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Joint Standing Committee on the National Capital and External Territories

**Government response to the Joint Standing Committee on the National Capital and External Territories Report:
*Indian Ocean Territories: Review of the Annual Reports of the Department of Transport and Regional Services and the
Department of the Environment and Heritage, August 2004***

**AUSTRALIAN GOVERNMENT RESPONSE TO THE JOINT STANDING COMMITTEE ON THE NATIONAL
CAPITAL AND EXTERNAL TERRITORIES' (JSC'S) REPORT
*INDIAN OCEAN TERRITORIES - REVIEW OF THE ANNUAL REPORTS OF THE DEPARTMENT OF
TRANSPORT AND REGIONAL SERVICES AND THE DEPARTMENT OF THE ENVIRONMENT AND
HERITAGE, AUGUST 2004***

Introduction

This response is tabled jointly by the Hon Jim Lloyd MP, Minister for Local Government, Territories and Roads and Senator the Hon Ian Campbell, Minister for the Environment and Heritage.

Background

The Australian Government, through the Department of Transport and Regional Services, provides a range of state government equivalent services to the communities of the Indian Ocean Territories. This happens because, under the existing governance regime for the Territories, there is no state government to do so. In addition, and due to the historical circumstances of the Indian Ocean Territories, the Department provides a number of services which are not normally provided by any level of government.

The Australian Government, through the Department of Transport and Regional Services, ensures that residents in the Indian Ocean Territories have the same rights and responsibilities as other Australians, comparable with other remote communities, even though delivery of state government and other services is not core Australian Government business.

The Australian Government believes that, in terms of overall governance and in being provided with the same rights and responsibilities as other Australians, the communities would be best served by being part of an existing state or territory. The Australian Government's ultimate aim is to incorporate the Territories into Western Australia.

The Australian Government is continuing the process commenced in the early 1990s of alignment of services with the standards in Western Australia and normalisation of administrative, legislative and institutional frameworks which apply in the Territories.

This will involve, at the national level, ongoing transfer of responsibilities from the Department of Transport and Regional Services to relevant Australian Government portfolio agencies for provision of their services directly to the Territories. At state and local government levels, alignment of services will require the refinement of service delivery mechanisms and outcomes as well as a broadening of service provision through the Service Delivery Arrangements with the Western Australian Government.

Historically, the governance arrangements in the Territories have reflected a somewhat colonial structure, with the Administrator of the Territories responsible for providing a range of services to the communities with funding provided through the Department of Transport and Regional Services.

Recent changes in structure and funding arrangements are modernising the Australian Government's role, including:

- creation of an administered funding programme for the delivery of services to the Territories with the Minister as decision maker;
- changing the role of the Administrator from that of day-to-day operational oversight of services to being the Australian Government's representative in the Territories;
- transferring services delivery to more appropriate service providers.

At the same time the Australian Government is pursuing policies and initiatives which should assist in the long term economic development of the communities in the Indian Ocean Territories. For example the Australian Government has provided \$2.5m for replacement of the obsolete analogue mobile phone system on Christmas Island.

On Christmas Island, the Australian Government is also constructing an Immigration Reception and Processing Centre which will provide a boost to economic activity through the construction phase as well as provide ongoing employment opportunities for the community. On Cocos (Keeling) Islands, the Australian Government is seeking expressions of market potential for the construction and operation of a tourist resort which would provide long term economic opportunities for the community.

The Islands' communities are able to access grants which are equivalent to those offered by the WA State Government as well as the full range of Commonwealth community based grant programmes.

JSC Recommendations	Government Response
<p>Recommendation 1 That the Federal Minister with responsibility for the external territories refer for inquiry and report the governance arrangements of the Indian Ocean Territories to the Joint Standing Committee on the National Capital and External Territories.</p>	<p><i>Disagree. The ongoing governance of the non-self governing territories has been considered by the Australian Government in the light of previous inquiries by the Joint Standing Committee. The Government favours the long term incorporation of the Territories into an existing State or Territory with Western Australia being the most logical option. This would enable the Territories' communities to fully participate in state level democracy and enjoy the same rights and responsibilities as other Australians.</i></p>
<p>Recommendation 2 That the Federal Government provide ongoing funding for the additional services needed to provide for use of the Christmas Island Recreation Centre as an emergency management centre and negotiate the relevant service delivery arrangement with the Western Australian Government for the establishment of a volunteer marine rescue group.</p>	<p><i>Partially agree. The Australian Government and the CI Shire have reached agreement that ownership of the CI Recreation Centre will transfer to the Shire and this is currently being actioned. The CI community will need to consult Fire and Emergency Services in WA (FESA) and Emergency Management Australia (EMA) if there are plans to use the CI Recreation Centre as an emergency management centre. The community may apply for limited funding through the State type assistance scheme consistent with the arrangements that apply for other shires in WA.</i></p> <p><i>Negotiations by DOTARS Perth have commenced with FESA regarding the establishment of a volunteer marine rescue group for the IOTs similar to groups established on the mainland.</i></p>

