. It is only a matter of getting it out to the people. That is the problem.

Senator CROSSIN—Have you thought about setting up Internet cafes out of your office, as sometimes happens—people can come and have a coffee and surf the net out of your office?

Mr Brian Hill—We have offered free days for people to come in and try it in our office. There was not any interest. We may try it again. I would say to actually sell it at this stage is a bit too much. The shire have taken a bold step of putting in a coin in the slot cafe machine. That has only just been connected. It is a bit early to say how successful it will be.

CHAIR—Is the interest more related to the price than the net itself, the technology itself? Is it the Telstra prices that affect your customer numbers?

Mr Bradley Hill—It is more the Telstra services that affect our customer levels. If you get anyone from the mainland who is used to 33.6k, or even higher than that, they come here and take one glimpse at it and say, 'No, I am not using that.' They can get a \$30 monthly connection back in Perth from ISPs, and here we charge \$5 an hour or cheaper than that if they want to use more in a month. Those two things combined—the level of service that analog cellular phones can give to customers and the price Telstra is charging for links back to the mainland—really will not let us expand to our full potential.

Senator WEST—What are the line prices like?

Mr Bradley Hill—I believe we are paying \$56,000 for 64 kilobits per year at the moment. Telstra has said that that price will be going up.

Senator WEST—So you have to pass that on?

Mr Bradley Hill—Yes.

Mr Brian Hill—We are researching an alternative at the present time. There are satellite Internet providers available with footprints into this area, and the data speed that they are offering is way in excess of what Telstra is providing us at the present. It is something like four or five times as fast. We have taken the step of ordering a receive only satellite card to test it. It has been six weeks since we ordered that, and we still have not been able to get a connection to test it fully, unfortunately. Things happen so slowly out here. We see that as being the way to go—give Telstra away and replace the service with a direct satellite connection.

Senator WEST—How will that help your clients, though?

Mr Brian Hill—They will get access to much greater speeds at cheaper prices.

Senator WEST—I am thinking about their contact between you, as service provider, and their terminal at home. How will you avoid the Telstra bottleneck?

Mr Bradley Hill—The service that we have been investigating is a satellite card that you put inside the computer of the customer. They dial up to an Internet service provider and make a request, then the download comes through the satellite card. All they need is a 60 centimetre satellite dish and a satellite card in their computer which costs roughly \$600 and they then can get access to 64k download speed.

CHAIR—The second arm of your communications business is Sky Channel subscriptions.

Mr Brian Hill—We had an installation job for the CI Club that just closed their doors today. They had the only Sky Channel. The resort was very interested in getting Sky Channel to establish a TAB type operation there.

CHAIR—Was that your main motivation—the resort?

Mr Brian Hill—We did not finance any of that at all. The club took it upon itself to put in Sky Channel. We just did the installation for them. It was not a difficult job.

Senator WEST—Can I go back to your comment that accessing Internet off satellite costs \$600. Is that a one-off fee for a card?

Mr Brian Hill—Yes.

Senator WEST—What are the dial-up costs?

Mr Brian Hill—We are still trying to research all that. We are very slow getting information out of providers on the mainland. The actual transponder is owned by someone in the Middle East. There is an Australian connection for on-selling it to Australian people. There is only one ISP provider licensed to deal with them from Perth. If we had to dial into them to make it work, then it would be almost unworkable. What we would need here is to be separate from them and get an ISP licence to operate with them. It would be a matter of local people dialling in through us.

At the moment, we could give our service away and provide these satellite cards instead. Anyone with a satellite dish could lock on to the signals, but they would have to send their requests through to Perth. So they would pay STD rates to connect, which during daytime is something like \$20 an hour. It is just not practical to work it that way. It is definitely a possibility. We are just having difficulties making them believe that we are capable of providing an outlet here for them. We have not got as far as completing the tests yet on a receive only capability.

Even as a receive only capability, the school and the phosphate mine are using the service at present in a big capacity. The school have theirs connected to a 100-computer network. Phosphates use it for something like 25 computers on their network. They obviously need a big bandwidth, and they could be provided in this fashion. That could possibly be with one of these cards at one of the sites attached to their server and then a link between the two sites, because they are just across the road from each other.

I think the long-term goal is to get a two-way connection. There are some capital costs there which is beyond our ability. At this stage it seems that to buy a VSAT to transmit an up-link site to access the satellite would cost in the order of \$70,000. We had suggested to the various organisations around the island that they apply for a grant through the Networking the Nation project so that they can own that link and we just sell the services off that. It is difficult to even put that proposal forward.

Senator WEST—The amount of \$70,000 for a population of 1,400.

Mr Brian Hill—That is a very rough estimate provided to us for a VSAT—just the equipment costs. I am not sure whether that would include installation.

Senator CROSSIN—Do you think life is going to get better for yourself with Internet access come July?

Mr Brian Hill—It has good potential. I think people have given an indication that they want it. We have had a steady growth in customers since the word go. We have about half as many as we need now to cover costs. My only worry is that, by the time we get enough to cover costs, we will be so far behind in cash ourselves that we will not have a hope of recouping our losses.

Senator CROSSIN—So there has been no capacity for you to get any establishment grants or setup funding?

Mr Brian Hill—Not that I am aware of. I have made some inquiries along those lines. The inquiries were made through state channels. As soon as you mention Christmas Island, they say that they do not want any part of that. The only money I have found available to this area for that sort of development was through Networking the Nation. The initial response from them was that there were no funds available for Christmas Island. Now I find there is, but I do not think I am eligible to put in a request for a grant at all. It would have to come from the community as a community body.

Senator CROSSIN—Is that different, Chair, to the Telecommunications Infrastructure

Fund that we talked about?

CHAIR—I think so.

Senator CROSSIN—What were the reasons for no funds for Christmas Island through Networking the Nation?

Mr Brian Hill—A lot of those development grants are state grants; they are not federal grants. That is the reason I was told. We were not part of the state, so we were not eligible to get them.

Senator CROSSIN—When that kind of funding and grant money become available, do you often find that companies like yourself on Christmas Island miss out because you are falling through the crack?

Mr Brian Hill—We do not even know about it.

Senator CROSSIN—Is that because neither the Northern Territory nor Western Australia is picking you up and the Commonwealth is forgetting about its external territories?

Mr Brian Hill—That seems to be the case.

CHAIR—Thank you for your presence here today.

[2.40 p.m.]

BURNS, Ms Yvonne Evelyn, Manager and Director of Nursing, Indian Ocean Territories Health Service, PO Box HHH, Christmas Island, Indian Ocean 6798

WALLEY, Dr Allan Stephen, Medical Director, Indian Ocean Territory Health Service, Box HHH, Christmas Island, Christmas Island, Indian Ocean 6798

CHAIR—I would like to welcome representatives from Christmas Island Hospital. We received your submission today. I invite you to make an opening statement as you may wish to speak to parts of your submission. If not, we will go straight to questions.

Dr Walley—The quality of medicine and health care that we can provide to the residents of Christmas Island and Cocos Islands would be improved tremendously with better data communications between the islands and the mainland.

CHAIR—It is a constant theme we have found in this inquiry that the postal services are not up to standard. When we were at Norfolk Island we visited the good people at the hospital and they told us about the postal services. They gave an example of an X-ray that they sent to the Prince of Wales Hospital in Sydney. It was a very important X-ray and that was the last they saw of it. It was bent. It ended up in Queensland. Then it came back. It eventually made its way to the hospital, but it was all mucked up. That was a tangible story of a poor postal service. Australia Post apologised for that or were made aware of it at least. Do you have any such complaints?

Ms Burns—Yes, we do have problems with the postal services mostly in that they are unreliable. Occasionally the mail does not get on the plane. I am reasonably new to the island and it is not common knowledge that if anything is oversize, even though it might be marked ‘airmail’, it will be sent via surface mail. So four to six weeks later you will get this very important bundle of documents that you have been waiting for.

CHAIR—An oversize envelope?

Ms Burns—Even A4 size.

CHAIR—That is the X-ray size. Do you send off X-rays?

Ms Burns—Yes, we do.

