

# The Social and Economic Impacts of the Immigration Detention Centre on the Christmas Island Community



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Prepared for

Department of Regional Australia, Local Government, Arts and Sport

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ABN 20 093 846 925

28 June 2012

60191634

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## Quality Information

Document The Social and Economic Impacts of the Immigration Detention Centre on the  
Christmas Island Community





Ref 60191634

Date 28 June 2012

Prepared by AECOM

Reviewed by Christine Moro

### Revision History

Revision	Revision Date	Details	Authorised	
			Name/Position	Signature
0	21-Dec-2011	Final	Christine Moro Team Leader - Communications & Community	
1	12-Jun-2012	Issue with Clients Comments	Christine Moro Team Leader - Communications & Community	
2	27-Jun-2012	Final Version Issued For Use	Christine Moro Team Leader - Communications & Community	
3	28-Jun-2012	Minor Client Comments Issued For Use	Christine Moro Team Leader - Communications & Community	

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## Executive Summary

In January 2011, AECOM Australia Pty Ltd (AECOM) was contracted by the Department of Regional Australia, Local Government, Arts and Sport (DRA) to undertake a Socio-economic Impact Assessment (SEIA) of the effects of the North West Point Christmas Island Immigration Detention Centre (IDC) on the local Christmas Island community. The SEIA was commissioned by the Commonwealth Government in recognition of the mounting pressure that the IDC was exerting on the local community. The SEIA consisted of two components:

- 1) A social impact assessment (SIA) to determine the current and potential future positive and negative impacts of the IDC, and
- 2) Economic modelling to determine the economic impact of the operation of the IDC on the Christmas Island economy.

This report presents the findings of the SEIA based on desktop research, economic information provided by relevant stakeholders and fieldwork that was conducted from March 2011 to May 2011. As such, any future impact assessment process will be able to compare impact themes with those identified in this report.

This report represents a snapshot of impacts at a particular point in time and as such, recommendations for the management of those impacts are not included. Immigration detention operates in a dynamic environment and needs to be evaluated over a longer period of time in order to gain a broader understanding of the impact it has on a community. Indeed, the Commonwealth's approach to management has altered significantly since the field research was conducted in 2011.

The IDC had been fully operational for approximately three years when the SEIA was commenced in January 2011.

The SEIA process carried out by AECOM to determine the impacts of the IDC on the local community consisted of secondary research, primary fieldwork research including interviews with local residents, service providers and government officials, economic modelling and scenario analysis. In undertaking the SEIA, AECOM interviewed 117 people from all sectors of the Christmas Island Community.

The SEIA process commenced during a period of mourning and escalating tensions on Christmas Island immediately following the boat tragedy of 15 December 2010, during the asylum seeker outbreak of March 17-20 2011 and at a time when there was an increase in the number of asylum seekers beyond the capacity of the IDC.<sup>1</sup> This tension was exacerbated by the broader political debate about asylum seeker policy within Australia, which dominated media coverage of the island at the time and overshadowed the escalating pressures on the Christmas Island community that have come about as a result of the IDC.<sup>2</sup> It is acknowledged that while these events physically did not last for the whole timeframe in which the SEIA was undertaken the effects of these events was still being felt by the community when fieldwork was undertaken.

## Background to the Study

Christmas Island is a limestone and volcanic submarine island situated in the Indian Ocean, 480 km south-southwest of Jakarta, Indonesia, and 2,650 km northwest of Perth, Western Australia. It is an island that can be characterised as having Southeast Asian architecture and culture, and a tropical environment with one of the richest ecologies in the world consisting of migratory birdlife, evergreen rainforest, many endemic species and the world's largest and most diverse land crab population. The community is made up of predominantly Chinese-Australians, Malay-Australians and some European-Australians with ties to Malaysia and mainland Australia. Christmas Islanders are multi-lingual and English, Mandarin, Cantonese, Hokkien and Bahasa Malay languages are spoken on the island.

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<sup>1</sup> The IDC has a regular use capacity of 400 adults (DIAC 2011a). The contingency capacity of the IDC was increased shortly prior to the commencement of this study to 716, giving a total capacity of 1116. Shortly after the commencement of this study, on 14 January 2011 the IDC contained 1985 asylum seekers (DIAC 2011a).

<sup>2</sup> This report is not an analysis or critique of the ongoing asylum seeker debate. It is a baseline study and assessment of the direct and indirect impacts of the IDC on the local community. However, AECOM recognises that the asylum seeker debate is inextricably linked with the impacts of the IDC.

The Island is administered by the Commonwealth Government of Australia as part of the Indian Ocean Territories (IOT) and belongs to the electorate of Lingiari in the Northern Territory. However, Western Australian legislation is applied to Christmas Island and the Cocos (Keeling) Islands to provide a modern body of state-level law. As such, an Act passed in WA is automatically enacted in Christmas Island (CI) and Cocos (Keeling) Islands (CKI) (subject to disallowance processes by the Commonwealth Parliament). The legislation applied to CI and CKI is Commonwealth legislation. The Governor-General may also make ordinance for the peace, order and good governance of the Territory.

The Australian Government is responsible for the administration of the Island and the provision of State-type services to the Island. The Minister for Regional Australia, Regional Development and Local Government is responsible for the majority of Australian Territories<sup>3</sup>. The Minister, represented on Christmas Island by the Administrator, is appointed by the Governor-General.

The Department of Regional Australia has portfolio responsibility for the delivery of State-type services to Christmas Island. Most of these State-type services are delivered to the island through service delivery arrangements (SDA) made with Western Australian Government Agencies, a small number are provided through private contractors or by the Department itself.

The Island has an elected Shire council which has similar responsibilities to Western Australian local councils. Residents of the Indian Ocean Territories are represented federally by Northern Territory Senators and the Northern Territory seat of Lingiari.

Australian Government legislation and policies require other federal agencies to operate on Christmas Island, including the Australian Federal Police; Australian Customs and Border Protection; Australian Quarantine and Inspection Service; Parks Australia (a division of the Department of Sustainability, Environment, Water, Population and Communities); and the Department of Immigration and Citizenship (DIAC). These Departments manage their own responsibilities separate to the Department of Regional Australia, Local Government, Arts and Sport with the exception of community policing which is provided by the AFP on behalf of the Department.

In 2001, the Commonwealth Government of Australia took measures to address an increase in asylum seekers in Australia (JCPAA 2010). These measures included the excision of Christmas Island from the Australian migration zone, and plans for the reception and accommodation of asylum seekers and the processing of their claims for protection at various offshore locations. These measures were followed in 2002 by the Commonwealth decision to construct the IDC at North West Point (IDC).

The North West Point IDC forms one of three immigration detention facilities on Christmas Island and is suitable for detaining those adult males in immigration detention considered to be higher risk. The IDC has a regular use capacity of 400 adults and a contingency capacity of 716 people.

Phosphate Hill and Construction Camp are both located at Phosphate Hill, adjacent to the Christmas Island Recreation Centre and the Christmas Island Cricket and Sports Club. Together, Phosphate Hill and Construction Camp provide alternative facilities for detention of unaccompanied minors, women, children, and low risk men.

## Summary of Results

The research process identified the following list of positive and negative impacts that have been perceived since the construction and operation of the IDC:

- Significant economic contribution and opportunities (the IDC is estimated to directly contribute \$75 million per year to the value of output or gross turnover and \$30 million per year to the Gross Regional Product)
- Significant employment opportunities (around 452 jobs created as a direct result of the IDC activities. These include DIAC and Serco and other service providers who are directly involved with the IDC. A total of 700 jobs were created based on the direct, indirect and induced impact of the IDC on Christmas Island)
- Increased sense of worth amongst some women
- Altered sense of security and safety
- Heightened stress and mental health issues

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<sup>3</sup> The administration of the Australian Antarctic Territory, and the Territory of Heard Island and McDonald Islands is the responsibility of the Minister for Sustainability, Environment, Water, Population and Communities.

- Lifestyle changes
- Tension in the community
- Downturn in tourism
- Economic uncertainty
- Political uncertainty (a perception in the local community that they are unable to influence or determine the future of the community as a result of uncertainty around Government policy-making with regards to the IDC)
- Lack of trust in Government process.

Some of the concerns raised by the Christmas Island community during the current study relate to pre-existing governance arrangements on the island. A number of participants felt that the atypical governance arrangements on Christmas Island make it difficult for future planning around infrastructure development, service provision and strategic development and some participants reported frustration with this. Whilst it is recognised that some of these problems existed prior to the presence of the IDC, some participants believe they are exacerbated by the lack of a transparent communication and consultation process and an inability for the community in general to contribute to policy-making with regards to the future of the IDC (supported by JSCNCET, 2006).

Whilst many of the social challenges identified in this report can be linked to the rapid economic growth created by the expansion of the IDC, these issues are not uncommon in an environment of rapid growth. These challenges are exacerbated on Christmas Island due to the small, narrowly based economy and the nature of its key economic driver – the IDC, creating unique challenges.

Local community members interviewed recognise that the IDC brings substantial economic benefits to the island, and indeed, are grateful for these, however, the benefits are perceived as a double-edged sword. This study reveals that the well paid employment on offer from the Department of Immigration and Citizenship (DIAC) and Serco (the service provider to the IDC) is distorting the labour market. Many of those interviewed commented on a noticeable social division/disparity and enmity amongst friends, family and within the broader community due to the presence of the IDC.

AECOM identified pressures on basic infrastructure as a result of the IDC and acknowledges that DIAC has contributed to infrastructure upgrades on the Island. There used to be very few vehicles and little traffic on Christmas Island and the increase in vehicle numbers has resulted in traffic congestion, road damage and danger to small children and other pedestrians as well as the crab population.

The presence of the IDC and rapid increase in the number of asylum seekers and support workers on Christmas Island exacerbates deficiencies in infrastructure and service provision issues on the island. Emergency services are provided on a volunteer basis by a small core of dedicated local people and serious concerns were raised within the Christmas Island community about ambulance and fire fighting capabilities on the island. Many of the residents interviewed were exhausted and burnt out from trying to work fulltime and provide an adequate volunteer service to the IDC during the boat tragedy of 15 December 2010, which was still being felt by residents at the time this research was undertaken.

Among all sectors of the local community whose members were interviewed for this study, AECOM found a perception of inequality in the provision of health care, child care, education and transport. Resident participants in this study perceive that asylum seekers and their support staff have goods freighted to them while local people go without, wait or receive inferior quality goods. Participants in this study reported that the rapid increase in the cost of food is an issue causing considerable tension and in some cases hardship for local residents with the cost of some basic food items such as fresh fruit and vegetables being exorbitant. Many Islanders reported that they struggle with the cost of housing and rents and can no longer afford to dine out at local restaurants due to the increasing price of meals.

According to participants in this study, key community focal and recreation points such as the community oval, recreation centre and Flying Fish Cove have become sites of increased tension as locals feel overwhelmed by the sudden influx of asylum seekers and support workers using these facilities and recreation areas in a way that may not be respectful of Muslim customs.

As a baseline social assessment pertaining to social capital was not undertaken prior to the development of the IDC, this current assessment uses community perceptions of changes that have occurred since the construction/operation of the IDC. These perceptions of change are used to identify the likely social capital changes that may have occurred. It must be recognised though that when an individual or community has

experienced change or conflict the perceptions of the past may be altered from what the reality was like at that time.

Social capital indicators were developed for this study. The results show that the Christmas Island community has had high levels of social capital in the past and currently experiences three of the nine indicators of high social capital and seven of the 11 indicators of low social capital. Low social capital is an indication of lack of trust and healthy relationships between individual community members and between individual community members and the government.

During the current assessment, AECOM also conducted a preliminary investigation of the flow-on impacts on Cocos (Keeling) Islands. AECOM found that the IDC has had three major impacts, two positive and one negative:

- The IDC has created five jobs for Cocos (Keeling) Island residents who have become fly in-fly out (FIFO) workers at the Centre;
- Serco employees travel to the Cocos (Keeling) Islands for holidays during their time off, adding to the local tourism industry; and
- Cocos (Keeling) Island businesses and residents experienced regular freight and postal delays due to freight offloading occurring at Perth Airport. Flights are triangulated between the Cocos (Keeling) Islands, Christmas Island and Perth and, as a result, there are no flights to the Cocos (Keeling) Islands that do not either pass through or continue on to Christmas Island. Local residents who provided information for this study held a strong perception that freight offloading is a result of preferential treatment given to staff at the IDC.

Four scenarios were analysed to provide an indication of future impacts of the IDC. In summary this analysis showed:

Scenario Number	Potential IDC Scenario	Outcome summary
1	IDC numbers stay at current level	Base case
2	IDC numbers decrease to plateau (a 25 % decrease in services modelled)	Significant negative impact to the local economy. \$14 million reduction in the Christmas Island GRP and a loss of approximately 120 jobs. Social impacts would include a decline in the standard of living for those affected by job losses.
3	IDC numbers increase (a 50 % increase in services modelled)	Exacerbation of social impacts. Significant positive impact to the local economy. An additional \$28 million in GRP of Christmas Island. The employment impact is approximately 240 direct jobs.
4	IDC closes (opposite of base case)	Significant negative impact to the local economy. Substantial reduction in economic activities and jobs. Total GRP of Christmas Island would be reduced by \$55m; loss of over 450 direct jobs. A substantial decline in standard of living for those affected by job losses.

In summary, AECOM found that the IDC has caused both positive and negative impacts on the local community of Christmas Island, with the economic positives perhaps foremost, although some of the impacts directly relate to the rapid economic growth of the island. Some of the positive impacts are impeded by pre-existing problems such as an atypical governance structure and the lack of an ongoing formal, transparent and participatory engagement process with the local community. As a result, some participants in this study believe they are losing their most treasured possessions; their rich sense of history, place and identity, their sense of community and the time to enjoy their community lifestyle.

## Preamble

AECOM Australia Pty Ltd (AECOM) would like to thank the Christmas Island community for their immense goodwill and contribution during the course of the Socio-economic Impact Assessment (SEIA).

This report presents the findings of the SEIA as a “snapshot” in time from March 2011 to May 2011, the period during which fieldwork was undertaken on Christmas Island. As such, any future impact assessment process will be able to compare impact themes with those identified in this report. The aim of this report was to present a snapshot of impacts and as such, recommendations of the management of those impacts are not included.

This ‘snapshot’ happened to be taken during a particularly volatile period in time.

AECOM recognises that the SEIA was conducted in the aftermath of the boat tragedy of 15 December 2010; an event that has had a profound impact on the Christmas Island community. A Coronial Inquest began in May 2011 to establish the facts surrounding the sinking of the SIEV 221 on 15 December 2010.

The field team conducted their work with the Christmas Island community in March and May 2011 and although it had been some months since the boat tragedy, it was quite clear to the team that people were still impacted by the events. It was a challenge for the field team to separate the emotion of the event with the wider social impacts that were directly related to the IDC. The team was debriefed following their engagement with the community; however, it was sometimes difficult to separate out the emotion. The subsequent unrest on the island following the riots in the IDC in March 2011 further heightened the emotion on the island, and that experienced by the field team, which might not have existed had the field research been conducted at a different point in time.

It is also important to note that it may have been difficult for residents to separate the impact of the tragedy from the impact of the operations of the IDC even though the impact identification process was not undertaken until May 2011. Many participants in this assessment were involved in the rescue attempts during the boat disaster and reported suffering post-traumatic stress as a result. Others reported feelings of extreme helplessness as they watched people drown in the water below them. These examples highlight the sometimes hidden impacts of the 15 December tragedy and the difficulties in identifying those in need of support. Often these individuals ‘fall through the cracks’ and were reluctant to come forward and seek assistance. Locals have received counselling following these traumatic events, however many felt that the psychological impacts on their community will be long term. This counselling was provided by DIAC for both local residents and asylum seekers.

During these difficult times, the Christmas Island community remained generous with their time and hospitality.

DRA informed AECOM that the following services were employed and these were included for the context for this report. The Department normally employs one psychologist and one social worker on the Island. With the assistance of the Western Australian Government, an additional psychologist was deployed to the Island from 23 December 2010 to 19 January 2011 and from 25 January 2011 to the 8 February 2011. A replacement school counsellor was deployed from 8 February 2011 to assist those returning to school to deal with their experiences.

Commonwealth employees directly involved in responding to the incident and volunteers with, for example, the Volunteer Marine Rescue service, were able to access counselling support through their agencies. Those who assisted directly in a personal capacity or who had been impacted indirectly by the events were directed to a number of counselling services available, including the local social worker, the local school psychologist and counsellors engaged with the Torture and Trauma Unit of the IOTHS. IOTA distributed information to all Post Office boxes (*Helping yourself after a traumatic event*) on the signs of trauma and how people could help themselves. On 16 December 2011 the EMC judged counselling resources to be insufficient and IOTA requested deployment of additional counsellors on the Committee’s behalf. This was actioned by the Department through the Territories Office Perth in consultation with the Western Australian Department of Child Protection.

## Glossary

Table 1 : Acronyms and abbreviations

Contraction	Full Name
ABS	Australian Bureau of Statistics
CIDHS	Christmas Island District High School
CIP	Christmas Island Phosphates
CIPCO	Former incarnation of Christmas Island Phosphates
CLD	Criminal Law Division of Legal Aid Western Australia
Cwlth	The Commonwealth Government of Australia
DIAC	Department of Immigration and Citizenship
DFA	Department of Finance and Administration
DNP	Director National Parks
DRA	Department of Regional Australia, Local Government, Arts and Sport
EIA	Environmental Impact Assessment
EIS	Environmental Impact Study
EPBC Act (1999)	Environmental Protection and Biodiversity Conservation Act 1999
ETC	English Training Centre
FIFO	Fly-in, fly-out FIFO temporary workers
FTE	Full Time Equivalent
GRP	Gross Regional Product
IDC	North West Point Immigration Detention Centre
IOT	Indian Ocean Territories
IOTGTA	Indian Ocean Territories Group Training Association
IO model	(economic) Input-Output model
JCPAA	Joint Committee of Public Accounts and Audit
JCSNCET	Joint Standing Committee on the National Capital and External Territories
LAWA	Legal Aid Western Australia
March outbreak	The asylum seeker breakout and riot at the IDC during 17-20 March 2011.
MOU	Memorandum of Understanding
NBN	National Broadband Network
PA	Parks Australia
SDA	Service Delivery Arrangement

Contraction	Full Name
SEIA	Socio-economic Impact Assessment
Shire of Christmas Island	The Shire of Christmas Island
SIA	Social Impact Assessment
SIEV	Suspected Irregular Entry Vessel
TW	Territories West (Branch of Territories Office at the Department of Regional Australia, Local Government, Arts and Sport)

## 1.0 Introduction

The decision to construct an Immigration Detention Centre (IDC) on Christmas Island was made by the Commonwealth Government of Australia in the first half of the year 2002 (JCPAA 2010) with the construction of the IDC being completed in April 2008.

The Department of Regional Australia, Local Government, Arts and Sport (DRA) engaged consultants AECOM in January 2011 to conduct the current assessment of the socio-economic impacts of the IDC on the local Christmas Island community.

This assessment gave Christmas Island residents a previously unavailable opportunity to participate in a formal process to assess the impacts of the IDC on their local community.

The current assessment works towards addressing this with the following scope of work:

- Economic modelling, which accounts for the impact of the operation of the IDC (excluding the impact of the Christmas Island phosphate mine, (operated by Phosphate Resources Ltd).
- An analysis of the social and cultural impacts of the IDC that:
  - uses both quantitative and qualitative measures to identify the direct and indirect impacts of the IDC on the local Christmas Island population;
  - identifies the potential to capitalise on positive impacts;
  - identifies those most significant negative impacts, for which impact management or mitigation may be necessary;
  - draws on economic modelling and links the social, cultural and economic impacts of the IDC; and
  - assesses the possible future impacts of the IDC based on four simple scenarios.
- The project also assessed the indirect impacts of the IDC on the Cocos (Keeling) Islands.
- An Issues Feedback loop - a participatory process including a feedback loop to ensure there is a clear understanding of community perceptions.

## 2.0 Socio-Economic Impact Assessment Methodology

### 2.1 Introduction to SEIA

Socio-economic impact assessment (SEIA) is the analysis of the monetary and non-monetary costs and benefits of government and private sector development. It provides a qualitative and quantitative approach to identifying impacts and assists communities and developers to make decisions that promote long-term community health, social wellbeing and economic prosperity. Vanclay (2003) identifies social impacts as changes to one or more of the following:

- People's way of life – that is, how they live, work, play and interact with one another on a day to day basis;
- Their culture – that is, their shared beliefs, customs, values and language or dialect;
- Their community – its cohesion, stability, character, services and facilities;
- Their political systems – the extent to which people are able to participate in decisions that affect their lives, the level of democratisation that is taking place, and the resources provided for this purpose;
- Their environment – the quality of the air and water people use; the availability and quality of the food they eat; the level of hazard or risk, dust and noise they are exposed to; the adequacy of sanitation, their physical safety, and their access to and control over resources;
- Their health and wellbeing – where 'health' is understood in a manner similar to the World Health Organisation (WHO) definition: 'a state of complete physical, mental and social wellbeing and not merely the absence of disease or infirmity';
- Their personal and property rights – particularly whether people are economically affected, or experience personal disadvantage which may include a violation of their civil liberties; and
- Their fears and aspirations – their perceptions about their safety, their fears about the future of their community, and their aspirations for their future and the future of their children.

Community engagement is central to any social assessment process, and the community should be involved in different ways to collect relevant information to inform the assessment process. SEIA combines this local knowledge with economic modelling to provide an understanding of impacts and their meaning.

Ideally, SEIA and its associated forms of impact assessment are carried out during the planning phase of a project and before the commencement of its construction or operation. The current study comes three years after the construction of the IDC was completed in 2008. As a result, the findings of this study relate to impacts that have already taken place and any Social Impact Management Plan that follows will need to account for this. Furthermore, the analysis of status of social capital indicators that were developed for this study relies on participants' reflection of Christmas Island prior to the construction and operation of the IDC. It should be noted that this reflection may be coloured by participants' experiences of the reality of the IDC.