<p>Recommendation 3</p> <p>That the Federal Government continue to provide financial support for Christmas Island residents wishing to complete years 11 and 12 on the mainland.</p>	<p><i>Agree. Until such time as the complete range of Year 11 and 12 subjects is available at the Christmas Island District High School consistent with WA country high schools, the Australian Government will continue to provide a broad range of courses and air fare assistance for Christmas Island residents wishing to complete years 11 and 12 on mainland Australia.</i></p>
<p>Recommendation 4</p> <p>That the <i>Education Services for Overseas Students Act 2000 (Cth)</i> be amended to include the Indian Ocean Territories (IOTs).</p>	<p><i>Noted - pending evaluation of ESOS Act. An independent evaluation of the ESOS Act is currently underway as legislated (section 176A). The evaluation is addressing five key areas: quality assurance; consumer protection; migration policy; joined up government; and administration. Whether to extend coverage of the ESOS Act to Christmas Island will be considered by the evaluation.</i></p> <p><i>Consulting with stakeholders is a key part of the evaluation and a call for submissions was advertised in the press on 14 August 2004. Face-to-face consultations with key stakeholders occurred during September and October 2004. Two stakeholders on Christmas Island, the Christmas Island Chamber of Commerce and the Christmas Island District High School, made submissions.</i></p> <p><i>An extensive final evaluation report was provided to the Department of</i></p>

	<p><i>Education, Science and Training (DEST) in February 2005. DEST is considering the report and will be providing advice to the Minister for Education, Science and Training in due course. The report recommendations will inform any amendments required to the ESOS legislative framework to ensure that it continues to support and protect Australia's international education export industry.</i></p>
<p>Recommendation 5 That the relevant Federal Government agencies – in collaboration with other relevant stakeholders on Christmas Island – undertake an assessment of the threat posed to the Island's ecology from introduced species and support the ongoing campaign to control the yellow crazyant problem.</p>	<p><i>Agree. The Department of the Environment and Heritage has undertaken an assessment of the risk posed to Christmas Island's ecology by weeds. Implementation of a crazy ant control program has commenced. The Department has also commenced preparation of an integrated invasive species assessment.</i></p>
<p>Recommendation 6 That the owner of Oceania House, the Cocos (Keeling) Islands Shire Council and other relevant parties, consider forming a legally binding agreement for the return of the Clunies-Ross busts and proclamation board for public display at Oceania House once restorations are complete. This</p>	<p><i>Agree. An agreement between the owner of Oceania House and the Australian Government was signed on 12 October 2004 regarding the Clunies-Ross busts and proclamation board at Oceania House. The agreement provides for public access, security, maintenance and monitoring of the items. The rest of the collection has been returned to Oceania House.</i></p>

<p>agreement should include provisions to ensure public accessibility, security, maintenance and monitoring. In the interim, the Shire should make arrangements for the secure storage and preservation of these heritage items and consider how they may be displayed.</p>	
<p>Recommendation 7 That the Commonwealth continue to consider ways of attracting suitable medical professionals to the Indian Ocean Territories, including special funding for Island residents undertaking relevant studies in health related professions, so they are encouraged to return to the Territories.</p>	<p><i>Agree. The Australian Government has implemented a number of changes to improve recruitment and retention of staff by the Indian Ocean Territories Health Service (IOTHS). These include offering conditions for nurses that are comparable to those in WA; restructuring of the executive to better support human resource management; and the secondment of a highly experienced officer to assume management responsibility for the IOTHS as well as commencement of discussions with the Health Department of WA to access increased support for the IOTHS. In addition, the Department of Transport and Regional Services is exploring mechanisms to support island residents to undertake study to assist them in obtaining employment as health professionals.</i></p>
<p>Recommendation 8 That an additional community nursing position responsible for aged care, child care and aspects of women's health be established in the Indian Ocean</p>	<p><i>Disagree. An additional community nursing position is not necessary at this time.</i></p> <p><i>The IOTHS has had a dedicated school/child health nurse in place since</i></p>

Territories.	<p><i>September 2003; this position is complemented by the work of another member of nursing staff.</i></p> <p><i>Aged care and women's health are also recognised as particularly important areas. The recently conducted Indian Ocean Territories Health and Community Services Needs Assessment has proposed strategies that may be useful and the IOTHS will be consulting with the community as part of its planning process over the coming months. Ensuring adequate and appropriate resources are directed to health promotion and disease prevention will be a key aim of the process.</i></p>
<p>Recommendation 9 That a formal process be established whereby representatives from the Christmas Island and Cocos (Keeling) Islands' Shires meet regularly with representatives from the Indian Ocean Territories Health Service and other relevant bodies to discuss public health issues and delineate responsibilities for dealing with them.</p>	<p><i>Partially Agree. On Christmas Island the Indian Ocean Territories Health Service has recently established a health user group forum as a formal avenue for communication between community representatives and the health service. A representative from the Shire of Christmas Island was invited to participate in the user group forum but declined. Members of the health service executive are working further to develop the group's positive role in health service development.</i></p> <p><i>Consideration is being given to arrangements for the Cocos (Keeling) Islands.</i></p>
<p>Recommendation 10 That, as a matter of urgency, the Federal</p>	<p><i>Agree. The Australian Government recognises the importance of</i></p>

