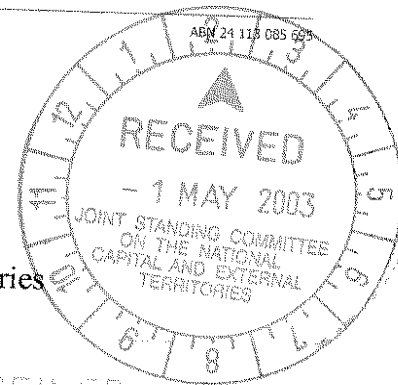


23 April 2003

Senator Ross Lightfoot
Chairman
Joint Standing Committee on the National Capital and External Territories
Parliament House
CANBERRA ACT 2600



RECEIVED
- 1 MAY 2003

Dear Senator Lightfoot

ANNUAL REPORT REVIEW (EXTERNAL TERRITORIES): PUBLIC HEARING

Thank you for your letter dated 26 March 2003 where you invited appropriate officers from the Australian Quarantine and Inspection Service (AQIS) to appear before the Committee at a Public Hearing.

I would be pleased to accept your offer for officers from AQIS to attend the hearing and nominate John Cahill, Executive Manager, Quarantine, Jenni Gordon, National Manager, Animal and Plant Programs and Tim Carlton, General Manager, Finance & Information Strategy.

I note in your letter that the Committee seeks specific advice concerning the future of the former Cocos (Keeling) Island Quarantine Station.

By way of background, the station has not been used by AQIS since January 1997 and was subsequently closed in January 1999. Closure of the station followed an extensive consultation process with importers. Of significance was an improvement in reproductive technology and policy that enabled importers to ship semen and embryos rather than live animals.

Following the closure of the station, AQIS considered several options for disposal of the site including donation to the Cocos Island Council, subdivision or divestment by way of an auction/tender arrangement. With assistance from the Department of Transport and Regional Services (DoTARS) and finalisation of administrative matters with the Department of Finance and Administration (DoFA), a decision was made to subdivide and sell the site. Plans for subdivision were to be put to the Council in 2001.

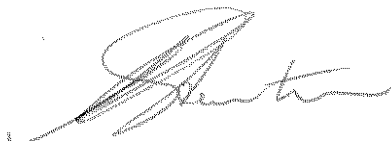
These plans were withdrawn from Council by DoTARS in September 2001 following a 'whole of government' approach to the management of illegal arrivals. DIMA (now the Department of Immigration and Indigenous Affairs (DIMIA)) subsequently took control of the site in September 2001 to house people arriving on the island without appropriate authorisation. In March 2002, DIMIA exited the site and requested that the facility remain available until the new Christmas Island Detention Centre was built and operational.

Since the station closed, and in anticipation of the sale, only basic maintenance has been undertaken. Since DIMIA's vacation of the site, AQIS has received several requests from the DoTARS Island Administrator and members of the Cocos Island community seeking to secure sub-leases over houses and sheds on the property. However in March 2003, AQIS received advice from local authorities that the facility was in need of major repairs to essential services. Based on an Australian Valuation Office report in June 2001, it was estimated repairs could cost in the order of several hundred thousand dollars. AQIS has no access to funding for such repairs and given the current state of the property and the associated legal and insurance implications associated with providing access to the site, AQIS is advising interested parties that the property cannot be tenanted.

As AQIS no longer has a local presence on Cocos Island or a requirement for the site, it is still intended to divest of the site by way of sale or transfer at the earliest opportunity.

The officers nominated to attend the public hearing will, at your discretion, be able to expand on these issues.

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'Meryl Stanton', written in dark ink.

MERYL STANTON
Executive Director