### 2.2 Social Impact Assessment

The SIA component of this assessment was conducted in six stages based on internationally accepted standards for SIA (see Figure 1). The model was drawn from the Equator Principles of SIA (Equator Principles 2011), the Queensland Department of Infrastructure and Planning's guidelines to SIA (QDIP 2011) and the Planning Institute of Australia's Policy Statement on SIA (2006).<sup>1</sup>

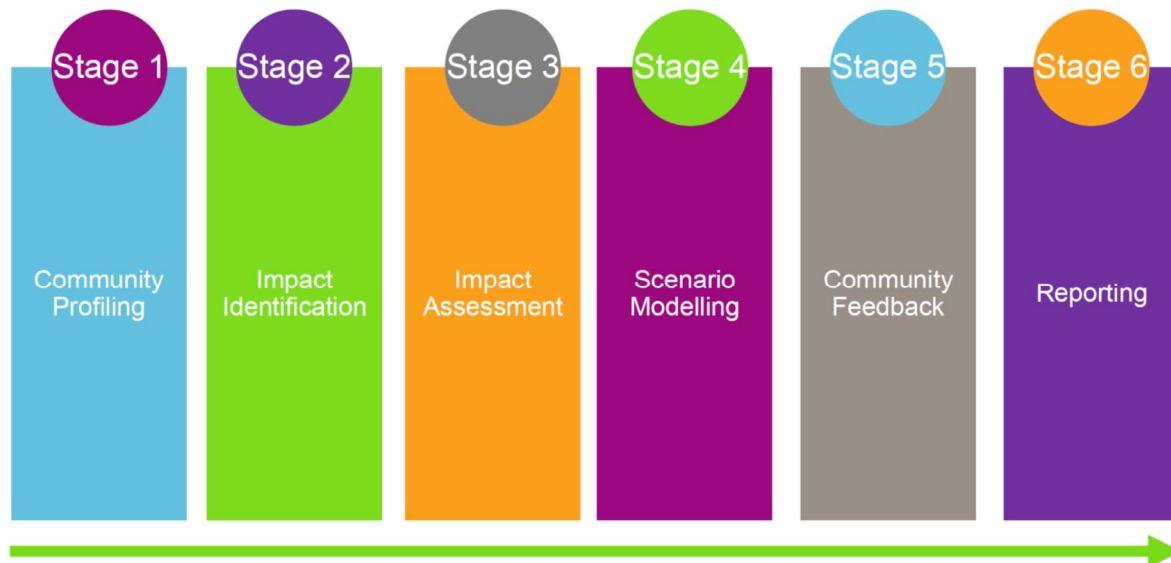


Figure 1 : The SIA Process

### 2.2.1 Stage One: Community Profiling

Secondary research and preliminary engagement were conducted to create a community profile and to identify existing social issues on Christmas Island.<sup>4</sup> An analysis of existing demographic data from the ABS Census 2006 and from a demographic survey conducted in 2008 (Urbis 2008) provided the most up-to-date statistics, however, employment figures and demographic data on Christmas Island is limited. The ramifications of this for the current study and governance and business on Christmas Island are discussed in Section 3.0.

Secondary literature and internet research provided an outline of the governance structure, political economy, cultural identity and infrastructure, and a media scan identified existing social issues and recent themes in media coverage of Christmas Island.

Secondary research was also used to create an historical profile of the IDC. The IDC forms part of the history of the Christmas Island community and its profile provides an essential part of the baseline data for this assessment.

A preliminary list of stakeholders and service delivery providers was assembled from information provided by DRA and Territories West. The list was complemented by preliminary engagement conducted on Christmas Island from 12-17 March 2011. The preliminary engagement also provided essential logistical information for the impact identification process in stage two.

### 2.2.2 Stage Two: Impact Identification

The social impacts were identified from the perspectives of local residents and service providers, from incidents reported during interviews and from data provided to AECOM throughout the study period from January to September, 2011. In total 117 local residents participated in the assessment. In some instances, individuals were both 'local residents' and service providers. For the purposes of this survey, these individuals were counted as local residents if they were living on island (see Section 6.0). Every attempt was made to triangulate this information to determine its accuracy and relevance to the wider local community.

AECOM adopted the accepted professional SIA practice of treating perceived impacts as genuine human impacts that have real outcomes for affected populations.<sup>5</sup> A community and stakeholder engagement plan (see Appendix

<sup>4</sup> Community profiling is essential to social impact assessment. It provides baseline data and helps to identify affected community members and stakeholders to ensure that the assessment process is comprehensive and inclusive. Community profiling also acts to identify any existing social issues within the assessment area that may complicate the assessment process.

<sup>5</sup> Perceived impacts are treated as actual impacts by SIA practitioners and academics alike during impact identification (see for instance Slootweg, Vanclay and van Schooten, 2003). The reason for this is that affected individuals perceive social impacts in different ways and their attitudes towards these impacts differ accordingly, which results in different psychological and physical outcomes at the individual level. The only difference between perceived and actual social impacts is the way in which both are managed. Perceived impacts may be managed through open and effective communication, whereas actual impacts often require physical intervention through changes in infrastructure, housing, services or transport.

B) was developed to identify and provide local community members and stakeholders with various opportunities to share their views and understanding of the impacts of the IDC on their community life and culture.

The impact identification process was advertised through community bulletins, in issue number 481 of *The Islander* on 15 April 2011 and in issue number 482 on 6 May 2011 (see Appendix C).

The impact identification process was carried out from 3-14 May 2011. Field research consisted of interviews, one-on-one meetings, open workshops and surveys with community members, local government, service providers and government agencies (see Appendix A). The use of various methods of research during this process minimised gaps in data and helped to engage a broad cross section of the community.

Participants were asked to identify both positive and negative impacts of the IDC on their community and individual lifestyles.

Surveys were designed to identify FIFO workers (Serco) and their level of interaction with the local community. These surveys were delivered to and administered by Serco; however, fewer than seven surveys of over one hundred surveys were returned. The results were not used in this assessment as the low response rate made them statistically invalid.<sup>6</sup> It is important to note that Serco workers were involved with managing unrest and rioting in the IDC around the time that surveys were distributed, which may account for the low response rate.

### 2.2.3 Stage Three: Impact Assessment

A list of impacts was produced from the data gathered during stage two. All positive and negative impacts were included in the report and, where possible, differential impacts were identified.

The impacts were placed into a causal model to identify their stressors and any intermediary effects. The stressors were also identified from the data gathered during the engagement process.

The list of impacts was also used to analyse the effects of the IDC on social capital. A list of indicators of social capital was developed from the literature on social capital and from the baseline data gathered in stage one. An analysis of the impacts on each indicator of social capital was carried out.

### 2.2.4 Stage Four: Scenario Analysis

Four scenarios were analysed to provide an indication of potential future impacts of the IDC on the Christmas Island community (see Table 2). These scenarios were analysed using the information contained in the community profile and gathered during the engagement process.

Table 2 : Future Scenarios for the IDC

Scenario No	Potential IDC Scenario
1	IDC numbers stay at current level (base case)
2	IDC numbers decrease to plateau (a 25% decrease in services modelled)
3	IDC numbers increase (a 50% increase in services modelled)
4	IDC closes (opposite of base case)

### 2.2.5 Stage Five: Community Feedback

The research team returned to Christmas Island from 8 to 9 September 2011 to provide the local community, service providers and stakeholders with an opportunity to comment on the findings and provide feedback.

### 2.2.6 Stage Six: Reporting

This final report was submitted to DRA in June 2012.

## 2.3 Economic Impact Assessment

The basis of the economic assessment is an input-output (IO) model of the local economy on Christmas Island. An IO model is a representation of the economy that shows the technological links between the various sectors in the economy. It shows both the sales and purchase of intermediate and final goods and services within an

<sup>6</sup> The number of surveys returned was less than required to provide statistically valid results. The results of the survey were consequently excluded from this assessment.

economy, demonstrating inflows in the form of raw materials, payments from the Australian Government, and tourism and outflows in the form of exports. The model includes households, ensuring that it captures not only the economic activity of various industry sectors, but also the household expenditure within the economy which provides additional flow on effects in the form of supporting industries, services and jobs.

Building on previous work developed for Phosphate Resources Ltd, AECOM used IO tables from ACIL Tasman to undertake an assessment of the various impacts and develop multipliers to measure the impacts. These tables were developed as an economic profile of the Christmas Island economy using data sourced from the Australian Bureau of Statistics, Christmas Island Phosphates (CIP), local stakeholders and residents and desktop research.

These IO tables represent the economic linkages on Christmas Island at the time they were prepared, and represent the underlying economic structure of the Indian Ocean Territories, Western Australia, and Australia as a whole based on data from the 2006 Australian Bureau of Statistics (ABS) census data. It must be acknowledged that there have been significant structural changes to the economy of Christmas Island and Australia as a whole. However, these IO tables still represent the most current and readily available data at the time of this report and are still valid for providing a representative picture of the impact of the IDC on Christmas Island.

### 3.0 Community Profile

The following community profile provides a snapshot of the social structure of Christmas Island. This is important as it provides an overview of the social context in which the IDC operates and provides an insight into Christmas Island. It also assists in the identification of stakeholders and helps identify key emerging issues at the time of the study that may be further explored through the consultation process.

This section outlines:

- The geographical location of the island and its governance structure
- The political economy of the island
- A summary of the key socio-economic demographic characteristics of the community including the services, industry and workforce on the island
- The community facilities on the island
- The existing community issues on the island.

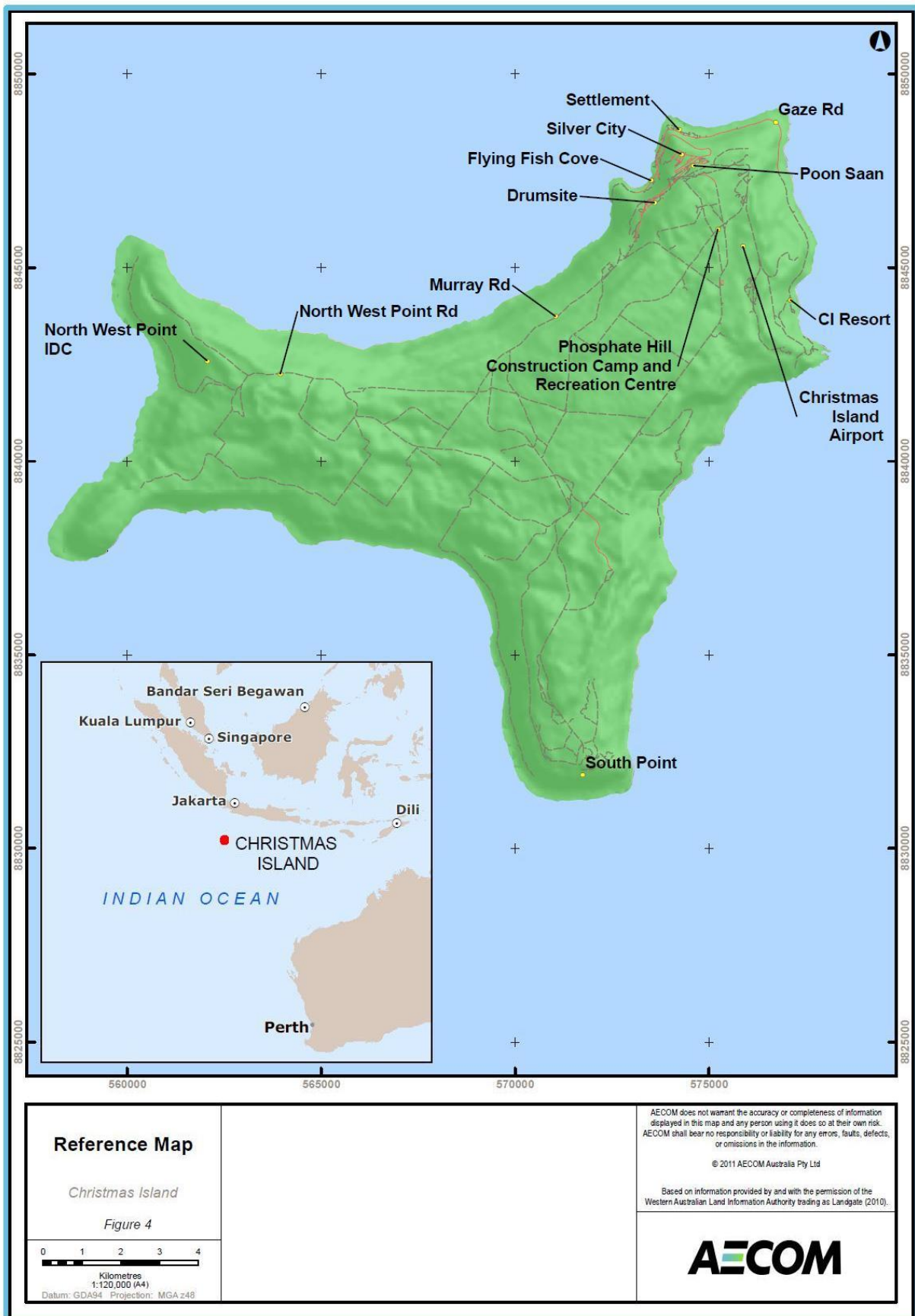


Figure 2 : Christmas Island

### 3.1 Geographical Location, Environment and Governance

Christmas Island is a limestone and volcanic submarine island situated in the Indian Ocean, 480 km south-southwest of Jakarta, Indonesia, and 2,650 km northwest of Perth, Western Australia (DRA, 2011; see Figure 2). The island has a tropical equatorial climate with temperatures ranging from 21 to 32 degrees Celsius and an annual average rainfall of 2000 millimetres. The island plays host to over 200 endemic species, rich migratory birdlife, evergreen rainforest and the world's largest and most diverse land crab community (DNP, 2008).

The island is an external Territory of the Commonwealth of Australia with a legislative system that replicates the Commonwealth, state and local government model of mainland Australia. Commonwealth and state governance are provided by the Governor-General of Australia, the Administrator of Christmas Island and the Minister responsible for the territories. Local governance is provided by the Shire of Christmas Island. The legislative system is enabled by four key acts:

- The *Christmas Island Act 1958*;
- The *Territories Law Reform Act 1992* and *2010*, and;
- The *Local Government Act 1995 (WA) (Christmas Island)*.

The *Territories Law Reform Act 1992* enables Western Australian Acts of Parliament to be applied on the island unless they are suspended, terminated or replaced by Territories Ordinances (Gray<sup>7</sup>, 2011, *pers comm*). Applied law means that Western Australian laws are adopted on the island as soon as they are enacted in Western Australia.

The Australian Government is responsible for the administration of the Island and the provision of State-type services to the Island. The Minister for Regional Australia, Local Government, Arts and Sport is responsible for the majority of Australian Territories. The Minister is represented on Christmas Island by the Administrator, who is appointed by the Governor-General.

The Department of Regional Australia has portfolio responsibility for the delivery of State-type services to Christmas Island. Most of these State-type services are delivered to the island through service delivery arrangements (SDA) made with Western Australian Government Agencies, a small number are provided through private contractors or by the Department itself.

The Department has offices in Canberra, Perth, Christmas Island and the Cocos (Keeling) Islands that coordinate and manage these responsibilities, as well as formulating policy for the islands and managing major capital procurement.

The Island has an elected Shire council which has similar responsibilities to Western Australian local councils. Residents of the Indian Ocean Territories are represented federally by Northern Territory Senators and the Northern Territory seat of Lingiari.

It should be noted that Australian Government legislation and policies require other federal agencies to operate on Christmas Island, including the Australian Federal Police; Australian Customs and Border Protection; Australian Quarantine and Inspection Service; Parks Australia (a division of the Department of Sustainability, Environment, Water, Population and Communities); and the Department of Immigration and Citizenship. These Departments manage their own responsibilities separate to the Department of Regional Australia, Local Government, Arts and Sport.

Under the *Indian Ocean Territories (Administration of Laws) Act 1992*, Service Delivery Arrangements (SDA) exist between the Commonwealth and WA State Government to provide services on Christmas Island. Under the *Territories Law Reform Act 2010*, the power to make decisions under the terms of an SDA are vested in the Western Australian State Government Agency responsible for that SDA. (Gray, 2011, *pers comm*). Service Delivery is outlined further in Section 3.5.

Concerns about the efficacy of the Christmas Island model of governance were raised by both community members and government agencies during the course of this assessment. Governance of Christmas Island has been considered by two parliamentary inquiries (JSCNET 2004 and 2006).

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<sup>7</sup> Annie Gray-Manager (Solicitor) Christmas Island Legal Aid Service

### 3.2 Political Economy

Christmas Island was annexed by Britain in 1888 after British sailors discovered phosphate deposits on the island (Kerr, 2009: 316-17). The island was administered as part of Colonial Singapore for 70 years until its sovereignty was transferred to Australia in 1958. During this time, the Clunies-Ross family from the Cocos (Keeling) Islands gained the rights to mine phosphate on Christmas Island and established the Christmas Island Phosphate Company (CIPCO). CIPCO dominated commercial mining activity on the island for the next 51 years from 1897 to 1948. The company used indentured workers from China, Singapore and Malaysia to operate the mine. The dominance of CIPCO came to an end in 1948 when the phosphate rights were purchased by the Australian and New Zealand governments.

The sovereignty of Christmas Island was handed over to the Australian Commonwealth in 1958. Phosphate mining continued unabated in its post-colonial form until social change occurred during the 1970s and shortly thereafter during the birth of the Union of Christmas Island Workers (UCIW) in 1975. The UCIW provided the institutional basis for the development of equality on the island. The unionisation of mine workers occurred prior to the formal establishment of UCIW, however, together, these social changes provided political efficacy to the mine workers so that they might bring about improvements in living and working conditions.

The economy of Christmas Island is characterised as boom and bust or ebb and flow (ACIL Tasman 2008; Shire of Christmas Island 2011). Although traditionally dependent on phosphate mining, the economy has been cyclical over the past 20 years. The phosphate mine closed in 1988, which created a significant economic downturn. Three years later in 1991 the mine reopened and the economy began to improve. The Christmas Island Casino Resort opened in 1994 providing an additional \$11 million to the economy annually. However, the resort closed its doors in 1998 and the island's economy went into a downturn again. Following this, construction of the IDC began in 2005 and the economy received another significant injection. Upon completion of the project in 2007, the economy experienced another significant economic downturn as the facility did not operate at its present tempo until the second half of 2009. Today, the economy relies on a combination of phosphate mining, FIFO immigration and maintenance workers and government funding for the operation of the IDC and normal service provision.

### 3.3 Cultural Identity

Christmas Island has a diverse cultural identity that includes Chinese, Malay and Australians. As previously noted, local residents come from a variety of ethnic and geographical backgrounds, predominantly from South-east Asia, but also from mainland Australia and Europe. Many Christmas Islanders are multi-lingual with English, Mandarin, Cantonese, Hokkien and Bahasa Malay languages spoken on the island. Although they maintain many of their traditional cultural and religious practices, the majority of the local population consider themselves to be Australians or Christmas Islanders (Urbis 2008). This ethnic and geographical origin provides only part of the knowledge of cultural identity on the island. It must be balanced by an understanding of how locals define their own cultural identity.

In 2008 Urbis attempted to ascertain the cultural identities of the local Christmas Island population by asking respondents to a demographic survey to select between different cultural-geographic identities. The respondents were allowed to select more than one identity. 69.1% of respondents selected Australian as their identity, 48.7% selected Christmas Islander as their identity, 29.7% selected Chinese as their identity and 27.8% selected Malaysian as their identity (Urbis 2008). These results indicate that there are many instances of multiple-identity amongst the local population, where, for example, Australians may also consider themselves to be Chinese, Malaysian and/or Christmas Islanders. Unfortunately, cross tabulation of these results was not provided by Urbis.

Their responses suggest that Christmas Islanders exist within all community locations and across all cultural identities, both in equal proportions.

When asked about life on Christmas Island, many participants pointed out the ever changing, cyclical history of the island. One participant summed up life on Christmas Island in the following terms:

*"Christmas Island is a place of change. If you can't stand change then Christmas Island is not for you."*

Throughout this current SEIA all local residents are referred to as Christmas Islanders unless otherwise stated and reference is made to the sub-cultures of Christmas Islanders: Chinese, Malaysian and European.

There are five separate residential communities on Christmas Island (see Fig.3) each of which contain a mix of the three cultural identities discussed above. However, whilst individuals belonging to the same ethnic group tend

to reside in the same area as one another, they are not mutually exclusive. The five residential; sub-communities are:

- Kampong at Flying Fish Cove - Malays and Malay-Australian Christmas Islanders;
- Poon Saan - Chinese and Chinese-Australian Islanders;
- Settlement – a mixture of predominantly European-Australian Islanders and some Chinese and Malay Islanders;
- Drumsite - a mixture of predominantly European-Australian and some Chinese Islanders; and
- Silver City - a mixture of predominantly Chinese and some European-Australians and Malay Islanders.

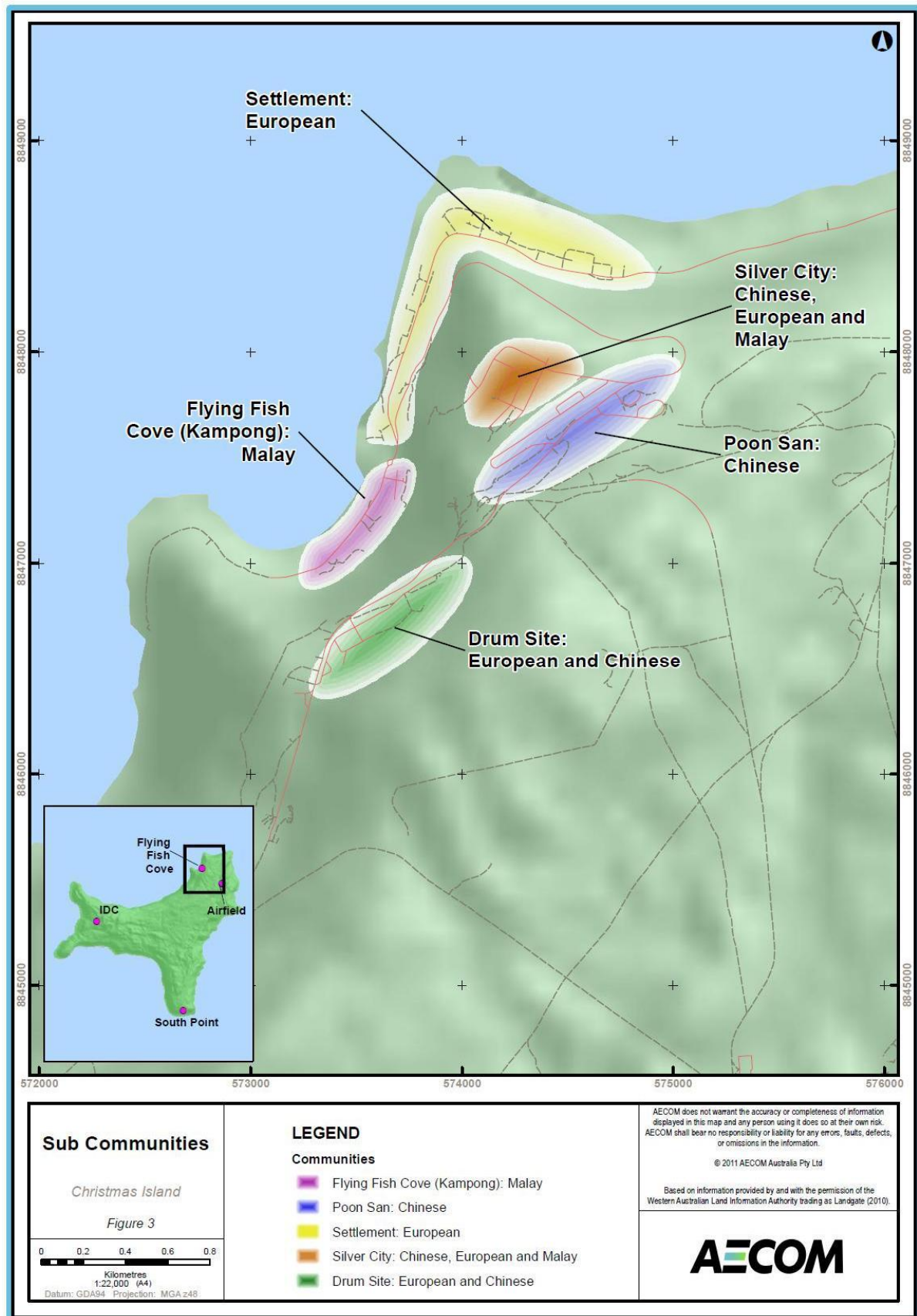


Figure 3 : Christmas Island Sub-Communities

### 3.4 Socio-Economic Characteristics

This section provides an overview of the socio-economic characteristics of Christmas Island. As limited data sources are available, AECOM relied on three data sources.