Dr Walley—As long as we mark it ‘Express Post’ it will go as airmail; that is, if it is not off-loaded at the airport because the plane is too heavy. That is a major problem as well. When mail comes from the mainland, unfortunately, the post offices on the mainland will tell people when they say, ‘I’ve got something to go airmail to Christmas Island,’ to mark it ‘airmail’. There is no such thing as airmail postal services to Christmas Island other than letters. All contents parcels need to go as Express Post packs to get some guarantee of getting on the plane. Whether they then get off-loaded is a different story. Other than that, anything that is bigger than a standard letter, regardless of what you put on it, unless it goes as Express Post, will go surface mail.

CHAIR—What is a good example?

Ms Burns—Employment contracts.

Senator WEST—If they do not get signed, they do not get paid.

Ms Burns—They might get information six months after a person starts.

Dr Walley—We sometimes need equipment to come up to repair or replace what already exists. We are waiting for it to arrive that week. Six weeks later we might get it. If it missed the ship, then it is eight to 10 weeks later.

Senator WEST—What about getting urgent medication?

Dr Walley—That gets couriered on the aeroplane. That gets off-loaded as well at times. Somebody somewhere makes a decision that the plane is too heavy and they will off-load it.

Ms Burns—I think that happens sometimes without looking at what is on the label. We have had problems with blood being off-loaded. Blood products deteriorate if they are not refrigerated. It is a waste in that respect.

Senator WEST—If you have that happen, how do you go about maintaining a cold chamber, because there is a need for a cold chamber for things like blood products and vaccines?

Dr Walley—They start off well packaged with cold packs in eskies. As long as they move at a reasonable pace and come through, they are all right. If they get off-loaded, they are absolutely of no value.

Senator CROSSIN—You send X-rays when a patient stays. Is that to get further advice?

Dr Walley—The reason we send X-rays off is to get an opinion on the X-rays. We usually have a patient who needs an X-ray. We look at the X-ray. If we are uncertain of what is happening and they do not need to be medivaced off immediately, we will need some advice from management. So we will ring someone and say, 'This is the problem. We will send the X-rays down. Give us a call when you receive the X-rays.' If somebody breaks a bone on Sunday, we will not know until Tuesday or Wednesday week whether what we are doing is up to scratch. That is the way it goes at the moment. If they break their bones on Friday, that is fine—we can get some sort of reply Monday or Tuesday.

Senator WEST—So pick the day you break a bone.

Dr Walley—Yes. Stay indoors between Tuesday and Friday. Saturday is okay.

Senator WEST—What about medical evacuations?

Dr Walley—The medical evacuations go to Perth. It depends whether it is a emergency, which means someone needs to go today, which means we then have to call RFDS and they

organise a plane to come up. The quickest we can get somebody off the island or a plane to come up here is 14 hours, because of the time that it takes to organise a plane to come from Perth and then there is the further five-hour flight back to Perth. It is rare for us to get a patient back to the mainland within 20 hours. If it is a non-urgent medical case and they can wait, then we have the one flight a week, which is on Saturday. At the moment all Saturday flights are full. There is a problem getting some of our people on the plane. Somebody needs to get off-loaded.

Senator WEST—You have had people getting off-loaded.

Dr Walley—Sometimes patients need to see a specialist but not urgently. Instead of going next week, which would be nice to do, they might have to wait two or three or four weeks until they can get a seat.

Senator WEST—It might be urgent by that stage.

Dr Walley—Yes.

Ms Burns—There is a facility where either Allan or I can ring and say, ‘We need to get this person on the next available plane,’ and they will pull one of the booked passengers off to get us a seat. They will do that for us.

Senator WEST—Then some person does not get to where they want to go. You have had blood products and other medications or medical equipment pulled off the plane.

Dr Walley—Yes.

Senator WEST—If you had telemedicine, how would that help you?

Dr Walley—Hugely. Take X-rays, for example. We can actually take the X-ray, download it and within minutes somebody in Perth is looking at the X-ray. We can do X-rays for quite a lot of things here. They might say, ‘Fine, as horrendous as it looks, you can actually just put that arm in a sling.’ That happens certainly with kids. They will usually be re-X-rayed in a week. If it is something that happens on a Monday, for example, when in our opinion we think the fracture needs urgent treatment, it costs \$28,000 for a plane to come up here to take that patient to the mainland. If we can download the X-ray, they can look at it in Perth and say, ‘You can hang on for a week, no problems at all.’ That would save a lot of money. That is just one example.

Telemedicine will provide us with specialist advice, and video teleconferencing for psychiatry is really good—patients would see their psychiatrist and the psychiatrist would see their patient. That will obviously save sending those people to the mainland. They would not go as an emergency, but it would save \$1,500 on a standard flight.

Senator WEST—Given that there are some airlines that will not allow people with a psychiatric illness to fly—

Dr Walley—It is not the \$1,500; it is the police escort, the doctor, nurse and the patient.

Senator WEST—So you can fly them.

Dr Walley—Yes. You need special permission. You have to guarantee that they are sedated. It is fun and games.

Senator WEST—What about if I front up with chest pain? What could telemedicine do?

Dr Walley—We can download ECGs. Again, we can download chest X-rays.

Senator WEST—You could.

Dr Walley—If we had telemedicine, yes.

Ms Burns—It is the same with minor surgery. The doctors who work in the area and the nursing staff, while they are multiskilled, are not specialists in every area. There are times when telemedicine would be able to assist with emergency treatment, management and assessment.

Senator WEST—You could line it up when you are actually doing the emergency procedure and they could say, ‘Watch that structure because that is whatever nerve or that is a vein or artery or that should not be there.’

Dr Walley—There are lots of applications like that which are unavailable to us at the moment.

Senator WEST—Can you estimate what the cost savings might be?

Dr Walley—Brian has talked about the costs of getting a footprint on the satellite for somewhere between \$50,000 and \$70,000 a year. If we save three medivacs, we have covered the cost.

Senator WEST—So your medivacs cost about \$28,000?

Dr Walley—Depending on where you get the planes from. The last one would have been about \$28,000. That was this week. We had one about six weeks ago which was \$54,000.

Ms Burns—The quote was \$US55,000, which equated to \$A85,000. We could not get a plane through the Royal Flying Doctor Service. We had to go to Indonesia for a plane.

Senator WEST—How many medivacs would you do a year?

Dr Walley—Not many.

Senator WEST—Who foots the bill for that?

Dr Walley—The Indian Ocean Territory Health Service.

Senator CROSSIN—You are saying that the cost of providing the infrastructure for

telemedicine of \$70,000 would be paid for by saving two or three medivacs?

Dr Walley—That is the satellite connection. We then have to install the hardware that is associated with that. We have been quoted \$20,000 for X-ray facilities which we deal with Fremantle. Once you have your video conferencing set up for psychiatry, you have the gear then that does all the other bits as well. That is an added cost. The bandwidth associated with what you need on the satellite is quite big for those.

Senator WEST—What is a medical evacuation cost for the Cocos Islands?

Ms Burns—The charge would be slightly more because of distance. Usually the air services that contract to do the emergency retrievals charge according to the time that it takes. That depends on the weather and whether they come directly from the mainland or whether they have to go to Jakarta to refuel. If it is really bad weather and they are worried about not being able to land, they will refuel before trying to land here.

Senator WEST—So they will leave Perth and go to Jakarta.

Ms Burns—Or they will go to Learmonth, depending on the weather. If they suspect the weather is really bad and they have used excessive amounts of fuel, they will go to Jakarta. It costs slightly more than what we pay here. The incidence is less given a smaller population, but then you can never predict the emergencies that you might have.

Senator WEST—Do you have patients who say that they do not want to go and they will take the consequences?

Dr Walley—With the emergency medical evacuations there is usually not much choice. A patient usually realises that the reason we are doing it is that they really do need to be on the mainland and not here. For the other ones who catch the weekly flights, that is usually not a problem, except you have to take the seats on the flight. The way the flights are at the moment with the small plane and cargo restrictions, that is a bit of a problem.

Senator WEST—So you would not be sending an escort. They would not be able to have their family relations go down. They would be going on their own.