<p>Government undertake the construction of new port facilities in the Cocos (Keeling) Islands.</p>	<p><i>improving the safety and efficiency of freight handling operations in the Cocos (Keeling) Islands. A recent tender process determined the preferred passenger transport option for Cocos (Keeling) Islands as a hovercraft operating between West and Home Islands. The hovercraft proposal is undergoing environmental assessment by the Department of the Environment and Heritage. Approval will remove the need for a combined passenger/freight facility.</i></p> <p><i>A concept for a freight only facility that will improve safety and efficiency of freight transfers, and cost significantly less than the previous combined proposal for Rumah Baru, has been prepared. More detailed design work is being undertaken to enable environmental assessment to proceed quickly should the hovercraft proposal obtain environmental approval.</i></p>
<p>Recommendation 11 That the Federal Government ensures the following:</p> <ul style="list-style-type: none"> • that a ferry service continue to operate between West Island and Home Island; and • the abolition of fares for this service 	<p><i>Partially Agree. The Australian Government will continue to support a ferry service between Home Island and West Island in the Cocos (Keeling) Islands through the ongoing provision of a subsidy to a private sector operator.</i></p> <p><i>Throughout Australia, the travelling public is required to pay fares for the use of public transport. Ferry and bus fares were introduced in the Cocos (Keeling) Islands as part of the normalisation process. The levels of charges were established following consideration of a number of factors including the fares charged for similar services on the Australian mainland</i></p>

	<p><i>and the impact on the CKI community. The actual cost of ferrying each passenger across the lagoon on Cocos (Keeling) Islands is \$17.00 each way, significantly more than the \$2.00 currently charged.</i></p>
<p>Recommendation 12 That the Federal Government consult more fully with those affected by its policies of disposing of its properties before taking any further action to dispose of the properties.</p>	<p><i>Agree. In line with the policy of normalisation, the ownership of assets and property in the Indian Ocean Territories is being reviewed to align it with arrangements in comparable communities on the mainland. This involves identifying for divestment those Australian Government owned assets that are not necessary for the provision of government services and retaining those assets and property necessary for continuing services including 'welfare' housing.</i></p> <p><i>Disposal of surplus public housing is being undertaken in line with the policies of the WA Housing Authority, Homeswest. Tenants who meet Homeswest eligibility criteria have been given the opportunity to purchase surplus public housing. Consultation has occurred as part of the assessment of eligibility and will continue with relevant parties as the ownership of assets or properties is reviewed.</i></p>
<p>Recommendation 13 That the Federal Government negotiate with the Shire of Cocos (Keeling) Islands with respect to the transfer of utilities on which there is mutual agreement.</p>	<p><i>Agree. The Australian Government is negotiating with the Shire of Cocos (Keeling) Islands on the transfer of assets associated with Shire service provision responsibilities. The Shire has expressed interest in managing a broader range of services and the Government will consider its position</i></p>

	<p><i>on these services. In cases where the Government is not able to determine whether shire management would represent the best value-for-money provision mechanism, and decides to test the market, the Shire of Cocos (Keeling) Islands would be able to tender. Should its bid be sufficiently competitive the Government would initiate negotiations.</i></p>
<p>Recommendation 14 That the Department of Transport and Regional Services establish a part-time social worker position for the Cocos (Keeling) Islands.</p>	<p><i>Disagree. The Australian Government does not consider a full or part time social worker position for Cocos (Keeling) Islands is justified. The Community Services Officer on Cocos (Keeling) Islands reports to the Indian Oceans Territories' Social Worker domiciled on Christmas Island and the Australian Government will continue to fund this position.</i></p> <p><i>Either the Social Worker or the School Psychologist visits Cocos (Keeling) Island from Christmas Island once every six weeks.</i></p> <p><i>This arrangement is consistent with the recently completed "Planning Report" conducted by the WA Department of Community Development.</i></p>
<p>Recommendation 15 That the Federal Government exempt non-profit community groups from paying rent for Commonwealth facilities in the Indian Ocean Territories.</p>	<p><i>Disagree. In most comparable mainland communities, not-for-profit organisations would generally be required to pay rent for ongoing access to Australian Government owned properties. The Australian Government has, on a case-by-case basis, agreed to discounted rents for some not-for-profit organisations on Christmas Island.</i></p>

Recommendation 16

That the Commonwealth arrange for a survey of the sporting and recreational needs of the Cocos (Keeling) Islands with a view to providing appropriate facilities in accessible locations.

Agree. The Australian Government acknowledges there is a need for recreational facilities on the Cocos (Keeling) Islands. A survey of sporting and recreational needs will be undertaken once a Service Delivery Arrangement is negotiated with the WA Department of Sport and Recreation.