- 2006 ABS Census Data
- 2008 Urbis Demographic Survey
- Christmas Island input-output (IO) tables developed by ACIL Tasman based on 2006 ABS Census data.

Although these are the most recent data sources it is recognised that substantial change has occurred in the economy since 2006. In particular the IDC has grown considerably in size since then.

The limited availability of information means the economic demographic characteristics are limited to an analysis of key sectors, occupations and the labour market.

The key sectors for the economic characteristics were obtained from the input-output (IO) table developed by ACIL Tasman for their 2006 study of the Indian Ocean Territories. IO tables provide a snapshot in time of the structure of the economy.

Labour market data, taken from the 2006 ABS Census Data, suffers from the same timing and structural issues, although the Urbis 2008 survey data helps to supplement this. Nonetheless, these sources are the best data available and provide some insight into the broad economic background of the region.

#### 3.4.1 Social Characteristics

Table 3 contains notable demographic statistics for Christmas Island from 2006 and 2008, compared with Australia as whole for 2006. The demographic information was taken from the Australian Bureau of Statistics 2006 Census and Urbis IOT Demographic Survey (2008).

During the 2006 Census, the Christmas Island community consisted of 1349 people with a gender distribution of 56.6% males to 43.4% females – a higher ratio of males to females than Western Australia as a whole (ABS 2006).

The Urbis demographic study suggests that the gender distribution on Christmas Island changed from the 2006 Census figures of 56.6% males and 43.4% females to 51.4% males and 48.6% females in 2008 (Urbis 2008).

Compared with Western Australia as a whole during the 2006 Census, Christmas Island had a high proportion of 5-14 year olds and a high number of couple families with children. The low percentage of the 65 and over age group indicates a tendency for retirees to leave Christmas Island and live on the mainland or elsewhere.

Also during the 2006 Census, 30.5% of the local community residents were born in Malaysia, which is a high proportion compared with Western Australia as a whole, where only 1% of the population were born in Malaysia.

The Urbis study suggests that the number of residents born in Malaysia was even higher in 2008 at 45.1%. The Urbis study also suggests that only 27.8% of permanent residents were born on the Australian mainland and only 10.1% were born on Christmas Island.

Table 3 : Notable Demographics for Christmas Island and Australia

Characteristic	ABS 2006 Census Data for Western Australia	ABS 2006 Census Data for Christmas Island	Urbis 2008 Survey Data for Christmas Island
<b>Population</b>	1959088	1349	NA
<b>Gender distribution</b>	Males – 49.8% Females – 50.2%	Males – 56.6% males Females – 43.4%	Males – 51.4% Females – 48.6%
<b>Age distribution</b>	5-14 yrs – 13.9% 25-54 yrs – 56.9% 65 and over – 12%	5-14 yrs – 16.8% 25-54 yrs – 49.6% 65 and over – 5.1%	Comparisons with Urbis data are unavailable due to the use of different age groups in the Urbis survey.
<b>Family composition</b>	55.1% couple families with children	57.4% couple families with children	NA
<b>Languages</b>	English only spoken at home – 81.8% Mandarin – 0.8% Malay – not listed Cantonese – 0.28% Hokkien – -not listed Indonesian – 0.3%	English only spoken at home – 34.8% Mandarin – 23.9% Malay – 16.4% Cantonese – 9.3% Hokkien – 1.5% Indonesian – 1.3%	NA
<b>Religion</b>	Buddhism – 2.1% Islam – 1.2% Christian – 59.3%	Buddhism – 30.2% Islam – 19.7% Christian – 17.6%	NA
<b>Country of origin</b>	Australia – 65.3% Malaysia –	Australia – 45.1% Malaysia – 30.5%	Australia – 27.8% Malaysia – 45.1%

(Source: ABS, 2006; Urbis, 2008)

### 3.4.2 Key Industries

According to the ACIL Tasman IO tables, in 2005-06 the total estimated gross regional product (GRP) of Christmas Island was \$71 million. The economy had a narrow base with three sectors accounting for almost 90 per cent of output. Mining accounts for the bulk of that share with phosphate mining and related activities (such as stevedoring) contributing almost half of Christmas Island's total GRP. Indeed, ACIL Tasman estimated the GRP of Christmas Island Phosphates alone in 2006 to be approximately \$27 million (or 38% of GRP). This is followed by the services sector (24%) and construction and real estate (15%).

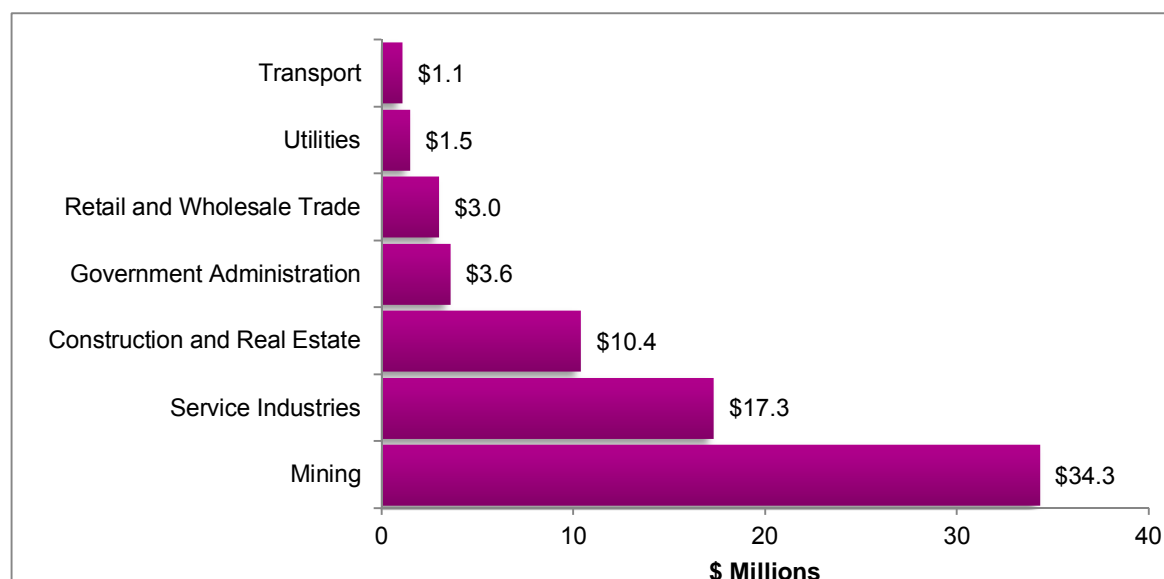


Figure 4 : Christmas Island Gross Regional Product (\$M) 2005 – 2006 (Source: ACIL Tasman)

### 3.4.3 Employment and Occupation

#### 3.4.3.1 Employment

The Christmas Island economy is characterised by high employment ratios. According to the 2006 Census, of its labour force of 714, only 34 were unemployed or seeking work and of those in the workforce, a high number were in full-time employment (75%). This makes the corresponding unemployment rate at about 4.8%, similar to that of Western Australia during the same time period. Although no official data are available, local evidence suggests that the current (2011) unemployment is closer to zero, or full-employment exists.

Although the economies are very different in nature, the Western Australian economy provides somewhat of a benchmark against which to compare the employment structure of the Christmas Island economy as its closest neighbouring Australian state. As Figure 5 shows, the profile of employment in Western Australia is much more evenly distributed with major job providers coming from retail trade, health care, construction, and manufacturing.

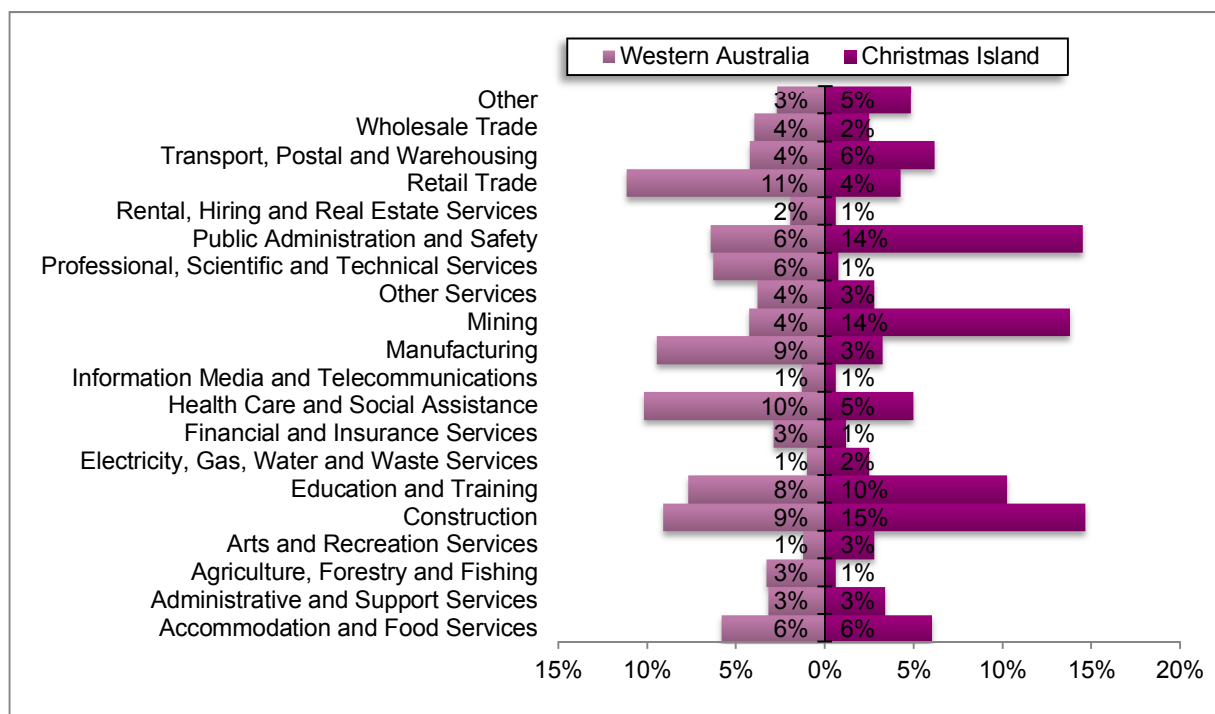


Figure 5 : Employment by Industry: Christmas Island and Western Australia (2006)  
(Source: 2006 ABS Census)

Census data show a large percentage of the population (15%) employed in the construction industry in 2006, likely due to the development of the northwest point immigration facility and related infrastructure. However, the Urbis Demographic Survey shows a lower proportion of those surveyed employed in construction by 2008 (5.3%). This is reflective of the temporary impact of the facility's development on the Island's workforce.

Overall, ACIL Tasman estimated that the number of direct and indirect jobs supported by mining operations in 2006 was 280, or 40% of the labour force. The Urbis Survey also shows a rise in the proportion of the workforce engaged in the mining sector in 2008 compared to the 2006 Census (17.4% against 14%).

Aside from mining and construction, the government sector was also a major employer on the island in 2006, accounting for around 30% of the total workforce (including public administration, health, education and utilities). Government was also the predominant employer in the Urbis Demographic Survey, with around one-third of those surveyed reporting employment in government related sectors in 2008.

The Urbis survey shows a notable rise in employment in Public Administration and Safety in particular, compared to the 2006 Census results (17% against 14%). Indeed, it is likely that the public sector workforce has significantly increased since the 2008 Urbis Survey, with DIAC alone reportedly employing up to 120 people on the Island at present.

Section 3.6 outlines public sector roles on the Island in more detail across agencies such as Parks Australia, the Australian Federal Police, Christmas Island Schools, DIAC and DRA.

### 3.4.3.2 Occupation

The occupation breakdown of Christmas Island based on the 2006 Census data shows a high percentage of technicians and trade workers (20%) as well as labourers (16%). This is indicative of the high number of people employed by the phosphate mine and in the construction industry. However, the Urbis 2008 survey shows a reduction in the proportion of the workforce employed as technicians and trade workers (15%) while labourers also fell as a share of the workforce (13%). In contrast, small increases were evident in those reporting as professionals, managers and community and personal services workers. Figure 6 compares the occupational structure of the Christmas Island economy to that of Western Australia in 2006.

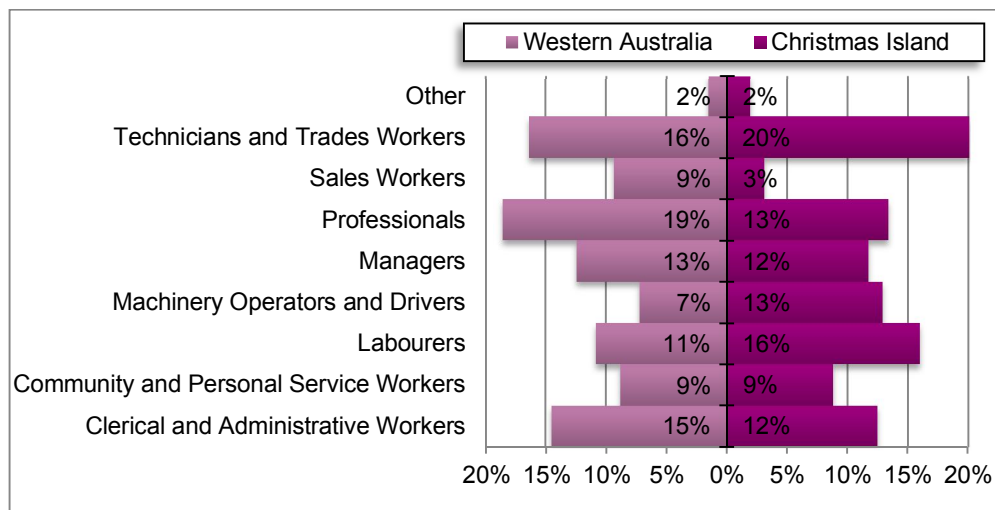


Figure 6 : Employment by Occupation: Christmas Island and Western Australia (2006)  
Source: 2006 ABS Census

### 3.4.3.3 Income

The distribution of weekly income levels for the Christmas Island workforce as reported in the 2006 Census is relatively high compared to those of Western Australia. A total of 28% of the income earning population earned over \$1,000 per week compared with 20% overall in Western Australia (Figure 7). This is likely reflective of an array of factors including the high percentage of people employed in the mining sector, high labour costs associated with a remote location, incentive pay offerings for challenging jobs/conditions, a shortage of labour and a large contract workforce on the Island.

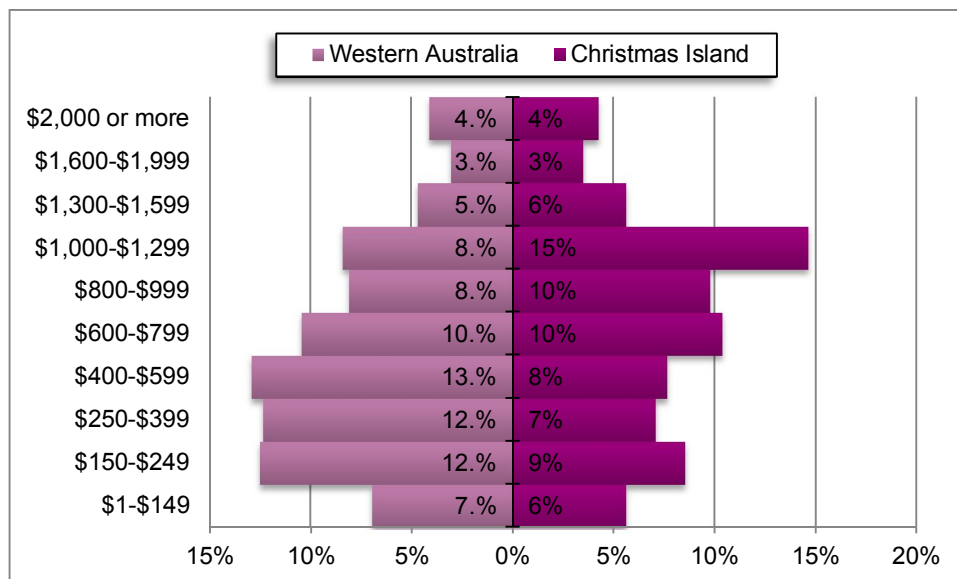


Figure 7 : Weekly Individual Incomes: Christmas Island and Western Australia (2006) %  
Source: 2006 ABS Census (percentage of income earning individuals)

### 3.5 Service Delivery

The Australian Government, through the Department of Regional Australia, Local Government, Arts and Sport provides the essential and non-essential services to the communities of the Territories that would normally be delivered by state-level governments. Services are delivered through contracts with the private sector (e.g. air services and port management), service delivery arrangements (SDAs) with the WA Government (refer table below), or directly by the Department (e.g. health, power, land and public and staff housing).

SDAs are arranged directly with the WA Government and are used to acquire a wide range of state-type services. SDAs include key performance indicators and are subject to regular review.

Some services are provided directly by the Indian Ocean Territories Administration through three business units. The Administration employs around 100 people in these units. Health is the largest with over 60 employees. The Power Authority and the public and staff housing business units employ the remainder.

The following 40 WA Government agencies provide services to the Commonwealth for Christmas Island and the Cocos (Keeling) Islands under Service Delivery Arrangements, as listed in Table 4.

Table 4: WA Government agencies that provide services to the Commonwealth for Christmas Island and the Cocos (Keeling) Islands under Service Delivery Arrangements (at May 2011)

Agency	Services provided
<b>Breastscreen WA</b>	Screening and diagnostic mammography services.
<b>Builders Registration Board</b>	Building Disputes Tribunal services.
<b>Department for Child Protection</b>	Professional supervision and support for the IOTs Social Worker to promote responsibility and growth in family and community life and contribute to the protection and care of children. Administration of the applied legislation concerning working with children.
<b>Department for Communities</b>	Licensing, monitoring and support services for childcare providers. Implementation of programs for social inclusion, and development of partnerships with non-government organisations.

Agency	Services provided
<b>Department for Planning and Infrastructure</b>	Planning, legal and administrative advice to ensure the use and development of land in the IOTs is consistent with strategic planning, policy guidelines and planning standards. Provision of advice and assistance to the Commonwealth on a broad range of transport and coastal facilities issues. Administration of Crown land in the IOTs.
<b>Department of Agriculture and Food</b>	To minimise the impact of invasive animals and plants on the economy, environment and lifestyle on the Indian Ocean Territories (IOTs)
<b>Department of Commerce (including WorkSafe)</b>	Information to business and consumers, and the development and enforcement of consumer protection legislation. Information to employers and employees, and the development and enforcement of occupational safety and health legislation. Energy safety regulatory services.
<b>Department of Corrective Services</b>	Offender management services.
<b>Department of Culture and the Arts</b>	Broad policy and planning services, arts development services (including art funding administration), art gallery services, museums services, and cultural planning services.
<b>Department of Environment and Conservation</b>	Protection and enhancement of the IOTs environment through the implementation of applied environmental protection law, including regulation of prescribed premises, emissions and wastes, and incident protection and response.
<b>Department of Fisheries</b>	Procedural and technical advice in relation to aquaculture proposals and management of fish resources.
<b>Department of Health</b>	Regulatory, advisory and other support services as required in the delivery of whole-of-health services.
<b>Department of Housing</b>	Advice and support to the Administration Housing Unit for the effective administration of social housing in the IOTs.
<b>Department of Local Government</b>	Ensuring compliance with applied local government legislation, and facilitating the development of local government for the elected body, and the communities.
<b>Department of Mines and Petroleum</b>	Registration of IOTs mineral titles and advice on associated environmental matters. Regulation of resources safety issues, including the storage, transport and handling of dangerous goods.
<b>Department of Racing, Gaming and Liquor</b>	Liquor licensing services, including compliance audits and investigations.
<b>Department of Regional Development and Lands</b>	Advice and assistance with community capacity building and regional development, including support for IOTs telecentres.
<b>Department of Sport and Recreation</b>	Provides advice on the sporting and recreational infrastructure needs in the IOTs, and support and advice to sporting and recreational groups in the IOTs.
<b>Department of the Attorney-General</b>	Access to the justice system including: Court Services; Registry Office; State Solicitor's Office; and Public Advocate.
<b>Department of Transport</b>	To achieve, consistent as far as practicable with WA's transport system, an efficient, safe, effective and equitable transport system in the IOTs

Agency	Services provided
<b>Department of Treasury and Finance</b>	Collects and remits State-type revenue to the Commonwealth in accordance with applied legislation. Provides purchasing, contracting and consulting solutions for Commonwealth public works as required.
<b>Department of Water</b>	Protection of the IOTs water resources.
<b>Department Training and Workforce Development</b>	Monitoring and assessment of the compliance of IOTs vocational and adult education and training providers with legislative requirements. Registration and monitoring of IOTs apprentices and trainees.
<b>Disability Services Commission</b>	Support and services to people with disabilities in the IOTs.
<b>Economic Regulation Authority</b>	Promote economically efficient outcomes in the IOTs at the lowest practicable regulatory cost through efficient and effective independent regulation, independent advice to the Commonwealth and advancing the debate on economic regulation.
<b>Equal Opportunity Commission</b>	Information and advice on equal opportunity and human rights issues and the investigation of complaints under the applied equal opportunity legislation.
<b>Fire and Emergency Services Authority</b>	Support to volunteer brigades including planning, training, and equipment. Community education on safety issues, and compliance with building safety requirements.
<b>Land Information Authority (Landgate)</b>	Land information services, including registration of title, and geographic and cadastral information. Impartial valuation services supporting asset management and revenue collection.
<b>Legal Aid Commission</b>	Quality legal services to those in need, and assistance to the community in accessing justice.
<b>Main Roads WA</b>	Provision of road funding and traffic management in cooperation with local government.
<b>Medical Board of WA</b>	Monitors the conduct of doctors and the standards of medical treatment provided in the IOTs according to applied legislation.
<b>Nurses and Midwives Board of WA</b>	Regulates the practice of nurses in accordance with applied legislation to ensure appropriate and safe standards of nursing care are promoted and maintained in the IOTs.
<b>Office of Energy</b>	Advice on energy policy and regulatory matters in the IOTs.
<b>Office of Health Review</b>	Handling of complaints about the provision of health services in the IOTs.
<b>Parliamentary Commissioner for Administrative Investigations (State Ombudsman)</b>	Provides a system for handling complaints about the administrative actions of State government agencies in the IOTs which are within the Commissioner's jurisdiction.
<b>Public Trustee Office</b>	Trustee services, including the preparation of wills and provision of executor and administrator services for IOTs residents.
<b>Small Business Development Corporation</b>	Provision of specialised information, referral and business facilitation services, and representation of small business interests in WA policy development.
<b>State Library of WA</b>	Provides IOTs local authorities and associated bodies with leadership, library materials, information and support services.