Dr Walley—It would depend on the situation. If it is what we call a cold type situation where they are seeing specialists for consultations and opinions and they are reasonably well, then they would not need an escort with them. There are some people with no English at all, no family structures on the mainland at all, and an escort sometimes in those situations is very important.

Senator WEST—That is what I am trying to get at. With the cultural differences and the language problems, it may not be just one passenger you are off-loading; it could be two or three. Have you outlined the importance to those people of having those support structures?

Dr Walley—The need for the support structure?

Senator WEST—The need for the family support structure.

Dr Walley—What if they are in a hospital and nobody speaks their language? That happens both here and on Cocos where they speak their own Cocos Malay dialect. The translators are not always available on the mainland. Sometimes it is done over the phone, which is not very satisfactory. They have nobody else in Perth that they know at all. It is quite frightening. It is like putting you down in the middle of Mongolia, going to the medical services there and seeing whether you can cope. The answer is probably no. That is pretty important—personal support when they are on the mainland.

Senator WEST—What is the understanding of their cultural needs on the part of hospitals?

Dr Walley—It varies. Sometimes you get exceptionally good feedback from people who are well looked after. Sometimes they feel quite lost and totally confused. Most of the hospitals are pretty good. I will not criticise them too much. We usually let them know in advance if they need translators and what translations they need.

Senator WEST—What are the communication facilities like for emergencies on the island if there is an accident at the mine or mill or something like that?

Dr Walley—Pick your spot and you will be fine. If you pick the wrong spot, it could be disastrous. The mobile system we have at the moment does not cover the whole island. There are black holes and black areas. If you have a rollover of a vehicle in one of those holes or over a cliff somewhere, you might be with somebody but their mobile phone will not work because they are in the shadows. That means that somebody has to move away to get the communications happening.

Senator WEST—If they are able to move away.

Dr Walley—Yes.

Senator WEST—Do you have an ambulance on the island?

Dr Walley—Yes, we do, which is staffed by the Voluntary Ambulance Association, which has been running for two years now. They are very successful and do a good job.

Senator WEST—How big is the hospital?

Dr Walley—It is an eight-bed hospital with emergency/ outpatient department, theatre, birthing suite, four consulting rooms and other ancillary rooms and a dentist as well.

Senator WEST—So is there a dentist present on the island?

Dr Walley—Yes, the dentist is a resident on the island and covers both here and Cocos Islands.

Senator WEST—Do any specialist services fly in?

Dr Walley—Yes. We have regular services from physicians, paediatricians, a

gynaecologist and an ophthalmologist. We are trying to get the services of surgeons, general surgeons and orthopaedic surgeons as well. Some of these are in a hole. These are busy people on the mainland. The amount of work we can give them is only two or three days of consultations which can involve up to 20 people. The cost of medivacs is in the region of \$30,000 plus and the cost to bring a specialist is about \$7,000, plus airfares and accommodation. So bringing them up for a week is a huge cost saving for us, but they only need to be here two or three days from their busy schedules. When you only have one flight a week they are turning around and saying, 'Excuse me. I cannot afford to give that time.'

Ms Burns—There is another issue there in relation to getting patients in from Cocos Islands to see the specialist. When we are planning specialist visits, we have to look at the rotation of the route of the flight. If the flight continues to Christmas Island before they get to Cocos Islands, we cannot get the people from Cocos Islands to Christmas Island and then back again. Sometimes they have to wait a fortnight before we can get them back again. We have to weigh all that up when we are planning. Some specialists will not come for a week.

Senator WEST—So all the specialist visits are done here on Christmas Island.

Dr Walley—Not all of them. Some do go to the Cocos Islands as well. With a small population on Cocos Islands ideally they will say that one or two days is sufficient to see what needs to be seen. What we try to do to alleviate that is bring patients over from Cocos Islands to Christmas Island.

Senator CROSSIN—Are there any times when in cases of emergency it would be easier to go to Darwin, given the shorter flying distances?

Dr Walley—For the big one that cost \$80,000 I tried to get a patient to Darwin and I could not.

Senator CROSSIN—What were the barriers?

Dr Walley—They were not interested. They said, 'That is not our territory. It is a little too hard. We do not usually do that.' The excuses kept growing.

Ms Burns—We have a service delivery agreement with WA Health at the moment. That may have had a bit to do with it. I am not sure.

Senator CROSSIN—How long is the flying time from here to Perth?

Dr Walley—About 4½ hours. When we do organise an emergency medivac, we do it through the Royal Flying Doctor Service at the moment. Their plane that they have in Perth is not suitable for coming to Christmas Island, so they have to then go and hire a Lear jet or some other aircraft. There are a few planes available in Perth if they are free. That usually takes anything between four and 10 hours to organise. Plus they have to get their equipment out of the plane and get their stuff organised and then come up.

Senator WEST—These islands are duty free, are they not? Do you have trouble with customs with things coming in or out?

Dr Walley—Huge.

Senator WEST—Please tell me.

Dr Walley—Dangerous drugs.

Senator WEST—Schedule A drugs.

Dr Walley—Yes. It is a real pain in the butt. We have to send an application to Canberra for somebody to stamp the form that goes to another department to get the form stamped. They usually demand hard copy. We can get away with fax copies. That form goes to Perth. Somebody else stamps it and then it goes to the pharmacist who distributes the drugs and then finally brings them to Christmas Island. It takes 10 days to do the paperwork.

Ms Burns—It can take six weeks between the time you order something and receive it.

Senator WEST—If you carry it on, can you come through customs without any difficulty?

Dr Walley—When it is medications and stuff like that there are never any problems. It is a legal aspect because of the duty free aspect. An act of parliament can take the DDs out of it and allow us to have it sent up from Perth.

Senator WEST—Is it only DDs or are there any other categories?

Dr Walley—Schedule A drugs.

Senator CROSSIN—What sort of drugs are they?

Senator WEST—Narcotics.

Dr Walley—Pethidine, morphine. We usually have good supplies of pethidine and morphine for acute pain. We do not keep heaps of things like MS Contin, which is the slow release morphine, and Proladone, which we use for cancer patients, in stock because we do not have heaps of cancer patients. There is a lot of cost in keeping medicines in case you need them. If a cancer patient starts getting horrendous pain, you do not want to wait six weeks to get your MS Contin stock.

Senator WEST—Or if someone gets discharged from Royal Perth and comes back as a terminal case, but they cannot bring enough with them because there are restrictions that the act imposes on them.

Dr Walley—No. You can have it in your pocket coming here. I can give a patient a prescription and they can go to Perth and come back next week with their morphine. If I go through Canberra it takes me six weeks.

Senator CROSSIN—If you want a supply here in the hospital, you ask for that supply through Canberra.

Dr Walley—The paperwork has to go through Canberra.

Senator CROSSIN—It is quicker to get someone to bring it in.

Mr Walley—In emergencies it is, yes.

Ms Burns—We have problems with importing some solutions like alcohol. We often need special permission to import alcohol. Alcohol is used in pharmacies which have a licence to bring it in. Doctors arrange for it to be brought in through the pharmacy licence, whereas we would have to get a licence to import just a small amount. I have just arranged, since I have been here, for this to be brought in through the licence the existing pharmacy has. We were looking at getting our own licence to import it.

Senator WEST—Are there other problems like that?

Ms Burns—Not that I know of.

Senator WEST—Getting the authorities to omit DDs is definitely a communications issue.

Dr Walley—Yes. I have actually rung the department in Canberra and the answer has been: ‘That is the act. We cannot do anything else.’

Senator WEST—Which act is it?

Dr Walley—Do not ask me.

Senator WEST—It must be a customs act because dangerous drugs are controlled by the state.

Dr Walley—Even though we are part of Australia, because we are territories and duty free that creates a problem apparently.

Ms Burns—The pharmacist would know exactly.

Senator WEST—Could you take that on notice and the pharmacist can drop us as note and tell us what the situation is and why, because it is a communication problem?