Agency	Services provided
<b>WaterCorp</b>	The administration and management of the water and wastewater asset management system for the IOTs. The operation and routine maintenance of the electricity generation and distribution system on the Cocos (Keeling) Islands.
<b>Workcover</b>	Administers the applied workers' compensation legislation for the benefit of injured workers.

### 3.6 Infrastructure, Services and Community Facilities

A major social indicator is the availability of services and facilities to a local population. These include health, education and childcare services, and important supporting infrastructure, such as public and regional transport.. Table 5 is a list of essential infrastructure and services on Christmas Island, as opposed to the above table which provides details of all service delivery arrangements on Christmas Island and the Cocos (Keeling) Islands.

Table 5 : Christmas Island Infrastructure and Services

Infrastructure and Service	Provider
<b>Ambulance</b>	<b>St John Ambulance</b> - provides the only ambulance service on Christmas Island. The service is provided on a volunteer on-call basis 24 hours per day, 365 days per year. 90-95% of the calls answered by St John are from the IDC or Phosphate Hill alternative place of detention ( <i>pers comm</i> ). This service is supported by the IOTHS.
<b>Cleaning, Maintenance, Gardening</b>	<b>Resolve FM – a contractor employed by Serco to provide gardening, cleaning and maintenance services at Poon Saan.</b>
<b>Daycare</b>	<b>Christmas Island Daycare Centre and Family daycare (Profit and not for profit)</b>
<b>Education</b>	<p><b>Christmas Island District High School</b> - CIDHS provides education to over 300 students on Christmas Island from kindergarten to Year 12. It is the only school on Christmas Island. In addition to its main campus, CIDHS has an MOU with DRA to provide an English Training Centre (ETC) for asylum seekers of all ages from the IDC. The ETC has 20 teaching staff, teaching support staff and administrative staff and yearly funding of approximately \$1.4 million.</p> <p>Note: the Western Australian Department of Education and Training (DET) provides the K-12 school with a Western Australian curriculum and English as a Second Language programme. The school also focuses on Malay and Mandarin.</p> <p><b>Indian Ocean Group Training Association</b> - The IOGTA is a not-for-profit educational organisation that provides group training for all residents, businesses and organisations on Christmas Island. It also provides employment services including labour hire for Mission Australia</p>
<b>Electricity</b>	<b>Indian Ocean Territories Power Authority</b> This is a business unit of DRA.
<b>Emergency Services</b>	<p><b>Fire Brigade</b></p> <p><b>SES</b></p> <p><b>Volunteer Marine Rescue</b></p>
<b>Environment</b>	<b>Parks Australia (PA)</b> - provides national park management on Christmas Island.

Infrastructure and Service	Provider
<b>Gas, petrol and diesel</b>	<p><b>Acker Trading (fuel)</b></p> <p><b>Gaseng (petrol and diesel)</b></p> <p><b>BP (aviation fuel)</b></p>
<b>Health Services</b>	<p><b>Indian Ocean Territories Health Service</b> – The IOTHS provides health services to the Indian Ocean Territories of Christmas Island and the Cocos (Keeling) Islands. The IOTHS is a business unit of the Commonwealth acting as the Department of Regional Australia and staff are employed by the Department. Some services are provided through Service Delivery arrangements. The provision of services provided by the IOTHS include: public health, community health, hospitals, disability care, mental health and dental health. Funding is provided directly by the Department of Regional Australia, Local Government, Arts and Sport. The IOTHS operates an eight bed hospital with a 24 hour per day, 7 day per week onsite service. The hospital has 40 FTE staff. Residents must travel to the mainland for specialist services and palliative care.</p> <p>DIAC provides the Christmas Island Hospital with direct funding of \$1 million for a torture and trauma service for asylum seekers and the local community on Christmas Island. Funding is adequate to provide torture and trauma services when the numbers of asylum seekers being held at the IDC are below its designed capacity. DIAC reimburses the IOTHS for any services it provides to asylum seekers, including x-rays and pathology services. Hospital staff spoken to during the course of this report regarded the facilities and staff accommodation as inadequate to meet the requirements of this service when IDC is at or beyond its designed capacity.</p>
<b>Housing &amp; Land Administration</b>	<p><b>Landgate</b></p> <p><b>The Shire of Christmas Island</b></p> <p><b>DRA</b></p> <p>Public and Commonwealth staff housing</p>
<b>Legal</b>	<p><b>Legal Aid WA (Christmas and Cocos (Keeling) Islands Service)</b> - LAWA has held an SDA with DRA since the mid 1990s to provide Christmas Island and Cocos (Keeling) Islands residents with the usual range of legal services that are available in mainland Western Australia from LAWA. The services provided by LAWA on Christmas Island include: duty lawyer, grants of aid, legal advice, minor assistance and referral in the areas of family law, civil law and criminal law. LAWA has also provided community legal education on Christmas Island. LAWA has traditionally provided assistance to asylum seekers if they are charged with criminal offences. More recently, under the SDA, LAWA has provided initial legal advice to mainly Indonesian alleged people-smugglers whilst they are still on Christmas Island. Pursuant to the SDA, Legal Aid WA does not provide immigration law assistance. These services are provided mainly by private firms from the eastern states of Australia, through a tender process. LAWA's Christmas Island service is provided by a Solicitor/Manager from WA who visits the island in 4-7 day stints, 11 times per year. Most of LAWA's work for IDC clients is either advising accused people smugglers of their right to refuse an interview with the Australian Federal Police, or assisting asylum-seeker clients charged with criminal offences. The Criminal Law Division (CLD) of LAWA has also provided many advices to alleged people-smugglers under the SDA when the Solicitor/Manager is not available. The CLD has also assisted under the SDA by sending some of its solicitors to</p>

Infrastructure and Service	Provider
	Christmas Island on recent occasions to assist with the extra workload arising out of the March 2011 outbreak.
<b>Policing</b>	<b>Australian Federal Police</b> - has an agreement with DRA to provide community policing on Christmas Island. At the time of this assessment, the AFP had six officers from the mainland; three locally engaged special constables and one administrative support assistant (who is also appointed as a special constable) delivering community policing. There were an additional 200 AFP response team staff on Christmas Island during the time of this assessment following the March breakout. Note: During March 2011 extra AFP personnel were required on the Island to respond to the North West Point breakout.
<b>Recreation &amp; Cultural</b>	<b>Department of Sport and Recreation</b> <b>Christmas Island Cricket and Sports Club</b> <b>Arts and Culture Christmas Island</b> <b>The Malay Club (closed at the time of the assessment)</b> <b>Poon Saan Club</b> <b>Cinema Club</b> <b>6 RCI Radio Station</b> <b>Chinese Literary Association</b> <b>Various other informal cultural groups</b>
<b>Roads &amp; Transport</b>	<b>Central Road Authority (under SDA with Main Roads WA)</b> <b>PDL Toll – Airport</b> - provides management and maintenance services for Christmas Island Airport. It has experienced a number of impacts arising from the IDC <b>Patrick-</b> provides port management for the port of Christmas Island. It has two FTE staff. Complete Stevedoring and Freight Services Ltd - stevedoring PRL-marine pilot services <b>Virgin Australia</b> – provides passenger and freight flights between Christmas Island, the Cocos (Keeling) Islands and Perth. <b>Malaysian Airlines</b> – provides a weekly flight service between Kuala Lumpur and Christmas Island. <b>Zentner Shipping Pty Ltd</b> – provides the main freight shipping services.
<b>Social Welfare</b>	<b>Centrelink-</b> Centrelink maintains an officer on the island to provide welfare services. Social worker – provided under SDA Counselling Service
<b>Water &amp; Wastewater Management</b>	<b>Water Corporation</b> - provides all water supplies and wastewater treatment on Christmas Island under SDA with DRA.

Community facilities on Christmas Island are shown in Table 6 below:

Table 6 : Key Christmas Island Community Facilities

Key Christmas Island Community Facilities
<b>Recreation centre with a crèche, function room, gymnasium, sports hall and swimming pool</b>
<b>Public library (the George Fam Library)</b>
<b>Mosque in the Kampong</b>
<b>Christian Church</b>
<b>Cricket oval</b>
<b>Poon Saan Community Hall and storage facilities</b>

Key Christmas Island Community Facilities
Malay Association Hall
The George Fam Centre: training/conference room and small office: an
Cricket and sporting oval
Old Technical school facilities
Skate park
Golf course
Christmas Island National Park
Chinese Temples
Outdoor cinema
Foreshore recreational areas

### 3.6.1 Television (TV) and Radio

The Australian Government provides analogue television and radio services to the Christmas Island community. At present the television channels ABC1, GWN7, SBS One and WIN 9 are provided. Radio National, Triple J, Regional ABC and RED FM radio stations are broadcasted, and facilities are also provided for the broadcast of community radio.

The Indian Ocean Territories have been included in the national plans for the transition to digital TV. This will roll out via the Viewer Access Satellite Television (VAST) service, with a government subsidy scheme for individual households. The transition from analogue to digital TV across Australia is due for completion by the end of 2013. The subsidy will be available to Territories viewers in November 2012, at the same time as Western Australia. The IOT are scheduled to have full access to digital TV, utilising the satellite installation subsidy, between November 2012 and the end of 2013.

### 3.6.2 Community Needs

To identify community needs, a review of the Shire of Christmas Island plans was carried out to articulate focus areas of need that have been identified via community consultation. Community Perceptions of need have been drawn primarily from the report entitled "Our Future: Christmas Island 2018 Plan" (C Change, 2011) to allow for an insight into the community needs more broadly.

The current Shire of Christmas Island Strategic Plan provides insight into relevant issues perceived by the Shire, and potential changes in the region. The Plan identifies six primary themes to focus on. These were:

- 1) Land Use Planning – maintaining the size of the community such that the intimacy and understanding of people that exists today remains into the longer term;
- 2) Infrastructure Planning - Include upgrades/ attention to a range of infrastructure types, from roads and pathways to community infrastructure, such as improvements to parks and recreation areas, to the establishment of recycling, renewable energies and water harvesting measures;
- 3) Economic Diversification - Key industries that the community would embrace include tourism, horticulture, research and development, training and education and government activities, so long as their development occurs in such a way that adds value and depth to the existing community;
- 4) Protecting the Natural Environment;
- 5) Community Capacity, Health and Wellbeing – focuses on building community relations between DIAC and the broader Island community, how the community can become part of discussions regarding its' future direction, identifying gaps in recreation and health needs; and
- 6) Governance, Institutional Capacity – expanding the capacity of the island from a Governance and institutional perspective; having more say in the activities and actions that occur on the Island.

## 3.7 Non-IDC Related Community Issues

A review of existing data was conducted to provide a general overview of emerging public opinion in the community and to identify salient community issues. The Christmas Island community is currently facing a number of adversities that are unrelated to the IDC. These are discussed in the sections below.

### 3.7.1 Governance Arrangements

As outlined in section 3.1, Christmas Island is an external Territory of the Commonwealth of Australia. The Australian Government is responsible for the administration of the Island and the provision of State-type services to the Island. The Minister for Regional Australia, Local Government, Arts and Sport is responsible for the majority of Australian Territories. The Minister is represented on Christmas Island by the Administrator, who is appointed by the Governor-General.

The Department of Regional Australia has overall responsibility for Christmas Island, including the delivery of State-type services. State-type services are provided through:

- Service Delivery Arrangements (SDAs) between the Australian Government and Western Australian State Government agencies;
- direct administration by the Department; and
- contractual arrangements with other organisations.

The Department carries out its responsibilities on Christmas Island through four small teams that:

- deliver operational support on the Island;
- develop and monitor service delivery arrangements;
- manage infrastructure projects; and
- develop and implement policy and coordinate other projects and research.

Australian Government legislation and policies also require other federal agencies to operate on Christmas Island and these agencies manage their own responsibilities separate to the Department of Regional Australia, Local Government, Arts and Sport.

Christmas Island has an elected Shire council which has similar responsibilities to Western Australian local councils. The Shire provides standard local government type services as well as acts as agent for the Department in the provision of some services (such as motor vehicle registration). Residents of Christmas Island are represented federally by Northern Territory Senators and the Northern Territory seat of Lingiari.

### 3.7.2 Economic Future

The future of Christmas Island's only long term industry and main economic driver, phosphate mining, is uncertain. Christmas Island Phosphates' application for new mining leases to continue its operations beyond 2018 were rejected by the Commonwealth government in 2010. Without new mining leases, CIP will cease operation in another two to seven years.

### 3.7.3 Food Prices

An independent study conducted by SGS to examine the feasibility of horticulture in the IOTs suggests that the high food prices on Christmas Island are due to the unusually high level of food importation (SGS 2010). More than 95% of fruit and vegetables supplied to both private consumers and institutions on Christmas Island come from imports. In 2010, locals could expect to pay \$12/kg for lettuce (SGS 2010). At the time of this assessment in 2011, lettuce prices ranged between \$9 and \$18 per lettuce, compared with \$2.50 per lettuce on the mainland.<sup>8</sup>

SGS has also warned that Christmas Island's dependency on food imports has created a food security risk, potential health risks and low disposable income (SGS 2010). Christmas Island relies primarily on food being freighted by ship. In the wet season, Christmas Island is often subject to extended periods of poor sea state and freight is sometimes unable to be off-loaded for periods of up to six weeks. Local people interviewed cited a number of examples of fresh food supplies running out. Similarly, poor weather can also hamper flight schedules and temporarily close the airport. With an increased population, the risk of short-term food shortages on Christmas Island has increased. The overwhelming perception amongst participants in this study was that the

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<sup>8</sup> Prices recorded at two main supermarkets on Christmas Island and two major supermarket outlets in Perth, Western Australia.

presence of the IDC had contributed to significant food price rises. Participants believed that these prices were unsustainable and are causing hardship to residents that are not employed by Serco or DIAC.

#### **3.7.4 Cost of Living**

As noted above, anecdotally the costs of fruit and vegetables, rents and freight are higher than the mainland. This current study has not compared the cost of living on Christmas Island with other small, remote communities elsewhere in Australia to determine if the prices are significantly higher, or on a par.

A number of initiatives have been put in place over the years to help mitigate some of the extra cost. The Territories' exemption from the GST was given in recognition of the high cost of living.

The Australian Government subsidises port costs to help defray freight expenses so IOT ports operate below the cost of mainland equivalents. Investment in port infrastructure over time has also assisted in lowering costs for importers.

Current projects which may assist in addressing cost of living issues include: increasing the stock of housing on Christmas Island to ease housing pressures, more frequent freight flights to the islands, and examining the potential for more local food production.

#### **3.7.5 Internet Service Standards**

The CIIA is a private company that provides internet services to Christmas Island. The speed of the internet connection available to Christmas Islanders during the current assessment was reported by the community to be insufficient for their needs, with frequent latency due to reliance on satellite communications technology. Recommendations to improve the service were made by the Joint Standing Committee on the National Capital and External Territories (JSCNCET) in its Inquiry into the economy of Christmas Island (JSCNCET, 2010). According to the Urbis study conducted during 2008, only 54.8% of households on Christmas Island were connected to the internet (Urbis 2008).

The Australian Government has committed to providing the NBN to all Australians. The Department has been advised by the Department of Broadband, Communications and the Digital economy (DBCDE) that the Territories will access the NBN by satellite. NBN is expected to be delivered to the Indian Ocean Territories by the end of 2015.

Speeds of 12 megabits download and one megabit upload will allow the communities to access services such as e-health and video-conferencing; this speed is reported to be faster than many mainland ADSL services. The Department continues to liaise with the Department of Broadband, Communications and the Digital Economy (Broadband) to follow the progress of the NBN roll-out and will also continue to keep the community informed.

## 4.0 IDC Profile

### 4.1 History

In 2001, the Commonwealth Government of Australia took measures to address an increase in asylum seekers in Australia (JCPAA 2010). These measures included the excision of Christmas Island from the Australian migration zone and plans for the reception and accommodation of asylum seekers and the processing of their claims for protection at various offshore locations. These measures were followed in 2002 by the Commonwealth decision to construct the IDC at North West Point.

By June 2002, contracts were signed with an architectural company and construction company to build the IDC. These contracts were terminated in May 2003 following “delays in project timelines and increases in construction costs” (JCPAA, 2010).

A new contract was signed with a construction company in January 2005; practical completion of the IDC occurred in October 2007 and additional works were carried out before the IDC was handed over to the Department of Immigration and Citizenship (DIAC) in April 2008.<sup>9</sup>

During the construction period, the building contractor housed 350 temporary workers at Construction Camp on Phosphate Hill (Baulderstone, 2011).

AECOM acknowledges that there were community concerns raised during the IDC construction period. Some local residents attempted to halt construction by blocking ships from unloading building materials. Local residents also expressed a view that when the IDC first opened, asylum seekers had greater integration with the local community. Initially, asylum seekers were able to move more freely around the community and undertake volunteer work.

Local residents interviewed during this study, commented that no formal community engagement had been conducted prior to, during or since the construction of the IDC.

This report was commissioned as a social and economic impact assessment of the effects of the IDC on the local community. AECOM reiterates that this report does not comment on the broader debate around immigration policy and the detention of asylum seekers on Christmas Island. However, the Christmas Island community participants have welcomed this current opportunity of a study focussed on the needs of their community and were very interested in the feedback process.

### 4.2 Site and Facilities

The IDC forms one of three immigration detention facilities on Christmas Island (DIAC 2011a; see Figure 3). The IDC is located at North West Point, about 17 kilometres from the local township. The IDC is suitable for detaining male adults in immigration detention and also has facilities for managing clients who are considered to be high risk.

The IDC has permanent, purpose built facilities including accommodation compounds, medical centre and first-aid rooms, commercial kitchen, laundry, educational and recreational facilities and a range of sporting facilities. The IDC relies on local volunteer Fire and Emergency Service and St John Ambulance to respond to more serious emergency situations. Criminal offences that are alleged to have been committed by asylum seekers within the IDC are dealt with by the local AFP.

The IDC has a regular use capacity of 400 male adults with a contingency capacity of 716 male adults.

Phosphate Hill and Construction Camp are both located at Phosphate Hill, adjacent to the Christmas Island Recreation Centre and the Christmas Island Cricket and Sports Club. Together, Phosphate Hill and Construction Camp provide alternative temporary detention for women, children, unaccompanied minors and low risk men.

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<sup>9</sup> 2008 is referred to as the date of IDC completion throughout this report.

### 4.3 Operation and Maintenance

The IDC and associated detention facilities are managed and maintained under a contractual arrangement between DIAC and Serco Australia Pty Ltd (Serco). During the time of this assessment, Serco employed the following staff at the IDC:

Table 7 : Serco Workforce, May 2011<sup>10</sup>

Employee type	Number
Serco Officers	160
Sub-contractors	136
TOTAL	296

(1) Local staff level was estimated at approximately 60

DIAC employs FIFO administrative workers at the IDC on contracts that last a maximum of 12 months. Serco staff also work on contracts that last a maximum of 12 months. Serco recognised that their FIFO, short-term workforce was having significant impacts on the local community. At the time of this assessment, Serco was implementing a major employment campaign to attract workers for 24 month contracts.

On 6 May 2011 there was a total of 1,645 asylum seekers distributed through the three centres. The IDC contained 1,127 men. Phosphate Hill and Construction Camp combined contained 262 men, 60 women and 196 children (DIAC 2011d).

### 4.4 Public Profile

The IDC has been a topic of much public debate and scrutiny since its opening in 2008. Scans of online media conducted during this assessment revealed an overwhelming tendency within this media to provide coverage of Christmas Island that predominantly relates to the IDC. No studies have been carried out to determine the effects of this constricted media coverage on the economy of Christmas Island.

Human rights organisations have produced negative reports on the IDC. The Australian Human Rights Commission (AHRC) released two reports on the IDC (AHRC 2009, 2010). In both reports, the AHRC recommends that people should not be held in immigration detention on Christmas Island. In 2009, the United Nations Human Rights Committee (UNHRC) recommended that the Commonwealth Government of Australia consider closing the IDC (UNHRC 2009).

During the time of this assessment, the Commonwealth Ombudsman conducted an investigation into the actions of the Australian Federal Police and detention centre operator SERCO during the March 2011 outbreak. As part of this investigation, the Ombudsman also investigated the Department of Immigration and Citizenship's management of the centre and the standards of public administration and accountability being applied. During their visit to the Island, the Commonwealth Ombudsman attended a presentation given by the AECOM team on the impacts of the IDC on the local community, to the Shire of Christmas Island Council. We suggest that any relevant findings in the Ombudsman's report should be reviewed in conjunction with the findings of this assessment.

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<sup>10</sup> These were the figures given at June 2012. Staff numbers varied according to perceived need and does not include Resolve FM employees.

## 5.0 Information Sources

During the background research and consultation process a number of information/data gaps were identified and/or raised by the community with regards to data on the community and environment of Christmas Island. These gaps relate to EIA/EIS procedures for the IDC, media coverage impacts and the historical context of the IDC, and are discussed further in other sections of the report. The economic data figures are discussed below.

### 5.1 Economic Data

Economic data for this assessment was obtained from various locations including Commonwealth government records and ABS Census statistics. The following table provides a list of various data sources used for the economic modelling:

Data Source:	Date:	Use:
<b>Phosphate Resources Report</b>	March 2009	ACIL Tasman created the original IO tables for this report that were used to estimate the economic impacts for the IDC.
<b>The Economic Environment of the IOT</b>	2011 interview notes from meeting with the EDG	Provides background and references the ACIL Tasman report for the Phosphate Mine.
<b>Christmas Island Economic Portrait</b>	2006 Shire of Christmas Island	General Demographic Report from the Attorney General's Department compiled by Public Practice Pty Ltd that summarises ABS 2006 Census Data.
<b>Report on IOT</b>	2007	General Information.
<b>Input Output Tables</b>		ACIL Tasman IO tables for Christmas Island and their Multipliers. The IO Tables formed the basis of around impact analysis.
<b>DIAC Budget</b>	2011	DIAC Budget information as of 30 June 2011 and supplementary financial information for period March-May 2011 provided by DIAC.
<b>DIAC Local Expenditures</b>	2011	DIAC payments to specific CI businesses.
<b>DRA budget</b>	2008 / 2011	Expenditures Specifically related to the IDC.
<b>DRA budget</b>	2008 / 2011	Information on Expenditures Specifically related to the IDC.
<b>DRA budget</b>		Expenditures not related to the IDC (baseline).
<b>Serco budget</b>	2010 / 2011	Serco Budget for the Ops of the IDC on Christmas Island, direct expenditures, not necessarily on the island though.
<b>Government sources</b>	2011	Reported figures from various government sources. (Confidential)
<b>Model and Multipliers</b>		Recalculated multipliers from the ACIL IO Tables, allocations of expenditures locally, and the specific inputs used.

The Department of Regional Australia has ongoing Budget funding to cover the expenses associated with running State-type services in the Indian Ocean Territories. The funding changes slightly year to year, usually ranging around \$82 million - \$90 million, and covers both Christmas Island and the Cocos (Keeling) Islands. This funding includes the costs of service delivery agreements, the IOT Health Service and operation of power stations among others. In addition to this, the Department also provides one-off funding for the provision of infrastructure projects and support services. For example, for Christmas Island in 2011-12 funding has been provided for upgrading sewerage infrastructure, increasing the existing housing stock, extensions to the hospital, a wharf extension and increasing fuel storage capacity.

## 6.0 Social Impact Assessment

This section summarises the issues and perceived impacts identified from the perspectives of local residents and service providers, from incidents reported during interviews and from data provided to AECOM during its fieldwork process. As discussed earlier, effective impact assessment needs to take into account people's perceptions of impacts as genuine human impacts that have real outcomes for affected populations (Slootweg, Vanday and van Schooten, 2003).

As previously highlighted, participants were identified through a community networking approach, to ensure a representation of stakeholder views associated with the project. The participants involved are summarised in the following table and in Appendix A and consultation methods are outlined below.

**Table 8 : Numbers of people who participated in consultations to date**

	Number of people consulted
Individual CI residents	16
Malay workshop	50
General workshop	6
Daycare Centre Parent's Group	7
Christmas Island Women's Association	12
Malay women	8
Chinese women	3
Young people (15-20 age group)	15
<b>TOTAL CONSULTED</b>	<b>117</b>

Table 8 records the number of local people interviewed for the SIA. In some circumstances, a 'local resident' could also be classified as a 'service provider'. AECOM acknowledges differentiating between the two is problematic in a small community such as Christmas Island. Residents find themselves operating in numerous and sometimes simultaneous roles. In the course of a single day, a Christmas Islander may work at the Shire Council or for the Government, as a volunteer emergency services member and then help out at the airport in peak periods.

For the purposes of the SIA, if an individual was resident on the island, they were recorded as a local resident. A resident was defined as someone living full-time on the island and who was not a short term contractor or a fly in/fly out worker. Using this definition, AECOM held the view that each individual resident on Christmas Island was a statistically legitimate candidate for interview and not outside the SIA process.

Although it is statistically valid to record participants as a separate data point each time they participated in the survey, for the purposes of clarity, AECOM did not record participants in this way. For example, there were instances where an individual attended the Malay workshop and the general workshop or the Malay workshop and the Malay women's meeting. The figure of 117 people consulted in Table 8 accurately represents 117 individuals interviewed.

Formal meetings with service providers and other agencies were recorded as service provider meetings in instances where the Christmas Island resident held a recognised position within the institution. There were ten service providers, three local government groups and three government agencies interviewed (Appendix A).

### Individual Christmas Island Residents

These individuals were people who were often long-term residents and derived their incomes independently from the IDC and associated detention facilities. Their term of residency ranged from two up to 25 years. There was an even mix of males and females interviewed. The age class varied but were predominantly >30 years of age.

### Malay Workshop

The Malay community attended as a diverse group of age classes with 28 men, 12 women and 10 children of varying ages. The youngest participants were teenagers and the oldest were in their 60's and 70's. Both men

and women participated equally in the discussion and debate during the workshop. The majority of participants were from families that had been present on the island for between two and four generations. All the senior leaders in the community attended including the Imam.

### **General Workshop**

There was a small attendance at the general workshop. The age ranged from 20 to early 60's. There was an even mix of males and females. The majority of Christmas Islanders interviewed were exhausted and had expressed a sentiment of being 'over consulted.' Consequently, there was no surprise that attendance was small. However, as the general workshop was held near the end of the SIA survey period there was also a view expressed by attendees that AECOM had 'already spoken to everyone.'

### **The Daycare Centre Parent's Group**

This group consisted of six females and a male. The age ranged between 30-40 years. Six of those families present derived their income independently of the IDC. Their residence on the island ranged from relatively new (less than 12 months) through to more than six years.

### **Christmas Island Women's Association**

A total of 12 women attended this group interview. The age ranged between 30 -70+ years. There was a mixed ethnicity in attendance including Chinese, Malay and European Australian. The majority of the women present were long term residents ranging from five years to an entire lifetime.

### **Malay Women**

The Malay women's meeting was a break out group that occurred a few days after the main Malay workshop. There were eight women present. The women were an informal mother's group consisting of young mothers (20-30 years old) and grandmothers (40-60 years old). All of the women were members of families that had been on the island for between two and four generations.

### **Chinese Women**

These women were mothers with young children and all part of long-term resident families who had been on the island for two- three generations. They were between 30-40 years old and derived their incomes independent of the IDC.

### **Young People**

An afternoon BBQ was organised by members of the Malay community for young people at Flying Fish Cove. There was a representative ethnicity present of Malay, Chinese and European Australians ranging from 15-20 years of age. Some were unemployed (school age), some were employed at the IDC and some were employed at Christmas Island Phosphates (CIP).

### **Appreciative Enquiry**

AECOM used an appreciative enquiry method when conducting interviews. This ensured a balanced, unbiased and inclusive approach to interviews. The AECOM team were experienced interviewers and used a range of techniques such as open questions, paraphrasing and summarising to ensure the interviewee was not being led during the questioning and took responsibility for their answers. Interviews were conducted in a variety of informal settings and/or at venues where the resident felt most comfortable. Interviews were conducted at convenient times for residents ranging from early morning to late evening.

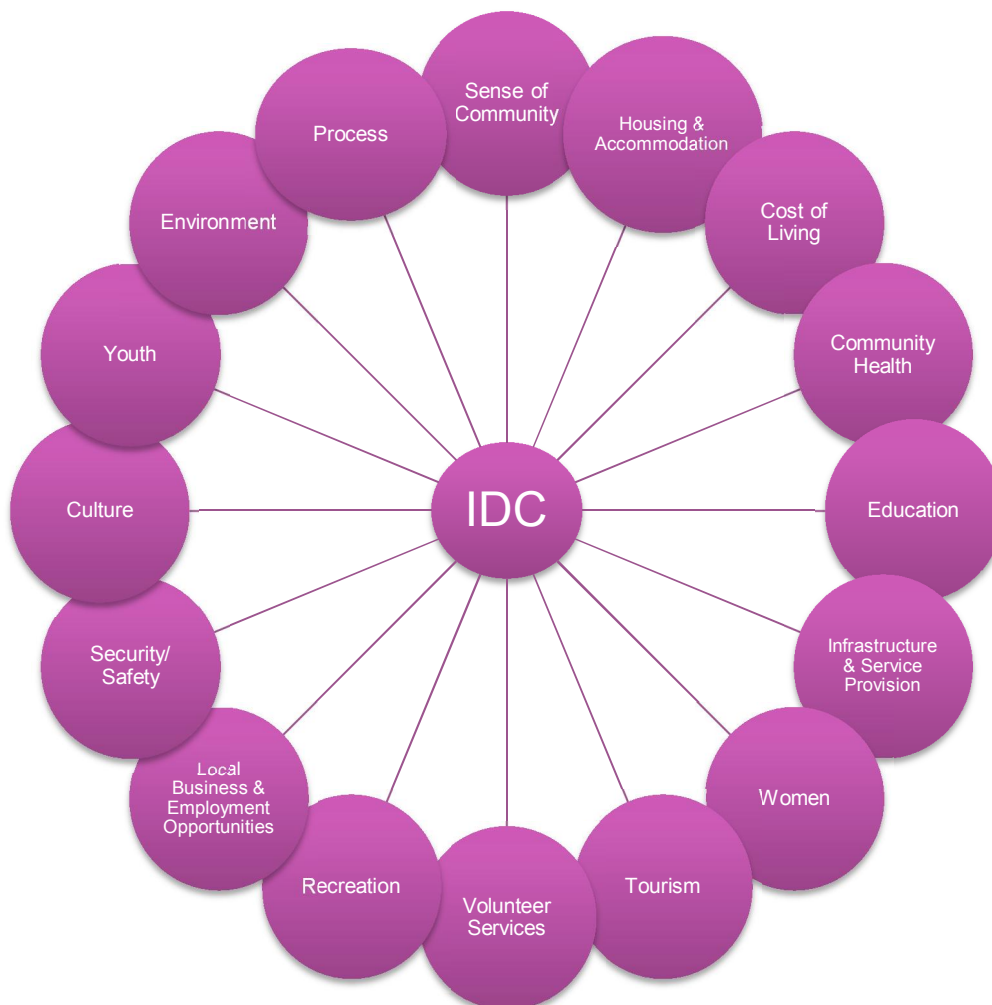
AECOM conducted both formal and semi-formal interviews while on the island. Semi-formal interviews were those that occurred when a resident approached the AECOM team of their own volition, were met spontaneously or were referred through another party. During a semi-formal interview the AECOM team would request an appointment for a formal interview. In most cases this was granted and often the individual would request to bring others to the interview. Each interview began with an introduction from the AECOM team and a background to the SIA. Questions were framed around their personal history on the island, their employment and the views and perceptions of the IDC. The AECOM team ensured they maintained a level of visibility and were always approachable by wearing identifiable AECOM uniforms.

Issues emerging from these consultations are outlined in more detail below.

## 6.1 Community Perspectives

This section outlines the emerging issues / perceived impacts identified by a range of local residents. Figure 8 below illustrates the key issues arising from the consultation process. It should be noted that many of these perceived impacts and their effects are interrelated and cannot be isolated into one impact theme.

Figure 8 : Issue Theme Assessment - Community Issues Identified Through Consultation



### 6.1.1 Sense of Community

In general, Christmas Island residents have characterised the island as an almost idyllic and relaxed community in which to live and raise a family in a unique and diverse culture that is a blend of backgrounds and history. Indeed it was commented:

*"We love it here, why would we leave?"*

It was mentioned that asylum seekers mix with the local community by attending the local school, church services, weekly excursions into the local community (run by directed persons from the community), a women's group for asylum seekers and in the past they have participated in local sporting events. One youth member mentioned that they used to play soccer with asylum seekers on a Sunday.



Figure 9 : Two Local Residents

The presence of the IDC was seen to have a two-fold impact on altering the sense of community and decreasing social capital. There was a perception among some participants that the nature of the community was changing and becoming more fragmented; and that whilst people were still actively contributing to volunteer services such as FESA and St John Ambulance; there was a general reduction in interaction levels between the IDC and the broader community.

*"Our lifestyle has changed".*

This was seen in some cases to be exacerbated by the existence of FIFO workers and also due to the differing views of community members in relation to asylum seekers.

*"We used to get out and enjoy the island, now there are some real schisms showing through, Racism and prejudice are becoming more prevalent. Some nasty comments were made to me for standing up and saying refugees are human."*

Length of shift and hours of work were also seen to be affecting this lack of interaction, along with differing political views.

*"DIAC employees do get out and enjoy the island and they spread the word back home about what a wonderful place it is. The workers are encouraged to mix with locals, but it is difficult given the hours they work. More recently, given the recent events of the breakout many staff feel uncomfortable socialising with locals because locals are unhappy with DIAC and they do not hesitate to let DIAC workers know their feelings."*

Since the consultation for this study was carried out, DIAC have advised that whilst actual numbers are unknown, some DIAC, Serco and subcontractor staff participate in volunteer activities and that some asylum seekers also perform community volunteer work on Christmas Island.

Christmas Island has a unique history of boom-bust cycles that have raised similar issues of social impact. AECOM's research indicates that no dedicated studies have been carried out to understand and contextualise the history of the IDC such as its construction, operation and operation changes, and how it is framed within the broader development history of Christmas Island. A community-based historical study of development of Christmas Island would be helpful in assisting the local community to understand the broader context of major developments and attendant social impacts on their small community.

### 6.1.2 Process Issues

Issues relating to process are two-fold. Whilst participants welcomed the opportunity to be involved in this study some also expressed a feeling of being over-consulted with no real outcomes. One participant commented *“they come to the island for a good time, that’s all”,* and *“we are over consulted”*. It was felt that the findings of these reports were not acted upon.

On the other hand, these process issues have also been expressed as a lack of trust in the government due to the perceived absence of consultation regarding the construction and operation of the IDC, this is exacerbated by the changing numbers of asylum seekers and by the recent events. Furthermore some participants felt as though the IDC was “foisted” on them because the information regarding the IDC was contradictory and unclear. The overlapping of governance arrangements and the perception of receiving contrary and at times contradictory information has also manifested itself as frustration with the process. Some participants were requesting clarification around the length of time the centre might be operational to allow them to plan for their futures, but have found the lack of information difficult.

Other participants have expressed frustration and dismay with the lack of an EIS/EIA for the centre and feel that some of the adverse impacts on the local environment may have been avoided if the Commonwealth Government had conducted an EIA prior to commencing construction of the IDC.

One person’s comments sums up the frustration in saying,

*“There is no acknowledgement of our concerns by the Commonwealth Government.”*

### 6.1.3 Local Business and Employment Opportunities

For many participants the IDC is inextricably linked with the potential for increased local business and employment opportunities with the IDC having a positive impact on some businesses that have gained contracts providing maintenance services to the IDC. For some groups, primarily women and Malay youth, in particular, the ability to be able to access some of these opportunities has proved to be invaluable.

*“The centre has brought full employment to the island and has helped to develop a strong work ethic.”*

It was also noted by one participant that in some instances the injection of money into the local community had saved businesses from liquidation as the owner of one business was able to leverage off the economic upturn to renovate which meant that they were able to continue to supply accommodation services. Section 7.2.1 of the economic modelling undertaken for this study shows that the total value of all goods and services as a result of the IDC is \$114.1 million, however, as seen in section 7.2.2 much of the spending flows out of the local economy.

At the same time this has affected some local businesses ability to attract and retain staff as businesses have been forced to increase their wages or face losing staff to the better paying jobs at the IDC. This has resulted in a sense that employment by the IDC also resulted in wage inequities within the community (those employed by the IDC and those not employed by the IDC). Section 7.2.1 of the economic modelling that was undertaken for this study shows that the total employment impact is 700 jobs.

It was noted, however, that some businesses were having difficulties in planning for future growth as there is some uncertainty surrounding the length of time that not only the IDC, but also Phosphate Resources will be operational. One participant commented:

*“There is no indication about how long the asylum seekers will be brought here, how long the IDC will be open. We can’t plan our futures or our families’ futures. We want to build a future here.”*

Since the consultation for this study was carried out, DIAC has advised the Poon Saan Accommodation facility has been refurbished and that they provide ongoing maintenance /cleaning for the Poon Saan Accommodation facility and the Christmas Island resort whilst employees occupy it, which provides local employment opportunities through Resolve FM.

Since the consultation for this study was carried out, the DRA has indicated that immigration activity has lead to a sustained schedule of passenger flights by *Virgin Australia*, (i.e. regular passengers numbers = regular flights) which in turn has potential benefits for the Christmas Island economy in terms of employment at the airport – longer opening hours for the kiosk and shop. DIAC also has regular charter flights which would contribute to employment in this regard.

#### 6.1.4 Social Equality

One of the most significant findings of this assessment was the feeling of social inequality expressed by participants with regards to not only DIAC/Serco workers, but also with regards to asylum seekers. Many of the participants commented:

*"We feel like second class citizens."*

There is also the perception that preferential shipping and freight is provided to the IDC with one person commenting:

*"There was a food shortage on the island and the government flew in a charter to provide food to the IDC but not to the local community."*

This feeling was reiterated for a number of reasons. Many participants reported that they felt they were experiencing longer waiting times for appointments with IOTHS, which they believe is caused by the usage of local health services by FIFO workers from the IDC.

Many Islanders can no longer afford to dine out at local restaurants due to the increasing price of meals. At the same time, they have observed FIFO workers dining out regularly, which they perceive as social disparity with a number of people noting that IDC workers *"earn big salaries"*.

Many local parents also reported that their children felt disparity between themselves and asylum seekers' children who regularly came to school with new, expensive clothing and technology (i.e. iPods). This in turn was placing pressure on local parents to provide their children with the same goods.

#### 6.1.5 Infrastructure and Service Provision

Infrastructure and service provision was identified as an issue by participants and related largely to wear and tear on roads, delays in access to contractors to fix houses and delays and pressures placed on some existing services such as medical, freight and bus services. (Since the consultation for this study was carried out, DIAC has advised that Serco have contributed (on behalf of DIAC) to the costs of running the public bus service during this period of time<sup>11</sup>.)

Participants in this assessment reported that wear and tear on Murray Road has increased above what was remembered as pre-IDC levels. During the engagement process it was commented that there has been an increase in the number of scooter accidents on roads. The Shire of Christmas Island has requested extra funding from the Commonwealth Government to upgrade or improve the road however none has been received to date.

Service provision was also discussed in relation to the provision of contractor services e.g. electricians. It was expressed that it is extremely difficult to access contractors. It is not unusual for local residents to experience ongoing delays in the provision of maintenance to local housing. The delays range from weeks to two months to fix an air conditioner. According to many participants in this assessment, these delays did not occur prior to the opening of the IDC and are caused by the IDC's labour drain and the resultant lack of maintenance staff on the island.

The IDC is also seen to be placing strain on the local school bus service. Local residents believed buses have been transferred from school service to IDC service, leaving local school children without adequate transport. One parent commented:

*"There used to be five school buses, now there are only two. The other three have gone to the IDC. Kids are going to school early - 7am - and waiting around unsupervised until 8am when the teachers arrive. It is stressful."*

Shipping and freight issues were also raised by a number of participants, who suggested that shipping rates from Fremantle to Christmas Island had increased since the opening of the IDC, which was partly responsible for the increase in food prices on the island. Some participants also reported delays in shipping and some suggested that DIAC and Serco containers received priority over local shipping and containers.

Interviews conducted with Zentner Shipping indicate that shipping rates from Fremantle to Christmas Island have remained the same for the past 24 months. In addition, shipping rates have remained relatively consistent over the long term. The cost of shipping a dry container at the time of this study was \$6,670.00. The cost of shipping the same container in 1995 was \$5,585.00. This is an increase of 19% over 16 years, which is low compared with

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<sup>11</sup> Actual costs are not available.

the average increase in the cost of fuel, for instance, which has increased 157% from 72 cents per litre in 1999 to \$1.85 per litre in 2011.

According to Zentner Shipping, no priority is given to DIAC or Serco freight. One possible reason for delays in local shipping experienced by local residents may be that freight bound for local residents has arrived at Zentner Shipping after the close-off date of 10 days prior to shipment to Christmas Island.

Many local residents also reported baggage delays on flights from Perth to Christmas Island. AECOM witnessed baggage delays during each of its three flights to Christmas Island. Conversations held with Virgin Australia reveal that it is under instruction from DRA to place a limit below capacity on the number of seats and amount of baggage for each flight to Christmas Island to ensure room remains for freight to the island.

Freight Shop is contracted to coordinate air freight on flights to Christmas Island and discussions for this study have highlighted that Freight Shop is under instruction from DRA to prioritise certain goods such as food and medical supplies on each freight consignment to Christmas Island. Freight Shop, however, is not under instruction to prioritise, and does not carry out prioritisation, of freight belonging to Serco or DIAC or, any particular organisation or individual.

#### **6.1.6 Residential Housing and Accommodation**

Residential accommodation and housing issues were identified as being of importance to the community. Many participants in this assessment reported ongoing rental rate increases from \$250 per week before the opening of the IDC to \$600 at the time this assessment was conducted. The same participants also reported experiencing difficulty affording the increased rental rates.

There are a number of stressors that may be indirectly contributing to increasing rent rates on Christmas Island. FIFO DIAC staff, Serco staff and maintenance workers from the IDC are renting local houses and accommodation, which is placing a burden on the local housing and accommodation supply. The increased rental demand may be contributing to increased rental rates.

The general lack of housing and accommodation on the island was also perceived as attributable to the lack of residential and business development. During this assessment, DRA reported that there is not a shortage of land available for residential development on Christmas Island. The sole local real estate developer on Christmas Island reports that the private owners of land on Christmas Island are reluctant to develop at this point in time, again, due to the uncertain future of the local economy and the perceived bureaucratic 'red-tape' involved in undertaking any form of infrastructure development. One participant commented:

*"Our kids who go to school in Perth want to return to live on the Island, start a family and get a job, but there is no housing."*

The lack of housing and accommodation on Christmas Island is making it difficult for service providers and businesses to source suitable accommodation for staff and visiting specialists.

#### **6.1.7 Cost of Living**

The general increase in the cost of living on Christmas Island was also raised by some of the participants in this assessment, who feel that the increase in food prices has occurred since the opening of the IDC. For some participants, high food prices is a fact of life on Christmas Island, but for many it is an extra financial burden on a lifestyle that is already very expensive. In this respect, one participant commented:

*"An average plastic bag of food from the supermarket will cost around \$130."*

At the time of this assessment Gaze Road Supermarket reported that their profit margins were fixed. The only time that their profit margin changed was in 2010 when they incurred an increase of 27% for shipping costs. According to Zentner Shipping, any increases incurred during this period were a result of decreased quantities of individual shipping orders; customers receive discounts depending on the quantity of shipping containers ordered. Another participant commented:

*"The supermarket has never been so well stocked, prior to the IDC people had to make do."*

Many long-term residents interviewed, who were not employed by either the Commonwealth Government or Serco, described the increasing stress placed on their families of managing the high cost of food. There was a strong and consistent view amongst respondents that the price of food continued to fluctuate on an almost daily

basis but continued an upward trajectory<sup>12</sup>. Historically food costs have always been high on Christmas Island. However, the majority of local people interviewed, maintained that current high food costs were a direct result of the presence of the IDC. Pensioners in particular, were struggling to meet their basic needs and this emerged as an issue of considerable urgency.