Dr Walley—Telemedicine is also important for us to access the Internet for ongoing medical education, for example. We do not have the luxury to nip down to Perth for a weekend conference to update skills and technology. We also do not have the availability to access it through the Internet of which you can do a lot of that these days. There is telemedicine like the WACRARM, which is the WA Centre for Remote and Rural Medicine. They have a monthly TV medical education program, which is great for people on the mainland, but we cannot access that. Plus there are many other educational uses—accessing data, accessing up-to-date information, et cetera, that we just cannot get. My journals are usually two months out of date by the time I get them.

Senator WEST—It is not just medicos' education. It is ongoing education for physios, speech therapists and all of those areas.

Dr Walley—Yes.

CHAIR—Thank you.

[3.15 p.m.]

CARMODY, Mr Ronald William, Principal, Christmas Island District High School, PO Box EEE, Christmas Island, Indian Ocean 6798

CARTER, Mrs Suzanne Elizabeth, Registrar, Christmas Island District High School, PO Box EEE, Christmas Island, Indian Ocean 6798

CHAIR—On behalf of the committee, I welcome two representatives from the Christmas Island District High School, Mr Ron Carmody—the principal—and Mrs Susan Carter.

Mr Carmody—I am the principal of the Christmas Island District High School and have been here for four years.

Mrs Carter—I am the registrar at the Christmas Island District High School. Over here the registrar is the bursar and business management type person. It is an Education Department of Western Australia appointment. I have been here for five years.

CHAIR—I now invite you to make an opening statement.

Mr Carmody—The Christmas Island District High School operates principally as an EDWA school through a service delivery agreement between the Commonwealth government and the Education Department of WA. We have a dual line of appointment this year in that we go through the Kimberley office of EDWA for operational things in the school and for the systems and back-up part of the contract through the Territories Office in Perth. The arrangement with the SDA has operated since 1990. We are currently in our eighth year of providing education on Christmas Island.

Our submission to the inquiry came about as an opportunity to say that the school here operates with an enrolment from 4-year-olds to year 10 students, with our post-compulsory students of years 11 and 12 going to the mainland for their post compulsory years of education. The school currently has an enrolment of 520 students, 80 per cent of whom are of Asian background.

The school is classified as an ESL school, which means that we get some benefits and recognise that, for most of the students here, English is their second language. The language of instruction in the school is in English, but we also teach Mandarin. We have a locally engaged staff which supports the teaching staff of 40. The locally engaged staff numbers some 18 people of which eight are teacher assistants, two are office staff, and then I have non-teaching staff who are cleaners and gardeners.

With an all-up staffing arrangement of about 58, we provide the educational service to the school, to the community. We work on a plan where we accept that parents are partners in the education of their children. Our mission in coming here today is to respond to the invitation to say where we are going, and what are some of the problems and limitations we face regarding communications.

CHAIR—As the first question, you mentioned in your submission that you have access

to the Education Department of WA's Telematics program. Could you explain what it is as distinct from WESTLINK?

Mr Carmody—Fine. The telematics program is run by the Education Department of Western Australia via a modem line and computer access. Through this we are able to access a teaching service with a teacher in Perth and can feed it by relay to some students in our school. They call it Telematics because it is not computerised although we do use the computer. It has no vision; it is simply voice. It is a large program that operates throughout Western Australia.

The particular program we are piloting this year is for three of our students who were selected on merit because of their performance in testing skills which related to a cohort of 1,300 year 7 students in Western Australia. These students were identified as quite able students. As we could not send them to Perth under this program, we were able to get a pilot link through a modem line and our computer at the school. So twice a week these three students access a humanities and English program with teachers resident in Perth at senior high schools.

CHAIR—And do equivalent schools in Western Australia have vision?

Mr Carmody—The vision is only through the computer. It is not a TV-video.

CHAIR—So you go visual on computer screens?

Mr Carmody—The teacher at the other end will type a question in and say, 'I would like you to answer this question.' The students then type the answer in, and the teacher can see what they are doing. The lessons are faxed beforehand so we know what the material is, and then the paperwork is sent down after they finish their lessons. The cost for us of that program is the cost of the telephone line.

Senator CROSSIN—Ron, how big is the school?

Mr Carmody—It is a district high school level 6 which is one of the biggest sizes in the EDWA syllabus. An equivalent school would be something like Kununurra. We have about 550 students.

Senator CROSSIN—I guess there is a primary school here as well; is that right?

Mr Carmody—It is a district high school which runs from kindergarten where we have 4-year-olds, then pre-primary school for five-year-olds, then a primary section and then a senior high for years 8, 9 and 10. I have two deputy principals: one a secondary deputy principal and the other a primary deputy principal.

Senator CROSSIN—I see.

Senator WEST—If you had adequate speeds on the communication links, what extra things do you think you would be able to do? You would not need to send paperwork back, they could e-mail down what they had done and things like that. Is that how it works on the mainland?

Mr Carmody—On the mainland they would have that access. It works throughout Western Australia. For example, you have an school at Australind in the south of Perth near Bunbury which teaches Japanese for students in various stations or locations throughout the whole of Western Australia who can access that at whatever mainland speed is needed for that transmission to take place.

Senator WEST—How much of a problem is the speed at which that you are able to access this particular program? Does it hinder the students?

Mr Carmody—At this stage I would not say it is hindering. It is as good as the telephone line and as good as the computer line that comes through at that time.

Mrs Carter—With reference to WESTLINK, we cannot access that.

Mr Carmody—WESTLINK is a different thing. I am talking telematics.

Mrs Carter—But the actual speed of the data affects the access to the WESTLINK service.

Senator WEST—Can you explain WESTLINK to me please?

Mrs Carter—I cannot completely because I am not on the teaching side. I know of the data problems that we have, but I am not sure how that works.

Mr Carmody—WESTLINK is a wide ranging education service that is available in Western Australia. It operates for young children right through to tertiary education. It gives people access to open university and that sort of information as well. The WESTLINK service is under the auspices of the education department. Currently on the mainland you can access WESTLINK through the GWN program in Western Australia.

Senator WEST—Is it like distance education?

Mr Carmody—No. WESTLINK distance education is different again. The WESTLINK service can be interactive and you can get vision with it, but it requires a set-up of one-way vision and a two-way radio. The reason we cannot access it is directly related to the satellite choice that we have currently on the island. We have an analog system here, but the system that WESTLINK operates on is digital. For us to access it here, we would need some sort of digital dish here to receive the signal and then a digital decoder to bring that information down.

Senator WEST—Do you have an estimate of the cost of that?

Mr Carmody—I have not gone into the logistics of that because I did not know whether the island was going to go digital or stay analog.

Senator CROSSIN—Is there quite a comprehensive library at the school or do you rely on an exchange through, say, the Education Department of WA curriculum services or school support services for that?

Mr Carmody—Resource wise, the school is very well resourced by mainland standards. The library has been built up since 1990. We get a very favourable budget and good treatment from the Commonwealth in their recognising the remoteness and location of the island. So I would say the library would be equal to a school of this size on the mainland. Our only restriction is space, because our secondary enrolment is growing. Last year we had 90; this year we have 120. We will probably move to 150 in three years time and that is going to impose space restrictions within the library.

The school has gone with a program for technology. This has been a major thrust because we realise that, although we are called remote, we are only 58 minutes from Jakarta and there is a satellite system which is near by. In 1994 we started an educational technology plan which has been operating three or four years now, and we are moving ahead with this plan. By comparison with the EDWA standard that desires us to have one computer for every five students, we already have achieved that status in the school.

Since this submission went in, we now have access to the Internet through the local service provider and that is working very well at this stage according to the speed and things that we ordinarily use. Our students are doing that, and we have a policy in place to expand that. So the library resources are integrated, well utilised and, I would say, very current.

Senator CROSSIN—If I can take that a bit further: with your secondary students, I am assuming that in a place like this you have difficulty in offering the full range of secondary subjects; is that right?

Mr Carmody—We offer a range of subjects in years 8 to 10 comparable with a mainland school for what we call the middle schooling years. The problem becomes greater when you go to post-compulsory, and that is when our students go to the mainland. The Internet, however, will open up the opportunity to access information. We are going into that electronic age and, together with the library resources, we can offer a wider range for years 8 to 10.

Senator WEST—The plan you said that you had introduced in 1994, is it possible to have a copy of that?