#### 6.1.8 Community Health

Community health issues were raised not only in terms of physical health, but in terms of social and psychological health.

The Indian Ocean Territories Health Service (IOTHS) perceives a change in mental health problems as part of community health as being attributable to the operation of the IDC. There has been an increase in mental health problems on Christmas Island since the opening of the IDC including stress, depression and anxiety. The increase can be attributed to increased strain that the IDC places on local volunteer services, traumatic events such as the boat disaster of 15 December 2010 and security concerns during the breakout of March 2011 (pers comm., IOTHS 2011).

According to Parks Australia, while toxoplasmosis<sup>13</sup> existed on Christmas Island before the IDC was constructed, the addition of 4000 tonnes of waste to the landfill facility on the island every year has caused an increase in the size of the feral cat population. The increase in the feral cat population has increased the risk of transmission of toxoplasmosis to the local human population.

Discussions held with the Senior Occupational Health and Safety Advisor at CIP revealed that locals and FIFO workers alike are exposed to risk when travelling on the road to the IDC due to increased traffic and road degradation also caused by the increased traffic.

There had also been a rise in scooter accidents noted, with road conditions being discussed earlier.

#### 6.1.9 Security/Safety

Most participants in this assessment reported an altered sense of security and safety for themselves and their families since the opening of the IDC, with one participant noting that *"The community doesn't feel safe"*.

Many long-term residents framed their security concerns as a sense of loss of trust and openness that they believed existed prior to the construction and operation of the IDC.

*[Following the March 2011 outbreak] "We have gone from a relaxed island community to a fearful place."*

For some, their sense of security was particularly challenged during and since the IDC breakout in March 2011<sup>14</sup>, especially for those with children. One respondent commented *"There are 2,000 people here, what if they escaped?"*. In contrast, some residents interviewed believed there was a level of overreaction amongst the local community and that asylum seekers did not present any threat. It was recognised that when the IDC had first opened there was a greater integration of asylum seekers and a perceived higher level of trust. Residents

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<sup>12</sup> Since the consultation for this study was carried out, a supermarket owner is now offering seniors a 5% discount on all groceries (except alcohol and tobacco) after discussions with the Administrator (November 2011).

<sup>13</sup> Toxoplasmosis refers to infections with the parasite *Toxoplasma gondii*. *Toxoplasmosis* usually poses no threat to humans with healthy immune systems. However, those with a weakened immune system who develop toxoplasmosis can experience fever and swollen glands. More importantly, toxoplasmosis can be transmitted from pregnant mothers to their babies causing congenital toxoplasmosis, which can lead to birth defects (SA Health 2009).

<sup>14</sup> Two breakouts occurred at the IDC during this assessment: one in March and one in May, 2011. The AFP provides community policing services to Christmas Island, the delivery of these services is tailored to both the local environment and the cultural sensitivities and religious diversity of the territory. In addition to community policing requirements, the AFP delivered resources to Christmas Island in response to security and investigation demands such as the sinking of SIEV 221 and the response to rioting at North West Point immigration detention centre in March 2011.

On Friday 11 March 2010 an incident occurred in which a large number of clients escaped from the immigration detention centre at North West Point, Christmas Island. Following this incident, ongoing disturbances resulted in the AFP assuming control of the immigration detention centre in order to restore order and security to the facility. The AFP deployed over 200 people in support of this operation and also provided forensic support during the investigation of fire-damaged crime scenes following the disturbances. (AFP Annual Report 2010-11).

believed the high numbers of asylum seekers being held in detention (during the assessment) had greatly increased the levels of unease.

The presence of AFP riot police on Christmas Island was reassuring for some local residents. For others, their presence added to their heightened security concerns. For others, the presence of FIFO workers on the island who lacked integration with the local community was another factor that contributed to their sense of reduced security.

#### **6.1.10 Education**

Impacts to education such as an overall increase in student numbers, ethnic tensions, levels of care and curriculum issues were raised by participants in relation to both the school as a service provider (see outlined in Section 3.6 for further detail) and also in relation to the experiences of children whilst attending school. These perceived impacts are both direct and indirect and affect both school children and their parents.

The indirect impacts include exposure of children to complex political debates both at home and at school. The direct impacts include disruptions to learning caused by the random arrival of asylum seeker children to the school throughout the year and perceived social inequality between school children and asylum seekers as discussed earlier. In recent years, approximately 40 adult male asylum seekers between the age of 25 and 30 were enrolled and attended classes at CIDHS with normal school age children from the local community<sup>15</sup>.

It was not articulated as to whether this education process took place in the same classroom as the school-aged residential students, however, according to local children and many local parents; this made some school children uncomfortable in class and the playground. Many local parents were concerned for the safety of their children during this period. Some participants felt that some of the adult asylum seekers were attending the local school under false pretences.

This issue had arisen because many asylum seekers had disposed of their passports and papers before arriving at Christmas Island. Consequently there had been some difficulties in determining the exact age of some asylum seekers. A process exists whereby asylum seekers are able to participate in the education system.

These issues had been largely resolved by the completion of this assessment. Older asylum seeker students had been relocated to classrooms at Construction Camp and were no longer attending the local school. The school had also commenced a comprehensive program of engaging school students in constructive dialogue around the broader asylum seeker debate.

#### **6.1.11 Factors Affecting Local Women**

Many female participants in this assessment reported feeling a sense of worth since gaining employment at the IDC. There are women from all age groups including elderly women working at the IDC. Conversely, the increase in employment in the older age groups reduces the capacity for childcare as these elderly women have less time to spend taking care of their grandchildren. As a result, there may be a higher reliance on formal childcare and as the extended family support network has altered the ability to utilise the family network to look after children on either a regular or ad-hoc basis.

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<sup>15</sup> Principal- Christmas Island School



Figure 10 : The Christmas Island Women's Association

#### 6.1.12 Culture

Many of the Malay participants in this assessment raised concerns about the lack of cultural sensitivity of FIFO workers using Flying Fish Cove for recreation. Predominantly Muslim, the Malay community has been displaced by FIFO workers who spend leisure time at the cove consuming alcohol and wearing culturally inappropriate clothing such as bikinis and board shorts (without covering the upper half of their bodies). The Malay women and youth in particular feel uncomfortable spending time at the cove when FIFO workers are there.

#### 6.1.13 Youth

The IDC has presented many employment opportunities for the youth of Christmas Island. Many Malay youths now work for Resolve FM providing maintenance for the IDC. For these youth, the IDC is a positive addition to the island. Some youth participants in this assessment commented that they and many of their friends would not stay on the island if the IDC closed.

Flying Fish Cove is an important informal social gathering place for local youth on Christmas Island. Malay youth in particular have used the cove as a regular meeting place. However, the presence of FIFO workers at the cove, especially on weekends and evenings, has caused displacement of local youth. Malay youth in particular have expressed resentment for the anti-social behaviour of some FIFO workers at the cove.

#### 6.1.14 Recreation

Many participants in this assessment revealed their reluctance to use the recreation centre for exercise and swimming activities since asylum seekers began using it. Many participants in this assessment reported that they no longer felt comfortable spending leisure time at Flying Fish Cove when FIFO workers were present or asylum seekers were present for recreation trips. This was partially attributed to a lack of respect for Muslim customs, with workers consuming alcohol and wearing clothing that is inappropriate for the Muslim community. They have also noted the increased amount of litter in the area following visits by these groups.

#### 6.1.15 Volunteer Services

The philanthropic capacity of Christmas Islanders was noted during the course of this assessment. When islanders are not busy working their normal jobs, they are volunteering for St. John Ambulance, Volunteer Marine Rescue, FESA and their local community radio station, to name a few<sup>16</sup>. Participants noted that these volunteer based services and the people who run them, are currently at breaking point due to the extra burden of the IDC.

*“Long term contracts for IDC workers would be good for the local community. It would allow workers to insert themselves into the community and become volunteers.”*

One volunteer service worker reported during this assessment that there was no clear policy for prioritising emergency services on Christmas Island. The volunteer worker raised an important question:

*“In the case of a dual emergency, who does FESA respond to first, the IDC or the local community?”*

Although the boat tragedy of 15 December 2010 was not directly related to the IDC, it too placed extra strain on Christmas Island's volunteer services, which were already stretched to breaking point.

The extra burden that the IDC places on Christmas Island's volunteer services also creates an indirect impact on the local community by reducing the capacity and effectiveness of the volunteer services to meet the needs of local residents. This amounts to a transfer of risk from the IDC to the local community.

Since the consultation for this study was carried out, DIAC have advised that whilst actual numbers are unknown, DIAC, Serco and subcontractor staff participate in volunteer activities and that some asylum seekers also perform community volunteer work on Christmas Island.

#### 6.1.16 Tourism

The Christmas Island Tourism Association (CITA) reported during course of this assessment that tourism was profoundly affected.

*“Just about every large group of tours has cancelled their tours.”*

The image of Christmas Island may have been irreversibly damaged by the dominance of the IDC in media coverage of the island. Given the uncertain future of the IDC and CIP, CITA believes that this negative coverage may have an adverse effect on the long term future of the island's economy and would welcome a study to determine the implication of this one-sided coverage. Preliminary scans of online media sources indicate an overwhelming tendency to publish stories that only cover aspects of the IDC rather than stories about other aspects of Christmas Island.

CITA also acknowledged that tourism was also constrained by a general reluctance of Christmas Islanders to pursue new tourism developments. One participant noted that a recent tourist venture had been 'knocked back' by the Shire due to issues that were not related to the IDC but to other cultural sensitivities that exist in the area the venture was proposed. The sentiment was also expressed that:

*“Tourism alone is not a feasible alternative” and “tourism will never be the main basis for the local economy, but it will be an important part.”*

The above view is supported by the Commonwealth Department of Resources, Energy and Tourism. DRA has indicated that it publicly supports the development of tourism as a part of a diverse economy. Directly, the Department funds CITA in providing destination marketing and other services to assist tourism development.

As noted in section 6.1.3, immigration activity has lead to a sustained schedule of passenger flights, the DRA has indicated that this has the potential to allow better access to Christmas Island for tourism purposes and could provide opportunities for the local community to leverage off this and promote the Island for tourism purposes.

#### 6.1.17 Environment

Many participants made comments about the beautiful physical environment of Christmas Island, and certain environmental impacts were raised consistently throughout the fieldwork by different members of the community.

The IDC has resulted in an expansion of the ecological footprint of the Christmas Island population through increased waste disposal, water and land usage. The IDC waste facility is unmonitored, thus providing a source

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<sup>16</sup> Since the consultation for this study was carried out, DIAC have advised that whilst actual numbers are unknown, Serco and subcontractor staff participate in volunteer activities.

population for rats and cats which are having an unquantified impact on forest birds and seabird rookeries. Species such as the Golden Bosun (*Phaethon lepturus fulvus*) are regarded as under threat.

A number of participants in this assessment reported concerns about the increase in red crab and robber crab mortality rates that have been reported by Parks Australia. According to PA, the mortality rate increases can be attributed to the increased volume of traffic on Christmas Island caused by the IDC staff and its associated maintenance and services workers.

PA also notes that the environmental impacts, both direct as in robber crab deaths, and indirect as in impact on sewerage, waste systems and underground water supplies are of significant concern to them. Some of these stresses on the Island's natural systems may have long-lasting impacts on the sustainability of the Island, with potential flow-on affects for nature-based tourism operators.

In January 2010, PA established a program to monitor robber crab road kills in response to the increase of robber crab deaths due to vehicles. As a result of the increase, PA staff have devoted considerable time to monitoring and mapping road mortality sites, including a week-by-week mortality tally. The robber crab species is the world's largest terrestrial arthropod, once numerous on many other tropical islands, but Christmas Island now has the only remaining significant population. Most Robber Crab kills on the Island have been found along the main access road to the IDC, and PA considers that such mortality rates are likely to be unsustainable. PA has been working with a range of stakeholders on island to reduce vehicle impact on crab mortality around the island.

The final report from the Christmas Island Expert Working Group, released in September 2010, highlighted the pervasive and increasing threats to the island's biodiversity. It reinforced the need to look beyond individual species to maintain the health of the entire island ecosystem.

The Christmas Island Biodiversity Monitoring Program 2003-2007 made a number of recommendations for responding to the potential environmental impacts of the IDC including improvements to quarantine arrangements; wildlife monitoring and management; weed control and stormwater runoff.

## **6.2 A Community Capacity Assessment of the Long Term Residents of Christmas Island (2011)**

In 2011 Rural Solutions SA undertook research for "A Community Capacity Assessment of the Long Term Residents of Christmas Island" (Roughan, Casement, Simpson and Stovell, 2011). The following findings were of particular note for this assessment:

- Social capital for business differs and that newer businesses such as Serco do not have the same level of social capital as older businesses. As a result this has the potential to cause community concerns if both parties do not work together (p54).
- Serco does not (is unable to) have a vision for the future of Christmas Island due to their tenure relying on continuity of government funding (p55). This is compatible with the issues raised by stakeholders during the consultation for this SEIA report with regards to difficulty planning in an uncertain future.
- With regards to the ability to disseminate and receive information regarding community activities and events it was noted that difficulties arise with translation of documents into multiple languages. As a result it was felt that perhaps some staff associated with the IDC (Serco and DIAC) are not necessarily receiving all information as they are perceived to be somewhat segregated (p68)
- Whilst Serco employees work very long hours, Serco observes prayer times, thus enabling Cocos Malay and Christmas Island Muslims to work there (p55).

## **6.3 Social Capital**

AECOM conducted an analysis of social capital on Christmas Island using secondary literature and the information provided during interviews and workshops conducted during stage two of the SIA process.

The concept of social capital is used to articulate the wellbeing of a community. It is measured by the level and quality of relationships and interaction amongst members of the community and between those members and their political leaders and government agencies. Strong relationships and interaction between individuals and groups tends to result in the sharing of diverse skills and knowledge resources within a community, which creates

high community resilience and wellbeing. Communities and individuals tend to experience low resilience and wellbeing when their social capital is low.

The results of AECOM's analysis indicate decreasing levels of social capital on Christmas Island.

### 6.3.1 Indicators of Social Capital

AECOM developed a list of social capital indicators from Eva Cox's guide to measuring social capital (Cox 2002). The list has been modified for the Christmas Island context and contains the new indicator of trust in each other and government, which is an essential indicator for Christmas Island.

Table 9 : Indicators of Social Capital

High Social Capital Indicators	Low Social Capital Indicators
1. Healthy conflict resolution between groups	1. High levels of conflict with low levels of conflict resolution
2. Diverse and inclusive community activities including informal education and training	2. Indifference towards outsiders
3. Active civic organisations	3. Persistent anger and sometimes outrage based on perceptions of unfairness
4. Political efficacy	4. Resentment of particular groups
5. Trust in each other and government	5. Degradation of public spaces
6. Shared use of public spaces	6. Low interest in civic engagement
7. Friendly interaction in public places	7. Lack of networking with neighbours
8. Willingness to help outsiders	8. Low level use of sport and recreation facilities
9. Security.	9. High levels of antisocial behaviour and street crime
	10. High levels of mistrust in development and change
	11. Highly stratified communities with little or no mixing of subgroups

Based on the fieldwork conducted for this assessment including interviews with community members, service providers and government agencies, Christmas Island has a low level of social capital. Christmas Island is currently enjoying only three of the nine indicators of high social capital. More tellingly, the Christmas Island community is enduring seven of the 11 indicators of low social capital outlined above.

### 6.3.2 High Social Capital Indicators 2, 7 and 8: Diverse and Inclusive Community Activities, Friendly Interaction in Public Places and Willingness to Help Outsiders

Local residents on Christmas Island have access to a range of inclusive community activities including the Christmas Island Women's Association, the Christmas Island Neighbourhood Centre and the Christmas Island Cinema Club, which shows a weekly movie every Saturday at the Poon Saan Club. The island also has many sporting events, cultural and religious activities.

There appears to be a wealth of interaction on Christmas Island and local residents welcome both short term and long term newcomers who show an interest in their community.

### 6.3.3 Low Social Capital Indicators 1 and 4: High Levels of Conflict with Low Levels of Resolution and Resentment Towards Particular Groups

The presence of the IDC on Christmas Island and all the aspects that the operation of the IDC brings (i.e. staff interactions, employment etc) has broadly had an adverse impact on relationships within the local community. Some members of the community reported being accused of racism by other members of the community for raising concerns about their safety during public meetings held by DIAC. Conversely, some members reported being accused of putting the needs of asylum seekers before Christmas Islanders.

The presence of the IDC has also had adverse impacts on relationships between groups within the community. Conflict exists between the local community and the Christmas Island Cricket and Sports Club. Until recently, the club provided its sporting facilities to DIAC for asylum seeker recreation. Damage occurring to the club's facilities during DIAC's usage led the club to take measures to stop asylum seekers from using its facilities. Following moves to protect the facilities from further damage, the club has been continually involved in managing

accusations of racism from human rights advocates within the local community. This pressure has resulted in high levels of stress and the resignation of one senior member of the club.

Conversely, the recreation centre next door to the sports club has received “scathing” emails from some Christmas Islanders for allowing asylum seekers to use its facilities.

#### **6.3.4 Low Social Capital Indicator 2: Indifference towards Outsiders**

Christmas Island can be generally described as a welcoming and open community, but some of the participants in this assessment indicated that they are either indifferent or frustrated with FIFO IDC workers for antisocial behaviour at Flying Fish Cove, lack of interaction with the local community and their impact on the local wildlife (see 6.1.14 and 6.1.17).

#### **6.3.5 Low Social Capital Indicator 3 and 6: Persistent Anger and Outrage at Unfairness and Low Interest in Civic Engagement**

All members of the community who took part in this assessment reported frustration at the lack of community engagement from DIAC with regards to the IDC. Participants believe that they were not adequately informed and consulted prior to the decision to build the IDC on Christmas Island, during the construction of the IDC and during its operation. Local residents also reported that DIAC was not responding effectively to the needs of the local community. As a result, participants felt that DIAC’s atypical communication and consultation had created a sense of uncertainty about the future of the IDC. This has resulted in a low level of trust in the local community for DIAC and its staff and for the overall process of democracy on the island.

This sense of social inequality occurs between the way asylum seekers are perceived to be treated and the way Christmas Islanders perceive themselves as being treated. There was also a perceived disparity between the wealth of FIFO workers and Christmas Islanders. In some cases this pertained to the difference in levels of regional allowance with many locals, including teachers, receiving lower allowances than DIAC and Serco workers.

The overall impact of this lack of communication and inequality is low levels of political efficacy.

#### **6.3.6 Low Social Capital Indicator 5: Degradation of Public Spaces**

It has been previously noted that the recreational space at Flying Fish Cove has become degraded since the opening of the IDC.

Trust between the local community and asylum seekers is another factor that affects the social capital of Christmas Island. Participants in this assessment reported lower levels of trust than in the past, due not only to the lack of communication from DIAC, but also due to changing levels of interaction with asylum seekers. In the past, the local community had run some workshops with asylum seekers who had contributed to the local community through gardening and other activities. Some locals reported that this interaction helped to build trust between Christmas Islanders and asylum seekers. However, since the workshops and community work had ceased, the level of trust on the island has declined.

#### **6.3.7 Low Social Capital Indicator 11: Highly Stratified Communities with Little or No Mixing of Sub-Groups**

Christmas Island can be defined as a multicultural community consisting of Chinese-Australians, Malay-Australians and European-Australians. Most participants reported good levels of interaction between these sub-groups. However, some participants reported that the increasingly busy lifestyle, which is partially due to the extra work created by the IDC, is causing them to interact less frequently. These participants were more inclined to go home at the end of a hard day’s work than spend time mixing at the Kampong, Poon Saan or Settlement with other sub-groups.

### **6.4 Stressors, Intermediaries and Impacts**

The impacts identified during the baseline studies and fieldwork were analysed in a causal model to identify stressors and intermediaries and develop a timeline of events leading to these impacts (see Fig. 11)

In 2002, the Commonwealth Government of Australia made the decision to construct the IDC at North West Point without conducting any form of impact assessment and without consulting the local community to determine the impacts that the IDC would have on the local community, environment and economy. The causal model shows that this lack of assessment and consultation is one of the central stressors that led to the intermediary impacts of

limited dialogue between DIAC and the local community and limited democratic ability by the local community to influence policy-making with regards the impacts of the IDC.

The construction and operation of the IDC has resulted in the positive economic benefit of increased employment opportunities on Christmas Island and an increased sense of worth amongst some women in the local community. However, the omission of publically available policies and plans to manage the impacts of the IDC has caused a number of negative impacts on the local community, economy and environment, which have gone unmanaged since the opening of the IDC. These impacts include:

- Altered sense of security
- Heightened fear
- Heightened stress and mental health issues
- Lifestyle changes
- Tension in the community
- Downturn in tourism
- Economic uncertainty
- Political uncertainty (a perception in the local community that they are unable to influence or determine the future of the community as a result of uncertainty around Government policy-making with regards to the IDC)
- Lack of trust in the Commonwealth Government and its processes

These impacts have the overall effect of producing lowered altered of life, economic instability and lowered social capital on Christmas Island.