Mr Carmody—Yes, it has been revamped as part of our school development plan. We have gone through more stages since the initial educational technology plan where we drew up a set of diagrams to say this is where we put computers. We have been fortunate in that, as part of the island rebuilding scheme in 1995, we had a rebuilding program which gave us several new buildings such as the administration block, library, industrial arts buildings and so on.

At the time we were given the opportunity to consult with the builders and we were able to network the school. So the school is currently networked with every classroom having a computer. There is an Intranet which operates in the school. We are able to access multimedia within the CD capacity of the school and we are also able to access the Maze program within the administration part. There is one limitation with Maze, but I will let Sue talk about that because it is the administrative part of our communication with the mainland.

Senator CROSSIN—Would you be one of the very few organisations or establishments on the island that have Intranet access within their capacity?

Mr Carmody—Intranet such as where we do it within the school from a central department?

Senator CROSSIN—Yes. Would you be one of the only places on the island that has that?

Mr Carmody—I would say so. We saw that as the first step before we went to the Internet.

Mrs Carter—I think you will find the mine might have full access.

Senator CROSSIN—Okay.

Mrs Carter—If I could make a comment, the Maze system that we have is an administration system that is run in all schools in Western Australia. Our demographics and financial package are run on it, and at the moment the department is introducing a human resources package called Peoplesoft. Unfortunately, because we are not able to access the system easily through a router and what-have-you, we are unable to access Peoplesoft.

Also, if we need to relay any of our financial work to the mainland, we will do it with hard copy because we are unable to access them via modem for some reason. I think it is something to do with the rate of the line that we have which means we are not able to access through a telephone modem line. With the Peoplesoft package, that has only just come on-line. It is only just happening in Western Australia and, at present, not all schools are connected to Peoplesoft. But it is a human resources package where staff can go in and find out what long service leave, annual leave, sick leave or whatever they have. So it is something that most individuals can have access to on the mainland and that we are not able to have. I think that is probably the main concern that we have at the minute.

We are also not able to access professional material easily. I know that it takes six to eight weeks for the teachers' journals to arrive because they are too heavy to come on the plane. There is limited access to e-mail where that is concerned, but that has only just happened in the last couple of weeks.

Senator WEST—Does the Education Department of WA offer in-service training through Internet which would cause you some difficulties?

Mrs Carter—Yes, definitely, because we are not able to access that. So we are disadvantaged to a degree.

Mr Carmody—That would be one of the advantages of the WESTLINK system because, in the WESTLINK interactive medium, you can sit in your school around a TV and therefore take part through interaction. Currently though, we do have a provision where our teachers are able to go off-line for a week to do PD in Perth. That is built into our budget because it is a recognition of our remoteness and of our needs to keep up to speed with where we

should be going.

Senator WEST—What is that costing?

Mr Carmody—In the vicinity of \$91,000 a year for a staff of 40. Next week six of our TAs are going to Perth to visit a variety of schools in the grow program there. This is the first of the people on the island in the grow program to be associated with a program of training.

Senator WEST—Any comparable idea of cost to a mainland school with the same number of staff?

Mr Carmody—They do not have access to this funding. The difference is that, if the training is on this week, they would just go. Ours is a transport facility just so that the person can attend.

Senator WEST—What percentage of your students would actually go on to years 11 and 12?

Mr Carmody—Our current year 10 status is 44. We have finished an exercise last week in which all 44 of them have decided to go to schools in Perth next year for years 11 and 12.

Senator WEST—So you have 100 per cent?

Mr Carmody—Yes, the pick-up in this last year is 100 per cent. I think they will be spread over some 16 different high schools in Perth relative to the courses that they want to access. Some are going to TAFE; some are doing vocational education.

Senator WEST—Does the slowness of postal services and other communications services cause a problem for these students making assessments and judgments as to what schools they want to go to, and what subjects they want to do; does that have an impact?

Mr Carmody—We have a program built in where every year we have a school psychologist who comes on a quarterly basis. In the July part of this year—the period we have just finished—we sit down and have an informal public meeting with all the parents of the year 10 students. They are given a book which says this is the transition from year 10 to year 11. It goes through a process of what they need to look at.

Then we arrange case conferences which is a meeting with each family member with our school psychologist and teachers at the school. At that we sit down to plan the course. We look at what their work and their results have been at the school with a view to saying, 'This would be a reasonable course for you to access on the mainland.' These students will go down in weeks 9 and 10 of this term for an experiential visit, and we get funding for this. They are enrolled at the school for February next year. When they go down in September, they are given a buddy teacher, a mentor, and the course is discussed with them. While they are there they actually catch the bus and go to the location where they are going to live so that when they go down in February, they know, 'I get off at No. 3 stop on bus No. 20. This

is the teacher I am going to meet on the Monday.'

Senator WEST—How many of them are going on to TAFE, how many to other forms of training and how many are actually going to do year 11 and 12 of the 44?

Mr Carmody—All 44 of them at this stage will be post-compulsory, which is senior high school. Their decision is mainly to stay with the senior high school and go through that stream, make that decision for tertiary education at the end of year 12.

Mrs Carter—If I could make a comment about access to information. For these 44 students, the 16 schools need to send a booklet for the students to read so they can make up their minds what kind of course they are going to follow. That was a problem this year. We had to get a special permission for those booklets to be brought up on the plane and there was quite a rigmarole.

You are probably aware of the fact that there is a pecking order for what comes on planes. Naturally enough this was pharmaceutical, fresh food and things like that. But it was really important to our students to have this information. We got the booklets up here but we had to do a lot of leg work to make sure they got here on time for the assessments and placements. I guess that is something we would expect to have on the mainland.

Mr Carmody—We also rely heavily on the fax machine and the telephone.

Mrs Carter—Can I make a comment about telephones?

Senator WEST—Yes, please.

Mrs Carter—If power goes out, the telephones on the island are all connected to what they call a LINX box. I am not an expert on things like that, but I know that all our telephones are connected to a LINX box. If the power goes out, often the battery in the LINX box does not have enough power in it to kick in again when the power comes back on. Quite often we will lose our telephones and, while we have a battery line, if the power goes out we often find we have two or three of those missing. We need to call Telstra to reconnect them again. It is just a little thing but it is the kind of thing you would not have in the mainland.

Senator WEST—Do you use educational programs off television or off the satellite at all?

Mr Carmody—Yes, we can access EDTV which comes from GWN and feeds into our library. We have a TV antenna and we are able to bring that in. It is not through computers; it is just a TV program. We videotape those programs and use segments in the classrooms and so on. We can articulate them around the classrooms.

Mrs Carter—It depends on the weather, though, to access to those segments. In any case, it depends on the weather because you cannot video something that does not come through. Our television reception is often dependent on the weather.

Senator CROSSIN—Is there some suggestion that the WESTLINK will cease soon with WA?

Mr Carmody—I am not aware of that, but I have not really investigated WESTLINK because of our not being able to access it.

Mrs Carter—Probably.

Mr Carmody—You may have heard something that I do not know at this stage. I have not heard that that has been an intent of the EDWA.

Mrs Carter—If I can make one more comment, which again is to do with freight restrictions and accessing freight in emergencies. We had a situation just recently where the file server off our administration system went down and had to be sent back to Perth. Under the guidelines issued by the administration it should have gone on a ship. Again we were able to get the file server down as somebody's hand luggage or baggage but we had difficulty getting it back. We were off-line for a couple of weeks because the instruction is that Ansett handles the freight in Perth. One of the Perth people knew the piece of equipment could come back but the others did not. The person that said, yes, the file server can go on the plane took it in his truck to put it on the plane. But somebody then called him to pack something in the upstairs bit and he got back as the plane was taking off. We did not get the file server up for another week. It is the brain of our system, so I was filing that week.

CHAIR—Anything else?

Mrs Carter—Just that the lack of access to the Peoplesoft package is going to cause a bit of pain to the teaching staff. The reason that we cannot get it is the lack of fast communication lines. On the mainland they have access to ISDN with 64 kilobits. I guess that, until we are able to get lines at that speed, we are not going to be able to access Peoplesoft. I can't think of anything else, thank you.