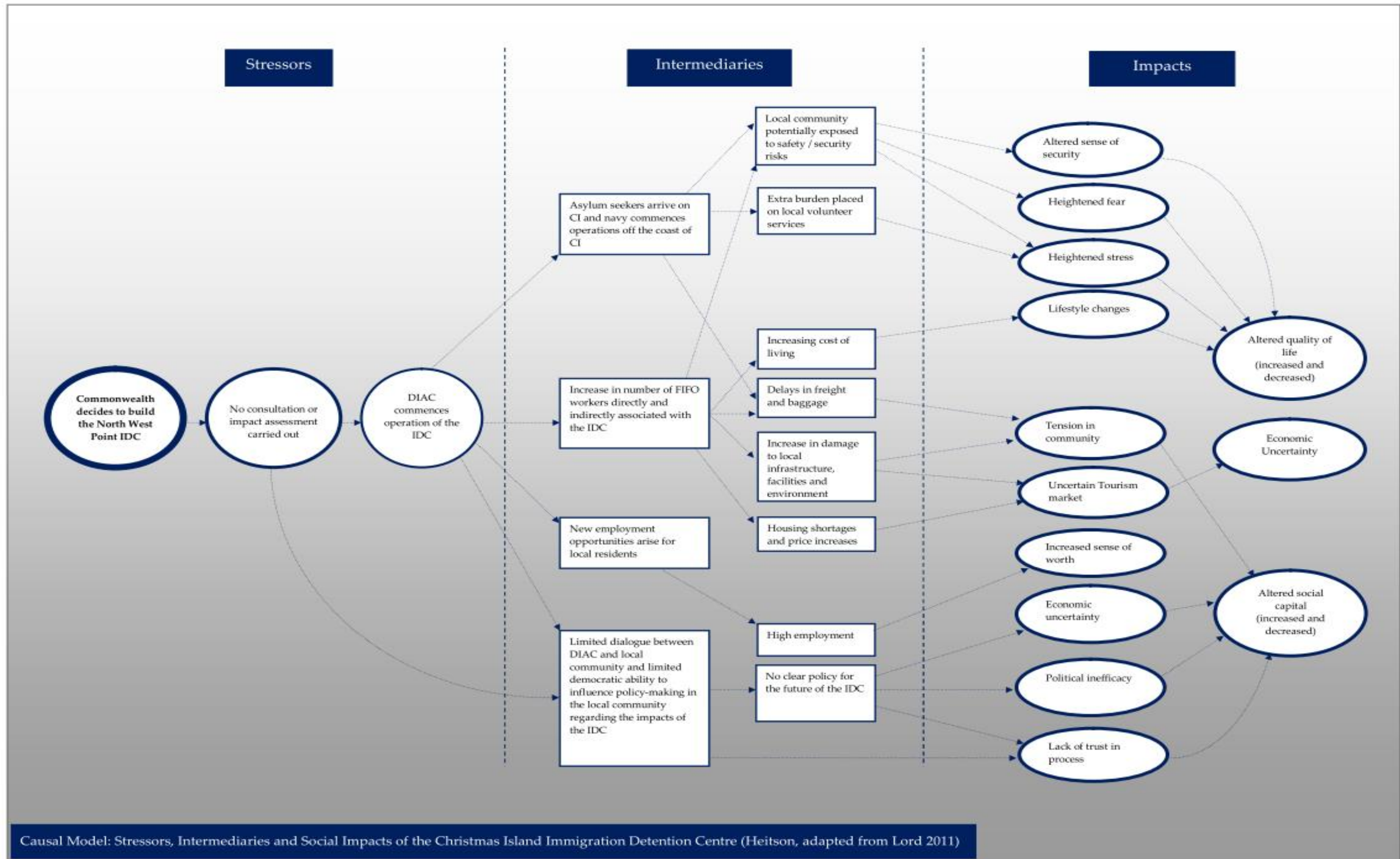


Figure 11 : Causal model of stressors, intermediaries and social impacts of the IDC

## 6.5 Feedback of SEIA results to the Christmas Island Community

A summary of the preliminary findings of the perceived social impacts of the IDC on the community of Christmas Island gleaned during fieldwork in March and May 2011 was presented to the community from 8-11 September 2011.

A total of twenty-nine people attended the reporting back session. There was a balanced representation from all ethnic groups on the island.

**Table 10 : Attendees at the Feedback session, by Stakeholder Affiliation**

Stakeholder Affiliation	Number/s
local residents	26
DIAC	1
Serco	1
Other (visiting journalist)	1

Amongst the 26 residents, two had not participated in the SIA process. There was overwhelming support for the findings of the SIA. The local residents gave a strong indication that AECOM had accurately represented their views and perceptions.

There was a view from residents that although numbers in the IDC had reduced since the SIA fieldwork had been conducted there remained a great deal of uncertainty around the operation of the IDC in the community.

The primary questions from participants in regard to the SEIA were:

- What will happen with the report?
- Will there be action based on the findings from the SEIA?

## 6.6 Social Impacts on Cocos (Keeling) Islands: Preliminary Assessment

The Cocos (Keeling) Islands form part of the Indian Ocean Territories and are inextricably linked with Christmas Island, through freight, the commercial flight network, culture and governance.

The scope of the current assessment did not extend to a full investigation of the impacts of the IDC on the Cocos (Keeling) Islands, however, insights into the flow on effects of the IDC were provided by the CEO of the Shire of Cocos (Keeling) Islands and through comments passed on to AECOM through consultation with DRA and from community comments received by DRA (Christmas Island).

This information reveals that the IDC has had three major impacts, two positive and one negative. The IDC has created jobs for a handful of Cocos (Keeling) Island residents who have become FIFO workers on Christmas Island. Serco employees have also been travelling to the Cocos (Keeling) Islands for holidays during their time off, adding to the local tourism industry.

At the same time, the Cocos (Keeling) Islands businesses and residents are suffering persistent and regular freight and postal delays due to freight offloading occurring at Perth Airport. At the time of the assessment, flights are triangulated between the Cocos (Keeling) Islands, Christmas Island and Perth and, as a result, there are no flights to the Cocos (Keeling) Islands that do not either pass through or continue on to Christmas Island. All flights are now routed through Christmas Island. According to the information received by AECOM, local residents continued to believe that freight offloading was a result of preferential treatment given to staff at the IDC (see section 6.1.5 for further information).

## 7.0 Economic Impact Assessment

### 7.1 Approach

AECOM's approach to assessing the economic impact of the IDC on Christmas Island is based on the principle that the impact of a new economic activity (or an increase or decrease in an existing activity) is generally felt throughout an economy. For example, through the increase in an activity (i.e. increasing exports), production needs to increase. The industry that produces the additional output needs to purchase goods and services from other industries. This is referred to the direct impacts or first round effects of the change in activity. These other industries in turn purchase goods and services from other associated industries. These are referred to as the indirect impacts or industrial support effects. The sum of the first round effects and industrial support effects is referred to as the production induced effects. As production increases, employees earn extra income or more people are employed and more money is spent in the economy which induces further production by all industries. This is called the induced (or consumption induced) effects. All these effects are captured through Input-Output tables and are described in more detail below.

To obtain the initial impact of the IDC on the economy AECOM obtained the most recent budgeted expenditure from all the agencies involved in the IDC. This also included Serco as the contractor managing the facility. The information was provided on a confidential basis and AECOM is not able to reproduce the information in this report.

As a next step AECOM had to estimate what part of the budgeted expenditure was actually spent on the island in relation to the IDC. Unfortunately, agencies were not able to provide this information. As a next best approach the local shares based on the 2006 Input-Output (IO) table was applied. This provided an estimate of the overall expenditure on Christmas Island related to the IDC. Multiplying these expenditures with input-output multipliers allowed for the estimation of the indirect and induced impacts on the local economy.

#### 7.1.1 Input-Output Table and Multipliers

An IO table is a well-known method of describing the structure of an economy in a quantitative way. It describes the structure of an economy by showing all the intermediate and final sales and purchases within an economy. By mathematically manipulating the IO model, multipliers can be developed which capture the various direct and indirect and induced impact on the economy. The last two effects are also referred to as flow-on effects.

Regional input-output tables can be developed through surveys. However, due to the high cost of surveys, these are not often undertaken and most input-output tables are developed based on a base table which is then localised by using employment shares. As the most recent official employment statistics is the 2006 census data, it was not possible to develop a more recent input-output table. The 2006 input-output table (developed by ACILTasman) was therefore used for current analysis. The implication is that the current economic structure of Christmas Island is not materially different to the structure in 2006.

By using the base input-output table that ACILTasman developed for 2006, AECOM was able to calculate a range of multipliers. These multipliers capture the direct, indirect and induced effects of economic stimulus in terms of output, value added, income and employment.

The direct effects refer to economic activity directly attributable to a change in final demand while the indirect effects result from the linkages between industries in the regional economy. For example, an increase in the size of the IDC would also require additional electricity from the utilities sector.

The induced effects result from the recycling of cash flows in the economy, or households (consumers) spending their wages. For example, a new employee at the IDC may rent housing from a local owner or shop at the local grocery store.

In aggregate, the direct, indirect and induced multipliers measure the total effect of an initial one dollar increase in a given industry.

Accordingly, AECOM calculated the following multipliers for Christmas Island to determine the direct, indirect and induced impacts:

- Output multipliers – the amount of output required from all industries to produce output to satisfy the final demand for an extra dollar of output from an industry – this also includes the induced effects by spending of extra wages and salaries earned by households.

- Income multipliers – the additional wages, salaries and supplements earned from working to produce the extra output required.
- Value added multipliers – in addition to the income multiplier, this measures the sum of additional wages, salaries, and supplements as well as gross operating surpluses (including profit) to businesses and indirect taxes.
- Employment multipliers – measurement of the additional employment, in number of persons employed, generated by producing additional output in the economy.

The output, income and value added multipliers are all measured in dollar terms (and are therefore in units per dollar). These multipliers are presented in Table 18 : Multipliers for Christmas Island 2005-2006

Source: AECOM based on 2006 Christmas Island IO Table Appendix D.

As an example of what the multipliers signify, the total output multiplier for residential construction on Christmas Island is 1.63. This means that for every one dollar increase in residential building construction, an additional \$0.63 in economic output will be generated. Multipliers therefore recognise the initial outlay in addition to the flow on impact to supporting industries and consumer spending.

Income multipliers differ from output multipliers in that they are a measure of the increased household income arising from an additional one dollar increase in the output of a given industry.

Value added is defined as the sum of payments to labour and payments to capital. Value added multipliers therefore measure the impact of increased production on value added in the economy and therefore the contribution to GRP.

Employment is measured in full time equivalent (FTE) jobs over the period of one year. Employment multipliers are measured in terms of (FTE) jobs created as a result of an initial \$1-million increase in the output of a given industry.

In the case of the residential construction on Christmas Island, the total employment multiplier is 6.70. This means that for a \$1 million increase in construction there will be an increase in employment of 6.70 FTE jobs. Care should be taken when reviewing employment multiplier numbers as high numbers can reflect a high labour share relative to capital, a low average industry wage, or a combination of both factors. It also must be noted that in the case of construction, while these jobs are measured in full-time equivalents, they are only generated during the period of construction and are temporary.

The initial effect is measured by the direct multiplier. In the case of output, this is the initial \$1.00 of output while in the case of income and value added it is the direct change in household income and value added in the economy from the extra one dollar of initial output.

The indirect multiplier measures the effect on supporting businesses - the flow-on effect - of the initial \$1.00 of extra output. This will measure the increase in output, income and value added in supporting industries.

The induced multiplier measures the impact of the additional increase in output, income and value added arising from the additional household consumption that occurs as a result of payments made to employees in the production process.

Households are represented by 'Compensation of Employees'. While households are strictly speaking not an industry, this category represents the impact of direct injection of cash into the economy. Notably, in the case of Christmas Island, the indirect impact on output of additional household income is negative. This indicates that a significant portion of household income is not being spent on Christmas Island which represents a cost to local business revenue. This is in line with general economic reasoning and evidence suggested on the Island.

### 7.1.2 Local Spending Shares

Linkages between industries on Christmas Island, as well as the share of money spent on and off the Island can be estimated by examining the purchases of industries, households and the government located on Christmas Island from other local businesses.

The percentage of each dollar spent on the Island by industry, households, and government is shown in Table 19 in Appendix D. The percentage of dollars spent on Christmas Island by businesses ranges from a high of 66% in property services to a low of 22% in electricity supply, where most electricity is generated by diesel generators with imported fuel.

While private consumption may seem high at 61%, the majority of consumers will spend their money in the retail sector, which in turn only receives 38% of their goods from Christmas Island. In other words, the local share can be used as a proxy for local margins – only 23% of private consumption dollars spent in the retail sector remains on the Island. This is also reflected in the household multiplier, or ‘compensation of employees’ category in Table 19 of Appendix D. For every \$100 of additional compensation spent by employees on the island, a total of \$121 of additional output from all industries is generated.

## 7.2 Modelling Results: The Economic Impact of the IDC

### 7.2.1 Results Summary

The Economic Impact Assessment shows that in broad terms, the contribution of the Immigration Detention Centre to the economy of Christmas Island is considerable.

The modelling results are shown in Table 11. It shows the direct, indirect, induced and total impacts the IDC has on Christmas Island in 2010 (based on the economic structure of 2006).

**Table 11 : Christmas Island Annual Economic Impact**  
Source: AECOM

	Direct	Indirect	Induced	Total
Income (\$m)	\$21.3	\$7.0	\$5.3	<b>\$33.6</b>
Value Added (\$m)	\$30.0	\$14.0	\$11.4	<b>\$55.4</b>
<b>Total Output (\$m)</b>	<b>\$75.4</b>	<b>\$12.1</b>	<b>\$26.7</b>	<b>\$114.1</b>
<b>Employment (persons)<sup>1</sup></b>	<b>452</b>	<b>160</b>	<b>88</b>	<b>700</b>

(1) Model estimate expressed in full time equivalent numbers, which included employees and sub-contractors.

In Table 11, the income row represents the impact of the IDC in terms of wages, salaries and supplements to workers. Whilst the actual spend of FIFO workers on Christmas Island is unknown, it is likely that a portion of the salary and allowances they receive would be spent on the Island.

The value added represents the value of the IDC in terms of wages and gross operating surplus generated by sole-proprietorships and businesses on the island and represents the increase in GRP generated by the IDC. The total output represents the total value of all goods and services produced as a result of the IDC. The employment effect describes the number of full-time equivalent jobs that the activities generated by the IDC could support, assuming that wages are at 2006 levels.

In summary, the key economic impacts are:

- Total contribution to output by the IDC of \$114 million, including a \$75 million direct contribution (this measures the increase in gross turnover in the Christmas Island).
- Direct contribution to value added by the IDC alone equivalent to about 40% of the estimated GRP of the Island in 2006 (this measures the contribution of the IDC to the level of economic activity on Christmas Island and is the appropriate measure for assessing the economic impact of the IDC).

Four hundred and fifty-two jobs were created as a direct result of the IDC activities. These include DIAC and Serco and other service providers who are directly involved with the IDC. A total of 700 jobs were created based on the direct, indirect and induced impact of the IDC on Christmas Island.

As indicated in Appendix D, much of the spending flows out of the local economy to the extent that every \$100 of additional income earned by individuals on Christmas Island sees only \$23 spent on the Island.

Regardless of the reduced multiplier effect, analysis indicates that the IDC has likely become more significant to the island economy than its mining operations.

The implications of this type of economic activity in a small regional setting such as Christmas Island are quite considerable and underscore the findings of the SIA on issues such as:

- shortages of rental housing;
- labour shortages;

- infrastructure and services struggling to cope with the increased demand; and
- high food prices and general increases in prices.

### 7.2.2 Direct Impacts by Sector

Table 12 provides a sectoral breakdown of the estimated \$75 million direct contribution to output of the IDC as indicated in the previous section. It is clear that the largest impact relates to health services, with an approximate \$18.1 million contribution, followed by wages paid to employees (\$16.3m) and wholesale trade (\$10.3).

**Table 12 : IDC Direct Contribution**

	<b>Annual Contribution (\$000s)</b>
Chemicals / Petroleum	\$222
Electricity supply	\$2,107
Water supply; sewerage and drainage services	\$1,144
Wholesale trade and wholesale repairs	\$10,396
Retail trade and retail repairs	\$1,258
Accommodation, cafes and restaurants	\$37
Road transport	\$889
Water transport	\$6,666
Air transport	\$4,713
Services to transport; storage	\$153
Communication services	\$8,591
Other property services	\$495
Other business services	\$178
Government administration	\$965
Education	\$976
Health services	\$18,135
Sport, and recreational services	\$9
Other services	\$2,125
Compensation of employees	\$16,366
<b>Total</b>	<b>\$75,425</b>

As part of the direct contribution, the IDC supports a number of local businesses including car rentals, transportation companies, grocery stores, recreational facilities and local government in the form of cash payments totalling over \$2.3 million.

As indicated above, over \$18.1 million was paid to support local health services with an additional \$4.1 million directed towards education, government services (such as police and fire services), and other community support services. Specifically, local residents had access to enhanced provision of in-patient treatment and ancillary health services at Christmas Island Hospital that was funded by DIAC expenditure (approximately \$2.5 million was incurred for the period March-May 2011. This supports direct employment of 49 health care workers and 96 other community service employees.

In addition to the health care and service workers employed in the above funded programs, DIAC has indicated that the numbers of DIAC and IHMS employees were around 76 and 54 respectively on Christmas Island (as

recorded for period March-May 2011). This is in addition to a total workforce of 296 people, including 160 Serco officers and 136 sub-contractors working for SERCO in various capacities at the IDC<sup>17</sup>. In total, the IDC is responsible for direct employment of 435 people (excluding sub-contractors). This is significant compared to the 2006 labour force of the Island, which was estimated at 714 in the 2006 Census.

Detail on different categories of DIAC and SERCO expenditures used in the assessment is presented in Appendix E.

### **7.2.3 Interpretation**

The results illustrate that, in broad terms, the economic contribution of the IDC is considerable. The modelling outputs of this study suggest that the total contribution of value added by the IDC is \$55 million which is almost 80% of the total 2006 GRP of Christmas Island (\$71 million). The direct effects alone (\$30 million) account for about 40%. The IDC is also responsible for directly and indirectly employing 700 people, which is almost as large as the Island's entire labour force in 2006 (according to census 2006 data).

The IDC is also a more important contributor to the local economy at present compared to phosphate mining activity in 2006. For example, the 2006 estimates by ACIL Tasman demonstrated that phosphate mining and directly dependent businesses (such as stevedoring) contributed \$34 million to the GRP of Christmas Island. The AECOM modelling results show that operating the IDC and directly dependent businesses contribute the equivalent of \$55 million to the GRP of Christmas Island.

A key reason for this difference is that the IDC is a service related operation - a large portion of the money being spent is directed towards salaries and other service industries (see Section 7.2.2) that do not rely on a comparatively high degree of imports ('comparatively' because a large portion of consumer goods are still imported and purchased off-island).

In terms of employment, the phosphate mine directly employed approximately 280 people in 2006 (around 40 per cent of the workforce). The IDC is directly responsible for as many as 452<sup>18</sup> (SERCO employment accounts for more than 40 per cent). So, while the phosphate mine may have been the largest employer at one time, the IDC is now likely to be the largest employer on Christmas Island.

### **7.2.4 Once Off Expenditure**

As the economic base of the Island is fairly narrow, it is worth considering the impact of once off expenditure to the island's economy as a result of investment. Once off expenditures include construction and repair of the major facilities for the IDC as well as supporting infrastructure. It represents capital costs as well as temporary jobs for construction labourers. These expenditures come from a number of different Commonwealth agencies.

The most recent wave of construction started in 2007 with the nearly \$300-million investment in North West Point. Since then, DIAC and other Agencies have continued to invest in infrastructure with the Poon San Staff Accommodation building, Phosphate Hill compounds A and C, and the North West Point Lilac and Aqua compounds from 2008 through 2010. Future works include upgrades to North West Point and Phosphate Hill with an estimated investment of \$13.4 million over the next five years.

While many of the resources and materials that are required to build additional infrastructure come from off the island, the impact is still quite significant. The direct projected once - off-time impact over the period from 2008 to 2015 in 2010 dollar terms is estimated to be \$150-million and will have created the equivalent annual average of 55 FTE jobs.

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<sup>17</sup> At May 2011. Also see page 22

<sup>18</sup> Estimate expressed in FTEs

Table 13 and Table 14 provide a breakdown of these contributions.

**Table 13 : Once – off construction expenditure**  
Source: AECOM based on figures provided by various Agencies

	<b>Once – off Expenditure – 2008-2015 (\$m)</b>
Water supply; sewerage and drainage services	\$1.1
Residential building construction	\$139.2
Other construction	\$6.0
Construction trade services	\$3.6
<b>Total</b>	<b>\$149.9</b>

The once off construction impacts of the IDC are even more significant when considering the indirect and induced effects (see table below). It is estimated that the total impact (direct, indirect and induced) of immigration related construction expenditure is around \$243 million over the life of the projects. Modelling suggests that the equivalent of 55 full time jobs will be created directly as a result of the construction related activities as well as an additional 57 indirect jobs. The table below provides some details about construction related impacts.

**Table 14 : Total impact of construction related expenditure on the Christmas Island economy**

	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Income (\$m)	\$18.0	\$13.4	\$7.4	\$38.8
Value Added (\$m)	\$27.4	\$26.6	\$14.9	\$70.4
<b>Total Output (\$m)</b>	<b>\$149.9</b>	<b>\$66.6</b>	<b>\$25.4</b>	<b>\$243.3</b>
<b>Employment (Average Annual)</b>	<b>55</b>	<b>41</b>	<b>16</b>	<b>112</b>

### 7.3 Assumptions and Limitations

As with any economic modelling, input-output models are based on a set of assumptions. It is important to keep these assumptions in mind when interpreting the results. These assumptions are summarised below:

- Constant return to scale – this implies that there is no economy of scale in input output models as well as no substitution between inputs. For example, if a specific activity requires X input from another sector, doubling the output of the activity will require doubling of the input from the other sector to 2X.
- Fixed technology – the inputs and outputs from a particular industry remain the same and consumption preference does not change. While this clearly happens over time, this is not captured in input-output models.
- Fixed import shares – this assumes that local resources have not been exhausted, or that no new local production has been established, i.e. oil is now refined locally instead of importing gasoline.
- Unlimited supplies of all resources, including labour and capital – output is not constrained and if more construction workers or concrete, it is assumed that these are readily available in the local market.
- A fixed relationship between income and private consumption – again consumptions patterns do not change, even with increasing income.

As a result of these assumptions, the results from IO modelling involve a degree of uncertainty. Indeed, as the input-output model is based on 2006 data, it is almost certain that technology, resource mix, and consumption patterns have changed. While it is unlikely that in the five years since 2006 technology or import shares on Christmas Island have drastically changed, it is likely that prices and private consumption patterns have.

A further complication with input-output tables arises due to very small economies. When considering large regions where there are many individual firms operating in any given industry, the assumption that employment

reductions in each industry can occur in a smooth continuous fashion is an appropriate assumption. Marginal firms enter and leave the industry and individual firms add or reduce staff so that for a large economy, aggregate industry level employment movements approximate a continuous function.

In very small economies however, where total industry employment can be represented by a single firm, the assumption sometimes needs to be revised. Additionally, multiplier effects may be overstated as there is not a critical mass to support additional firms or employees in a particular industry and additional demand may simply be realised as an increase in prices or profits to a particular firm.

It is therefore important that the results provided in this report be interpreted keeping in mind the limitations of input-output models in general, as well as the particular issues related to small economies. Additionally, the lack of official data to facilitate updating the 2006 input-output table, contributes to viewing the results with some caution.

## 8.0 Scenario Analysis

AECOM was also required to examine four key scenarios for the operations of the IDC to determine the potentially varying impact of the facility on the island economy. These include:

Scenario No	Potential IDC Scenario
1	IDC numbers stay at current level (base case - as discussed above)
2	IDC numbers decrease to plateau (a 25% decrease in services modelled)
3	IDC numbers increase (a 50% increase in services modelled)
4	IDC closes (opposite of base case)

These are examined in more detail below.

### 8.1 IDC Numbers Stay at Current Level

This is the base case study and is detailed in section 7.0 above.

### 8.2 Closure or Reduction (Scenario 2 & 4)

As the economic importance of the IDC as highlighted in this study would attest to, the closure of the IDC would have a significant negative impact on the local economy. In essence, closure will negate the economic impacts shown in the previous sections. Aside from the 450 employees working for SERCO, DIAC, IOTHS and local businesses, an additional 250 jobs would be at risk given the linkages in the economy.