CHAIR—Thank you very much for your very good submission. If we need to contact you on any further matters, the secretary will be in contact with you. You will be sent a transcript to which you may wish to make changes.

[3.45 p.m.]

MEECHAM, Mr Robert Leslie, Senior Manager, Administration, Christmas Island Phosphates, PO Box 104, Christmas Island, Indian Ocean 6798

SEET, Choy Lan, Executive Assistant, Christmas Island Phosphates, PO Box 104, Christmas Island, Indian Ocean 6798

WILDERMUTH, Mr John Victor, Senior Manager, Fixed Plant Maintenance, Christmas Island Phosphates, PO Box 104, Christmas Island, Indian Ocean 6798

CHAIR—Welcome to members of Christmas Island Phosphates. I invite you to make an opening statement.

Mr Meecham—The General Manager, Peter Barrett, is currently on the mainland. That is why he is not here. Our managing director is based in Perth. I think he is actually in Sydney at the moment. That is why we are making the presentation.

The point that I think Christmas Island Phosphates would want to make relates to the availability of data and telecommunications services to the island. They are probably the issues that most affect us. We have recently, as you are aware, gained access to the Internet. That I think has been quite important for the company but, overall, the access that is now available on the island still does not fully provide us with the types of communications facilities that we require. We have our head office in Perth. We have our marketing office and shipping office in Singapore. So communications are important to us. We have to coordinate those activities. We have been able to do that using phone and fax, but to be able to use actual data transfer is becoming more and more important as our information technology becomes more integrated.

We are also looking forward to the opportunity to start to improve the control of the product that we are producing, particularly the produce for the Australian market. It is a very demanding market. We have to be very precise in the product that we prepare and send. To do that we need to gain more efficient data transmission to the mainland. You are probably aware that the data we have at the moment is one 64k link, and that is fully committed to Internet transmission. If we want to move from using Internet transmission to our own data link, it would only be available at 9600bps. That is not fast enough for the type of data that we are wanting to move backwards and forwards. That is probably the most significant issue we would like to see increased.

The company recognises the market reality that those services are costly to provide, and a privatised or commercially competitive telecommunications organisation is not going to provide those services to the island unless the island is prepared to find the money to pay for it. With the amount of economic activity on the island in general, there is not the money there to pay for it. As far as the company is concerned, we have to trade off the access to those services against the cost of those services. When we are competing against phosphate producers in the US, in Jordan and other places in the world that probably have access to communications cheaper than we do, then that is a consideration in our costs.

We are faced with a situation where if we want to achieve 64k access then we would have to provide the \$70,000 cost for the link to Perth. At the moment we are not sure that it is available given the current communications facilities that are leased by Telstra from the satellite. It is obviously very expensive for us. If we were to do that, we would want to put all our data communications down it, including telephone and Internet transmissions. If there were only one line and for some reason the line was publicly available through the ISP, the mine would monopolise that space for company work and that would leave everyone else on the island without Internet access except via the 9600bps. That would significantly reduce the capacity of the island to use the service. We are quite conscious of that, if that happened.

The point I am trying to make is that, at the end of the day, there is a responsibility on the government to provide that access to the community on the island. We do not believe that it should be borne by the communications organisation. We agree that it is not an economic proposition for them to provide the link to the island. So we would be looking to the government to subsidise that link until such time as there is sufficient economic activity on the island to generate the means to pay for the full delivery of the service to the island.

In terms of postal communications, we have had considerable difficulty making our business work because of the inadequacy of the postal service. We would like to have all our financial and accounting needs carried out on the island, but the problems that we are faced with—invoices being sent to the island and our then posting cheques back from the island—mean that we are frequently running into problems with our creditors. In the past we have had to place our invoicing and cheque paying operation in Perth, which is a problem for us in that often we have had to pay for goods that when they arrive are not what we have ordered but we have already sent the money. We are hoping something can be done about that postal situation so we can go back to using the postal service to carry on normal business.

Generally in relation to the community—and our employees are members of the community—we are concerned about the level of television services provided to the island, especially the fact that Aussie Rules is played in the rain and when it rains on the island the television signal disappears. It is pretty irritating. It is also irritating when we know that there is a satellite in the region that will provide a signal where that will not happen. It is also unfortunate that Canberra advertised the Networking the Nation money on the Internet and in the newspapers, neither of which were available on the island. They did not have a response when we pointed out to them that our submissions were late because we did not know that the money was available. In the general structure of things where money is being made available, often Christmas Island and the Cocos Islands miss out because people do not think of us. It is a problem in general, not just for Networking the Nation money. I am sure you have heard the story before, but it is something that we would like to see addressed.

When money is being made available we are not considered to be part of a state such as Western Australia when Western Australia clearly does not consider the territories as part of it. Therefore, the state is not going to make any money it has available to supporting the islands. That issue needs to be addressed as well.

Going back to the issue of the communication supply to the island, we would use more than 64k if we could get access to it. We have board members living on the island, board

members in Singapore and board members in Perth. If we had access to 128k, we could hold video conferences which would considerably improve the level of interaction that occurs at board meetings. We do use telephone conferencing at the moment. If we could get video conferencing, it would improve the operation of the island.

CHAIR—That is what you need to get video conferencing—128k?

Mr Meecham—You can get it on 64k but that is not adequate—128k is usually the minimum for two-way video conferencing. You need 64k in each direction, as I understand it. Certainly we are pleased that Telstra is doing the work that it is on the island, but we are disappointed that it still is not going to have dial-up access provided beyond the 9600bps even after all that work is done because, for some reason, technically they cannot provide the link via the satellite. My understanding is that they will squeeze the bandwidth to fit as many telephone channels as they can and at the same time provide the 64k for the Internet access on the island. Without going to another transponder and the substantial extra costs that that would involve, they are simply not able to provide us with faster data speeds.

We cannot use a modem. I will take an example of desk bank, which is the service offered by the banking community—the service we use to input payroll data and all those sorts of things. The access to that is via a modem through a telephone number. The maximum speed we can get on that is 9600bps. It works but it is less than adequate. We would like to see that general availability of 64k for data as well as for the Internet.

Our Internet works very well. We have our own mail server. We are connected through the local ISP. It is set up and works very well. We are conscious that, once traffic starts to grow, it is not going to be adequate. We have provided our own two megabit link between our offices on the island. It is unfortunate that we cannot get that sort of access provided generally, except for what we believe to be an exorbitant cost. We can certainly plough in a cable and connect it ourselves, and that would cost substantially less than what we are being charged by Telstra. I think they are the general introductory points I would like to make.

Mr Wildermuth—The only point that I would like to add is the current status of the postal services. A lot of our technical literature that we require for our operation is still paper based, and we have significant problems in getting that material up to site in the time. It has cost implications if we get material late. Specifically with drawings, we need to get most of our technical drawings done in Perth, which means they have to be transported by plane. Until we get a reliable data transmission of this type of information, we are relying on the postal service, and it fails time and time again which causes delay in projects, which is an added cost to the company. That is really the main point. We still rely on the postal service a lot. It lets us down. It is costing us money.

CHAIR—Thank you very much. It looks like the postal service got it again. You did cover it all very well, Robert. You stole many of my questions. You are presently happy with your Internet standard, but you do require 128k for video conferencing, which must be very important to you.

Mr Meecham—It would be.

CHAIR—Just as a backdrop, who are your market competitors and your markets?

Mr Meecham—Our markets are Malaysia, Indonesia and Australia. We are looking at new markets in places like Taiwan, India and Thailand. I think for the foreseeable future Asia will be our main market. Our competitors there principally are Jordan, Africa, China and Morocco.

CHAIR—They will all be operating—perhaps not Morocco—on the best quality product.

Mr Meecham—They have different products. One thing about phosphate is that it seems to vary. At times they directly compete with us and at other times we have niche markets that do not compete. We still have to be cost competitive because, if we are not cost competitive, our customers will switch their technology so that they can use different forms of input. So cost is really the name of the game.

Senator WEST—In a lot of commodities these days we are seeing the modern prices on markets. Is the phosphate one like that? There is no futures market in phosphate, so you do not need access like that.

Mr Meecham—No, but we cannot ignore the developments that are occurring. That is what we are looking at now. How are we going to be effective? Not only that; how we can be pro-active to use the Internet to our advantage. That is what we are starting to examine now. We are conscious that within a couple of years nearly all transactions will be carried out through the Internet, whether it is organising shipping, organising marketing or organising the paying of all your accounts. That will all be conducted on-line. So we are rapidly examining all those areas. But it is very difficult when we have such a tenuous grasp on access to the medium.

Senator WEST—That is what I was after. What future developments are there in the selling of phosphate and other fertilisers that you and your competitors are involved with?

Mr Meecham—When we started looking at the Indian market earlier in the year, the first place we went to was the Internet. We downloaded as much detail as we could about the Indian market and the significant companies that were in the Indian market. There was quite a bit of information there about it. We do have a Perth office that does have access to that sort of thing, but we need the communications on the island. We need to have it here so we understand what is occurring as well.

Senator CROSSIN—Are there any aspects of the communications component of Christmas Island, like limited television channels and so forth, that restrict your capacity to attract people to come and work here?

Mr Meecham—We are currently finding it difficult to recruit an engineer. I do not know that we would claim the lack of access to television is a factor in that, but I think the overall lack of access to facilities does affect people's desire to come here. You do not have newspapers. Those sorts of things make it difficult. If we lose the Internet link, then it becomes very important. Professional staff have access to those services. They are becoming part and parcel of their tools of operation. If you are not able to provide access to those sorts

of services, that is going to be more significant.

The Internet link is being run as a commercial proposition at the moment but, in my view, it is not commercially viable to run it. The commercial operator either has very deep pockets or is very altruistic. There is a real proposition that we will lose that link. It will then be a very difficult decision for the company to decide what it is going to do. In the overall standard of life it makes a difference not having access to those services.

I think it is particularly frustrating when you have a service and it goes out. It is particularly frustrating when you know that the reason it has gone out is because the satellite is sitting at 159 degrees longitude and there is one probably straight above us that could provide a service that would not go out. That is the same when it comes to cable television. Theoretically, we are not able to access cable television on the island because there is only one provider via satellite, but that satellite footprint does not come to the island. There is no exclusion in the legislation that then means it is legal for us to obtain cable service some other way. Of course if you look around you on the island it is pretty obvious that it is here, but it is not strictly in accordance with legislation that people get access to those services. Once again, it is pretty frustrating. In a sense, we are going outside the law to get access to those services.

Senator WEST—This is a duty free island. Does that cause any problems for the company?

Mr Meecham—Not that I am aware of.

Senator WEST—Do you have problems getting stuff through customs—in or out?

Mr Meecham—No, not necessarily because it is duty free. We have problems with a lot of material that we send back to the mainland that has to be washed and cleaned. That is a quarantine issue, not an issue with the pricing.

Mr Wildermuth—It is a paper war more than anything else. There is a lot of leg work that has to be done to make sure goods that leave the island will be accepted back on the mainland and are able to be turned around, prepared or whatever and come back to the island. It is added work that you have to do, so it is frustrating. It adds a cost. That is about it.

Senator WEST—What sort of example can you give me?

Mr Wildermuth—The raising of export clearance documentation to get stuff off the mainland attracts a cost. It is also not a quick system to respond to needs. If you have parts that you need in a hurry, there is that added lead time to get stuff up because this documentation has to be raised. It is something else that you have to think of. It is manageable, but it is a burden to the business.

Senator WEST—Do you have any chemicals that you have to bring in for the milling process?

Mr Wildermuth—No. We are dry. We do not have to bring in any material like that. But we do bring in MFO. Our sister company brings in diesel and medium fuel oil for our dryers to burn, and the power station also brings in diesel and MFO. I am not involved with the paperwork there, but I could imagine it is quite onerous.

CHAIR—Are there any other questions? Your submission is excellent. Having read through that, we have had most of our questions answered. If there are no more questions, I thank you for coming before the committee.

[4.10 p.m.]

COLLINS, Mr Graham John, PO Box 1, Christmas Island, Indian Ocean, 6798

CHAIR—I welcome Mr Collins. I invite you to identify yourself and then make an opening statement. But I will also ask on behalf of the committee if you could give us an indication of your experience in the area of postal communications.

Mr Collins—I am the past licensee of the Christmas Island post office and I have lived on the island most of the time since 1970. I held the licence on the post office for five years. The postal services originally were run by the Christmas Island Administration. So Christmas Island had its own postal service owned and operated by the administration here. When the administration decided to rationalise some of their operations, privatising the post office was one of the options and Australia Post were persuaded to take it over. When the Australia Post people came up and had a look at the operation, they decided it was of a size and scale that a licensed post office operation would be appropriate for it. Tenders were called on the island and ours was the tender that was accepted, so we operated the post office for five years. I sold the post office in February to other operators who were on the island here.

CHAIR—February of what year?

Mr Collins—It was the end of February this year. Prior to operating the post office, I was involved in a pharmacy before working for the mining company and then for the government.

Senator WEST—That is a change from pharmacies to post offices.

Mr Collins—There are quite a lot of pharmacies in the retail sector that have combined with licensed post offices.

Senator WEST—I suppose, yes.

Mr Collins—That was one of the options for Christmas Island.

CHAIR—The first question is an obvious one. We have had a lot of complaints about the postal services, not just on Christmas Island but also on Norfolk Island. They are all very similar. Did you have the same problems occurring when you were running the post office?

Mr Collins—Yes, I certainly did. There is no doubt about that. It is very difficult running a postal service here. I suppose I cannot really speak for Australia Post, but they can only put the mail on whatever freight services are available to them. In my experience, I think they paid freight rates and sometimes they would get a contract rate. They put their mail on in good faith, but sometimes the operators will off-load it if there is insufficient room.

I suppose the government and the mining company at different times in the past years have underwritten the cost of planes and ships so they could then dictate to some extent the priority that mail holds. Ansett were running planes as a commercial operation for three or

four years and I think mail was treated as freight for most of that time. Sometimes it was off-loaded but most of the time it was carried. When there were two flights a week, there was much less of a problem because if the mail misses on Wednesday it will come up on Saturday. But, with only one flight a week, it will not come for two weeks.

I am aware that mail going out from the island last week did not go out last weekend on Saturday, so all the mail posted the week before last is still on the island waiting for room on the plane. That aircraft would have been scheduled to fly first to Christmas Island then to Cocos and then back to Perth. So the mail would have been put on here, taken to Cocos and then down to Perth. I suspect what happened was the freight for Cocos had precedence or maybe excess baggage was put on the plane here—I do not know.

The Express Post mail, the letters that are sent out every week, would not be more than 100 kilos—between 50 and 100 kilos. It is not a huge amount. I guess it would be three or four passengers' baggage. It seems a shame that the outgoing mail cannot go out on the plane. In my experience, it has happened three or four times a year that mail will be off-loaded on the way out. However, it has been off-loaded on the way in more often than that.

Senator WEST—Do you get the situation where you might actually load it up here and get to Cocos and then get off-loaded at Cocos?

Mr Collins—Yes, that has happened.

Senator WEST—Has there ever been an occasion where it has been off-loaded on two or three consecutive weeks?

Mr Collins—I cannot think of specific instances, but perhaps individual bags get off-loaded at Cocos by mistake. On such occasions the mail would have to go back to Perth and then, because of the way the planes are routed, wait a week and come back here again. So the mail would be three weeks late.

Senator WEST—What happens if the mail did not get out last week—when does the flight come again, tomorrow?

Mr Collins—It comes again tomorrow. It will go to Cocos first tomorrow and then to Christmas Island. There is a good chance it will go on to the plane tomorrow, I would think.

Senator WEST—If there is not room for it all to go on, is there a mechanism to ensure that letters posted 10 days ago stay on the aircraft rather than the letters that were posted two days ago?

Mr Collins—There is an informal mechanism, but I do not know how well it works.

Senator WEST—But you would have no idea—if the plane was going Christmas, Cocos and then Perth—that a bag has had to be off-loaded at Cocos for whatever reason?

Mr Collins—It would be unlikely they would off-load the mail at Cocos for weight restrictions. It would only be if they took it off by mistake, which does sometimes happen.

There is obviously a lot of feeling in the community about the mail. I have no easy answers for it.

It certainly seems a shame that Express Post mail and regular letters cannot go regularly. People have alluded to large letters coming by surface mail. Usually the large letters that come by surface mail are subscriptions and things that are paid at a cheaper rate rather than at a priority rate. Usually the first-class mail comes as first-class mail but not always. Sometimes the surface mail comes by aeroplane too.

At the moment I believe Australia Post is sending mail inwards to the territories through Jakarta. So it flies to Perth—I presume on a Qantas jumbo or something—it gets the connection to Jakarta and comes down here on a Thursday evening. I do not know, because I do not run the post office now, but I have noticed that mail comes into my mailbox on Friday mornings. It includes magazines that would normally come by surface mail because they have paid off-peak rates for them. They have not paid first-class postage. It sometimes includes letter mail and parcels as well.

Senator WEST—So you might get your Christmas present early.

Mr Collins—It happens, yes. The parcels that come by surface mail come up once every four or five weeks in a container. The problem is that it then takes the post office a whole week to unpack, because they have a whole container of mail and cannot undo it all on the same day. There is not enough room in the post office for a start. It is much easier to have your work spread over the month. In a normal post office in the suburbs, they have a tiny little area where they handle mail with two to four deliveries a day and it is quite a simple task. But here you get 50 bags of mail at once, that is the task for the rest of the day and then you get nothing for the next three days.

Senator WEST—How much of an imposition is it not having a road side letter box?

Mr Collins—There is a formula that Australia Post uses regarding the number of delivery points within certain kilometres, and Christmas Island does not meet that criteria. It misses by miles. It is not eligible to have road side delivery. If it did have road side delivery, it would cost Australia Post even more and it would also cost the individuals more to have mail boxes outside the houses. I do not know whether the service delivery would be any better—I doubt it. I think people get the best delivery service now having it delivered into a mailbox at the post office. You may have to go and empty the box, but it will be delivered to your box at the earliest opportunity. If there was a daily delivery service five days a week, there might be nothing for four days. Then one day a week the mail delivery contractor would need a 10-tonne truck to deliver everything, and the boxes would also be overflowing.

Senator WEST—I guess it gets back to the argument in small communities of half the people not wanting letter box delivery and wanting it pick up from the post office and the other half—

Mr Collins—I have only heard vague comments about road side delivery being a good thing. I have heard far more people say they prefer to pay \$10 a year, get the cheap postbox

and pick up their mail at the post office. If the island had road side delivery, the postboxes would be the standard price of \$50 a year or something for a small box.

Senator WEST—You have an interesting philatelic service here with a wide variety of stamps.

Mr Collins—The philatelist service used to be run from the island but now it is run by the Philatelic Bureau in Melbourne. But the island post office has all the Christmas Island issues and whatever other issues from the territories of Australia they want to order. The island also has some input into the stamp designs and this type of thing.

Senator WEST—How much input into the designs—when the issue is going to be coming out and that sort of thing?

Mr Collins—We cannot just say that we want another issue. We have said we would like an issue for the 30th anniversary of the boat club, and Australia Post said, ‘No, 30th anniversaries are not one of our criteria. It does not fit in. But a 50th or 100th anniversary might be okay.’ There is also a limit to the number of stamp issues that can be marketed. But they will certainly do special issues for Christmas, for the Chinese New Year and at least one other issue, maybe two, in the year depending on whether there is an historical event that warrants recall.

Senator WEST—You certainly have a beautiful fish issue out at the moment.

Mr Collins—Yes, that is a fabulous one.

Senator WEST—Is that effective in terms of revenue for the island?

Mr Collins—No, it does not make any difference at all but it does make a difference to Australia Post. I think it is quite a good argument that Australia Post with their marketing prowess, particularly the Chinese New Year stamps in Asia, should be able to make a killing on it and I am sure they are. They should probably be paying higher freight rates or chartering their own plane and send it down our way. But, of course, the Philatelic Bureau is an entity of its own and does its own accounting, and the mail handling is an entity of its own and does its own accounting as well.

Senator WEST—Never the twain shall meet.

Mr Collins—Presumably. But I know that Western Australia has problems with mail handling because they receive more mail into Western Australia from the eastern states than mail that goes out. It means they sell fewer stamps in Western Australia than would cover the amount of mail coming in. Christmas Island has the same sort of problem. We have 10 times as much mail coming in as what goes out. It makes life difficult for the post office because we handle ten times as much mail for very little revenue. You make your money out of selling stamps.

Senator WEST—You say that the Chinese New Year stamps are very important. Do you know of any other countries in the region who put out a Chinese New Year series?

Mr Collins—I think they are all starting to now—Singapore, Indonesia and everybody down to Barbados and Fiji. I think it is becoming a popular thing to do.

Senator WEST—So we have lost our niche.

Mr Collins—When Christmas Island started it was quite an unusual thing to do. I think it was only Hong Kong and China that did.

Senator WEST—Thank you.

Senator CROSSIN—If you revert back to your two flights a week, would that alleviate some of the problems with the postage?

Mr Collins—I think it would. It depends on the total amount of freight and how many people have to be carried on those two flights presumably. Years ago we had a 727 once every three weeks and prior to that we had nothing but ships. We have lived under all those different systems. With the 727—a great big plane—I do not know how many tonnes of freight it carried but far more than the present plane. It is a question of the type of plane. If it were a bigger plane once a week and it always carried the mail, you would know where you were and people might be able to organise their business mail and their banking. It is a nightmare for those of us trying to do education by correspondence if you do not know whether your mail is going to go out.

Another problem is that there is no real way of knowing whether the mail went to Perth or not because Australia Post does not tell you. I suppose they would hardly advertise to say, 'Sorry, we did not send the mail.' So there is no system of finding out. Of course, even if it was advertised, people still may not find out that the mail had not gone. Likewise nobody knows that the mail did not come up onto the island. Nobody knows whether 90 per cent, 100 per cent or 10 per cent of the mail in Perth for Christmas Island has actually been sent. Even in the post office they may not know.

Senator CROSSIN—What kind of response did you get from Australia Post when you informed them of some of these problems or complaints?

Mr Collins—The people in the mail exchange were extremely good although, of course, they were driven mad by complaints from us and from individuals on the island. Whenever we rang and spoke to the liaison people there, they would say, 'It is Christmas Island once again.' But they tried very hard. I am well aware of their efforts.

Senator CROSSIN—At the mail exchange, do they have any ideas of where the break down occurs?

Mr Collins—Yes, I think they realise it is the capacity of the plane. They are doing every last thing they can, including sending freight and mail up through Indonesia which is a good move. They have sent mail through Broome or wherever the flights happen to be coming from. Once a system is established, Australia Post would look seriously at contracting with that aircraft and bring the mail in that way.

It is more difficult to send mail out through Jakarta because there are all sorts of problems if mail has to sit on the tarmac for any length of time in Jakarta. I believe that, if the mail went out on Thursday, it would arrive in Jakarta at 10 p.m. on Thursday and I do not know when the plane for Perth is. I do not think Qantas would send it to Sydney. I think they would prefer it to stay within the state rather than send it directly from Jakarta to Sydney. I think there is a flight to Sydney every night. Whether it would make that flight, I do not know, but it would cost a fortune. It costs more to mail a letter from Perth to Christmas Island than it does to mail one from Perth to London. So Australia Post are aware of the costs.

CHAIR—There being no more questions, I thank you, Graham, for giving evidence this afternoon. That brings our proceedings to an end and I would like to thank all witnesses, especially those who have stayed behind. I would say to those people still here that, in the normal timetable of things, we would expect to have a report tabled some time in late September. I do not know if the communication has reached you—it should have—but we may be in election mode before then. If an election interrupts our final draft, then the report will be tabled very early in the new parliament, which will be in about November or December.

Resolved (on motion by **Senator West**):

That this committee authorises publication of the proof transcript of the evidence given before it at public hearing this day. This committee also authorises publication of additional submission No. 39 from the hospital and exhibit No. 23 from the high school.

Committee adjourned at 4.32 p.m.