If the IDC is closed down the total output of Christmas Island would be reduced by \$114m. This includes \$75m of direct impacts as well as \$39m of flow-on impacts. Value added, or the contribution to GRP would reduce by \$55m, comprising \$30m of direct impacts and \$25m of flow-on impacts. Just as the rapid expansion of the IDC has caused significant increases in economic activity, closure will result in substantial reduction in economic activities and jobs.

AECOM also modelled a reduction in the IDC services of 25%. This would also have a significant impact on the local economy. As shown in Table 15, such a reduction would result in a \$14 million reduction in the Christmas Island GRP and a loss of 184 jobs. This assumes constant returns to scale, or that a 25% reduction in the services of the IDC would impact all of the expenditures related to the IDC in the same proportions as represented in the input-output model.

Any closure or reduction in the IDC would have a commensurate flow on effect on the Christmas Island economy. The flow on effect would include reduction in purchases from local businesses, transport operators, various service providers and the like. This in turn will lead to a reduction in employment and wage payments with a subsequent reduction in consumption expenditure by employees. Depending on the level of reduction the impact can be substantial and can ultimately lead to high unemployment and migration of people away from the island in search of jobs. It could also lead to closure of businesses which are reliant on IDC related expenditures or even small businesses depending on local wages and income being spent on the island.

**Table 15 : Economic Impact of a 25% Reduction in the IDC related activities**  
Source: AECOM

	Direct	Indirect	Induced	Total
Income (\$m)	-\$5.3	-\$1.8	-\$1.3	<b>-\$8.4</b>
Value Added (\$m)	-\$7.5	-\$3.5	-\$2.9	<b>-\$13.9</b>
<b>Total Output (\$m)</b>	<b>-\$18.9</b>	<b>-\$3.0</b>	<b>-\$6.7</b>	<b>-\$28.5</b>
<b>Employment (persons)</b>	<b>-122</b>	<b>-40</b>	<b>-22</b>	<b>-184</b>

### 8.3 Expansion of the IDC (Scenario 3)

The development of the IDC has put significant upward pressure on the economy of Christmas Island. It has resulted in substantial increases in the economic output of the island and increases in jobs and wages which in turn have benefited local suppliers and businesses. It has also resulted in some rental housing shortages, infrastructure gaps and general increase in prices and wages.

The IDC expansion has also led to the types of social issues identified in this study such as an increasing division between wealthy local workers and local residents that capitalise on related opportunities, and less well-off residents that are being priced out of the market for some goods and services.

Continued expansion of the IDC on Christmas Island, aside from the potentially sensitive political and social impacts, would continue to have a major positive impact on the economy. If expansion is constructed in a similar fashion to what was done previously, it would continue to support as many as 55 FTE construction jobs on an annual basis and an additional 57 supporting jobs.

To assess the impact of an expansion of the IDC on Christmas Island, AECOM modelled a 50% increase in the activities associated with the IDC (see table below). The annual impact of a 50% increase in the operations of the IDC would result in an additional \$28 million in the GRP of Christmas Island. The employment impact is approximately 370 jobs. Again, this assumes constant returns to scale.

**Table 16 : Economic impact of a 50% increase in activities associated with the IDC**  
Source: AECOM

	Direct	Indirect	Induced	Total
Income (\$m)	\$10.7	\$3.5	\$2.7	<b>\$16.8</b>
Value Added (\$m)	\$15.0	\$7.0	\$5.7	<b>\$27.7</b>
<b>Total Output (\$m)</b>	<b>\$37.7</b>	<b>\$6.1</b>	<b>\$13.3</b>	<b>\$57.1</b>
<b>Employment (persons)</b>	<b>244</b>	<b>80</b>	<b>44</b>	<b>368</b>

### 8.4 Economic Impact on Cocos (Keeling) Islands

AECOM was also requested as part of this study to assess the impacts, if any, of the IDC on the Cocos (Keeling) Islands. Given the geographic distance from Christmas Island to the Cocos (Keeling) Islands and the lack of economic data on the economy of the IOT, quantitatively measuring the impact of the IDC on the Cocos (Keeling) Islands has proven difficult and is likely to result in inaccurate outcomes.

On a qualitative basis, it has been reported that the IDC has had a negative impact on the economy of the Cocos (Keeling) Islands by, for example, causing shipping and resource bottlenecks. However, it is difficult to quantify these types of impacts and link them directly to the operations of the IDC.

While there are residents of the Cocos (Keeling) Islands employed in the operations of the IDC, these numbers are relatively small (five according to Serco). Without conducting in-depth surveys of these individuals it is difficult to determine the precise financial flows between Christmas Island and the Cocos (Keeling) Islands. However, given the small number of Cocos (Keeling) Islands people employed by the IDC, it can be safely surmised that the flow-on effect through consumption spending would be limited.

Similarly, as the operations of the IDC also do not involve spending or investing any money directly in the economy of the Cocos (Keeling) Islands, the likely economic impact would be very small.

## 9.0 Conclusion

The overarching issue highlighted by the SEIA is the apparent lack of cohesive and long-term planning with regard to the management of asylum seeker processing on Christmas Island. DIAC was of the view that the IDC would have a presence on Christmas Island for the foreseeable future. Interviews with the local community supported the scenario of the IDC remaining on the island but with asylum seeker numbers maintained within the level of the IDC's construction specifications. The majority of people interviewed on Christmas Island recognised and were grateful for the economic benefits the presence of the IDC delivered.

AECOM identified a number of structural issues within the Christmas Island community that can be directly related to the establishment of the IDC. The atypical governance arrangements on Christmas Island result in overlapping government jurisdictions, legislation and policy, and impeded infrastructure development, service provision and strategic planning.

Whilst some of these problems existed prior to the presence of the IDC, they are exacerbated by the perceived lack of open, effective communication and consultation. The perception of those interviewed was that communication between DIAC, Serco and the local community was not effective. Indeed, participants welcomed the opportunity to engage as part of this current process.

Both DIAC and Serco were implementing a recruitment policy to place longer term employees on the island in an attempt to better integrate staff into the local community and reduce the impact of the fly in-fly out culture. This in turn, will produce greater economic benefits and stability for Christmas Island. DIAC and Serco were also undertaking extensive education programs with staff about avoiding red- crab and robber crab mortalities when driving. This matter remained a potential flashpoint with the local community.

The Commonwealth government had recently provided extra funding for the upgrade of infrastructure. Power, water and sewerage infrastructure was in the process of upgrade or had been completed. Issues such as waste management and town planning were being examined and steps being taken to provide new housing. The health service had been expanded and a new ambulance had arrived just after completion of AECOM's second round of fieldwork.

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## Appendix A

# List of Groups Consulted

## Appendix A List of Groups Consulted

The following table contains all community groups, service providers, local government, businesses and government agencies consulted for the current assessment.

**Table 17 : List of Groups Consulted**

Classification	Group	Number of participants
<b>Local residents</b>	Individuals	16
	Malay workshop	50
	General workshop	6
	Daycare	7
	Christmas Island Women's Association	12
	Malay women	8
	Chinese women	3
	Youth (15-20 age group)	15
<b>Service providers</b>	AFP	-
	CIDHS	-
	CITA	-
	IOGTA	-
	IOTHS	-
	LAWA	-
	Patrick	-
	St John	-
	Toll	-
	Water Corporation	-
<b>Local government</b>	Shire of Christmas Island Consultative Group	-
	Shire of Cocos (Keeling) Islands	-
		-
<b>Businesses</b>	Australia Post	-
	CIMS	-
	CIP	-
	Gaze Road Supermarket	-
	Serco	-
	Zentner Shipping	-
<b>Government agencies</b>	DIAC	-
	DRA	-
	PA	-

## Appendix B

# Community and Stakeholder Engagement Strategy

## Appendix B Community and Stakeholder Engagement Strategy

The following Community and Stakeholder Engagement Strategy was developed prior to commencing the field component of the project. The Strategy outlines the engagement goals, risks, mechanisms and an anticipated timeline for the scoping and community feedback stages of the SEIA.

In order to develop the Strategy the project team, in conjunction with the DRA identified a list of community members and stakeholders who may have an interest in the SEIA project. The list was also informed by demographic studies and community profiling. In addition to the identification of stakeholders, a list of engagement risks and mitigation techniques was created through a risk workshop process.

# Community and Stakeholder Engagement Strategy

Christmas Island Immigration Detention Centre SEIA



## Community and Stakeholder Engagement Strategy

Christmas Island Immigration Detention Centre SEIA

Prepared for

Department of Regional Australia, Regional Development & Local Government

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08 April 2011

60191634

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## Quality Information

Document      Community and Stakeholder Engagement Strategy


Ref              60191634

Date             08 April 2011

Prepared by    Liam Heitson

Reviewed by    Christine Moro

### Revision History

Revision	Revision Date	Details	Authorised	
			Name/Position	Signature
A	29-Mar-2011	For client review and comment	Christine Moro Project Manager	
0	08-Apr-2011	Final	Christine Moro Project Manager	

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## Executive Summary

The Department of Regional Australia, Regional Development & Local Government (Regional) has engaged consultants AECOM Australia to conduct a socio-economic assessment (SEIA) of the impacts of the Christmas Island Immigration Detention Centre (IDC) on the local community.

The research and engagement process for the SEIA outlined in this document will be carried out during a twelve day period from 3 May to 14 May.

The AECOM team will work on the ground with local communities to develop a baseline understanding of the impacts of the IDC on that community. The team will use a range of anthropological and sociological techniques such as participatory observation, Appreciative Inquiry through open sessions and historical-cultural mapping.

The information gathered from this research and engagement process will be complemented by economic modelling and community profiling to form the final socio-economic impact assessment.

This Community and Stakeholder Engagement Strategy document outlines the engagement goals, risks, mechanisms and timeline for the scoping and community feedback stages of the SEIA.

## 1.0 Project Background

The SEIA is being conducted following the recommendation of the Joint Standing Committee on the National Capital and External Territories and the Christmas Island Economic Development Consultancy Group.

The purpose of the assessment is:

- To obtain a clear understanding of the economic and social importance of the IDC for the community of Christmas Island;
- To identify stakeholder perceptions of the potential impacts/issues associated with the IDC;
- To assess the direct and indirect social effects of the IDC on stakeholders within the area;
- To identify the likely impacts that changes in the IDC's workforce may have on the local population and the supply and demand of local/regional services and facilities, and
- To identify flow-on to the community and the region from the local workforce and contractors who provide goods and services to the IDC.

Furthermore, the project has the objective of initiating and maintaining open communication/engagement with key stakeholders and the community on all aspects of the project. AECOM's team of leading SEIA practitioners and economists will use a combination of economic modelling and qualitative ethnographic and quantitative research methods to assess the social and economic impacts and benefits of the Christmas Island IDC operations.

## 2.0 Introduction

The Community and Stakeholder Engagement Strategy document outlines the engagement goals, risks, mechanisms and timeline required to conduct the research component of the Christmas Island Immigration Detention Centre SEIA.

The project team in conjunction with Regional has identified a list of community members and stakeholders with an interest in the IDC. The list, which is also informed by demographic studies and preliminary community profiling, will be used to achieve the project objectives.

In addition to the list of community members and stakeholders, a list of engagement risks and mitigations has been created to assist in the prevention of data gaps during the research process. The list of engagement risks has been used to identify groups who are at risk of being excluded from the engagement and research process. The engagement risk groups are:

- 18-25 year olds;
- School children;
- Community members and stakeholders with confidentiality concerns;
- Community members that may be inaccessible due to language difficulties;
- Community members with disabilities, and
- Senior members of the community.

The engagement process and scoping for the SEIA will be carried out during a twelve- day period from 3 May to 14 May.

The project will be advertised in the local Islander newsletter during the field research period. Advertisements will be placed to notify residents of workshops and opportunities for one-on-one meetings. All advertisements will be approved by the client representative prior to publication.

In the advent of media scrutiny, the project team will respond with the designated media response outlined in Section 8.

### 3.0 Communities and Stakeholders

The project team in conjunction with Regional has identified a list of community members and stakeholders with an interest in the IDC. The list is also informed by demographic studies and preliminary community profiling and has been confirmed during an initial visit to the island carried out between 12 and 17 March 2011.

Important initial points of contact on the island are the Christmas Island Administrator – the Honourable Brian Lacy, Shire President – Gordon Thomson, Shire CEO – Kelvin Matthews and Shire Community Liaison Officer – Chris Su. These stakeholders will provide guidance and essential information for the planning and delivery of the community engagement process.

The community of Christmas Island consists of diverse ethnic groups who reside in sub-community locations:

- The Kampong – Malaysian community;
- Poon Saan – Chinese community;
- Silver City – a mixture of Chinese, European and some Malaysian people;
- Drumsite – a mixture of European and some Chinese people, and
- Settlement – commercial and business location where many Europeans live.

The engagement process will target the above groups to help achieve broad engagement and gather sub-community specific information.

The list of community members and stakeholders has been categorised for appropriate engagement practices:

**Table 1: Christmas Island Communities and Stakeholders**

Stakeholder Group	Organisation	Contact
<b>1. COMMUNITIES</b>	Drumsite	NA
	Kampong	NA
	Poon Saan	NA
	Settlement	NA
	Silver City	NA
<b>2. COMMONWEALTH AGENCY REPRESENTATIVES</b>	Christmas Island Administrator	Hon. Brian Lacy  Liyana Pereira (Secretary to the Island Administrator)
	The Department of Regional Australia, Regional Development and Local Government	Various officers across the Territories Division.
	The Department of Immigration and Citizenship	Fiona Andrew (Assistant Secretary of Irregular Maritime Arrivals)
	Parks Australia	Mike Misso (Director of Parks Australia)
	Australian Federal Police	Peter Swann
	Landgate	Steven Elliot
	Christmas Island Tourism Association	Lisa Preston
<b>3. LOCAL GOVERNMENT STAFF AND COUNCILLORS</b>	Shire of Christmas Island	Gordon Thomson (President) Kelvin Matthews (CEO) Chris Su (Community Liaison Officer) Shire Councillors
	Shire of Cocos (Keeling) Islands	Peter Clarke

Stakeholder Group	Organisation	Contact
4. LOCAL BUSINESSES	Wild Papaya	Pat Powers (proprietor)
	Supermarket Owners	Eddy Tan and others
	Christmas Island Resort	David Kwon
	PRL Mining	Kane Martin
	Gas Plumbing	Craig Albanus
	ACKER Trading	Ki Ong Darren Bird
	Reefer Air-conditioning	Rod Hewett
	Pest Control Business	Zaini Ahmad
5. COMMUNITY GROUPS / SPECIAL INTEREST	Economic Development Consultative Group	Hon. Brian Lacy Gordon Thomson Simon Millcock
	Christmas Island Charities	Cheryl Wright
	Indian Ocean Group Training Association	Glenda Maberly
	Chinese Literature Literary Association	Gee Foo
	Malay Association of Christmas Island	Azmi Yon
	Buddhist Community	Foo Kee Heng
	Islamic Council	Zainal Abdul Majid
	Catholic Church	Celestine Marsh
	Cricket Club	Kane Martin
	Small Business Development Group	Joanne Brunette
6. SERVICE PROVIDERS	Indian Ocean Territories Health Service	Kathy Bartolo (Health Services Social Worker) Dr Julie Graham
	Christmas Island District High School (Department of Education)	Ian Francis (Principal) Jeannie Ku (Business Manager) Jo Dobel (Teacher)
	St John Ambulance	IOTHS
	Australia Post	Caroline Goodall
	Indian Ocean Territories Power Authority	John Carter
	Water Corporation/ Waste Water Treatment	Andrew Scott
	Legal Aid	Annie Gray
	Centrelink	Ron Foo
7. CONTRACTORS / SUPPLIERS	Serco (IDC Operations)	Wendy Sinclair (Acting Manager)
	Patrick (Port of Christmas Island)	Dave Robinson (Manager)
	Patrick (Cocos)	Shane Charlston
	PDL-Toll (Airport)	Colin Fort

## 4.0 Engagement Risks

Project meetings conducted with Regional and the initial island visit have identified the following list of engagement risks and mitigation techniques.

**Table 2: Engagement Risks and Mitigations**

Engagement Risks	Mitigations
Consultation fatigue	Emphasis on one-on-one and small group meetings.
Language barriers	Source appropriate interpreters through Chris Su (community liaison officer) and provide clear instructions for interpretation.
Cultural sensitivities	Wear casual clothing and provide opportunities for one-on-one feedback and discussions.
Low participation rates of youth	Target 18-25 year olds and provide opportunities for one-on-one feedback.
Adverse impacts on stakeholder and community health and well-being (emotional trauma given recent events)	Work with local community engagement officers and counsellors to be aware of any sensitivities and to maintain an empathic confidential environment.
Media scrutiny	Official media response (see Section 8).
Political sensitivities	Keep Minister's office up-to-date.
Fieldwork OS&H issues (Respond to emergency management directions issued by authorities)	Remain in residential areas during IDC incidents.
Biased research following IDC incidents during 12-18 March 2011	Provide open sessions at the beginning of workshops to manage outrage.

## 5.0 Engagement Risk Groups

Regional has emphasised the importance of conducting an inclusive engagement process in order to produce thorough research results. This entails reaching all demographics on the island.

Regional has also emphasised the lack of understanding of the impacts on Christmas Island school children of the IDC and how they perceive the IDC.

To help achieve this aim, the engagement risks and mitigations outlined previously have been used to identify a list of groups for which extra effort will be required to engage. The engagement risk groups are:

- 18-25 year olds;
- School children;
- Community members and stakeholders with confidentiality concerns;
- Community members that may be inaccessible due to language interpretation problems;
- Community members with disabilities, and;
- Older members of the community.

## 6.0 Engagement Plan

### 6.1 Advertising

The Islander newsletter will provide the main point of advertising for all public activities undertaken by the fieldwork team whilst on the island. The team will also place an ongoing advert throughout the duration of the study in the Islander to notify the community of the research project. Local radio 102.1FM will be used where possible to inform locals of the study.

### 6.2 Engagement mechanisms

The engagement mechanisms planned for the scoping stage of the project are:

- Individual meetings with each government agency;
- Individual meetings with key stakeholders such as the Honourable Brian Lacy and Shire President Gordon Thomson;
- IDC surveys with Serco employees (see Appendix A);
- Service provider surveys (see Appendix B);
- Community open sessions at prominent community places such as the Kampong and the Settlement. These sessions will be run over a three hour period to provide flexible attendance. They will involve an accessible approach to historical mapping and sustainable livelihoods analysis.
- Informal interviews with members of the community who prefer intimate and confidential discussions;
- Informal meetings with 18-25 year olds, seniors and people with disabilities;
- Informal teacher / student interviews;
- One-on-one interviews with local business owners; and
- Feedback through information sessions on the island.

### 6.3 Engagement timeline

The main scoping / engagement stage of the project will be carried out during a 12 day field trip between 03 and 14 May, 2011. This date was discussed with both the Island Administrator and Shire and it was agreed that the recent detention centre breakout and ensuing protests warranted rescheduling the engagement dates to provide time for the local community to recover from the events. The following table provides a timeline of the scoping stage of the project, including community and stakeholder groups, engagement mechanisms and estimated date of engagement. The days highlighted in red are half days due to travel or Sundays.

Table 3: Scoping/Engagement Timeline

Group	Community / Organisation	Engagement Technique	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Day 8	Day 9	Day 10	Day 11	Day 12
GOVERNMENT AGENCY REPRESENTATIVES	Christmas Island Administrator	Individual stakeholder meetings												
	The Department of Regional Australia	Stakeholder group meetings												
	Parks Australia	Stakeholder group meetings												
	Australian Federal Police	Stakeholder group meetings												
	Landgate	Stakeholder group meetings												
	Shire of Christmas Island	Personal meetings / Workshop												
LOCAL GOVERNMENT	Indian Ocean Territories Health Service	Service provider surveys												
	Christmas Island District High School (Department of Education)	Service provider surveys												
	St John Ambulance	Service provider surveys												
	Australia Post	Service provider surveys												
	Waste Water Treatment	Service provider surveys												
	Indian Ocean Territories Power Authority	Service provider surveys												
	Water Corporation	Service provider surveys												
	Legal Aid	Service provider surveys												
	Christmas Island Tourism Association	Service provider surveys												
CONTRACTORS / SUPPLIERS	Serco (IDC Operations)	Stakeholder group meetings/ IDC												

Group	Community / Organisation	Engagement Technique	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Day 8	Day 9	Day 10	Day 11	Day 12
		Employee Surveys												
	Patrick (Port of Christmas Island)	Stakeholder group meetings												
	PDL-Toll (Airport)	Stakeholder group meetings												
COMMUNITIES / ENGAGEMENT RISK GROUPS	Kampong	Open Session - historical mapping and livelihoods analysis												
	Poon Saan (including Drumsite and Silver City Residents)	Open Session - historical mapping and livelihoods analysis												
	Settlement (including Drumsite and Silver City Residents)	Open Session - historical mapping and livelihoods analysis												
	School Children	Teacher / child informal interviews												
	18-25 Year Olds	Workshop / Informal meeting												
	Community and stakeholders with confidentiality concerns	One-on-one meetings	Ongoing (scheduled on an as-needs basis)											
LOCAL BUSINESSES	Wild Papaya	One-on-one meeting												
	Supermarket Owner	One-on-one meeting												
	Christmas Island Resort	One-on-one meeting												
	PRL Mining	One-on-one meeting												
	Gas Plumbing	One-on-one meeting												
	ACKER Trading	One-on-one meeting												
	Reefer Air-conditioning	One-on-one meeting												

Group	Community / Organisation	Engagement Technique	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Day 8	Day 9	Day 10	Day 11	Day 12
	Pest Control Business	One-on-one meeting												
COMMUNITY GROUPS / SPECIAL INTEREST	Economic Development Consultative Group	One-on-one meeting												
	Christmas Island Charities	One-on-one meeting												
	Indian Ocean Group Training Association	One-on-one meeting												
	Chinese Literature Literary Association	One-on-one meeting												
	Malay Association of Christmas Island	One-on-one meeting												
	Buddhist Community	One-on-one meeting												
	Islamic Council	One-on-one meeting												
	Catholic Church	One-on-one meeting												
	Cricket Club	One-on-one meeting												
	Small Business Development Group	One-on-one meeting												

## 7.0 Data Recording and Storage Techniques

### 7.1 Stakeholder details

A stakeholder database has been established for the project and is stored on AECOM's secure internal storage system.

The database will be maintained and updated on a weekly basis.

### 7.2 Field notes and surveys

All materials gathered at the open sessions and interviews will be electronically copied and stored on AECOM's internal storage system.

Notes will be taken during open sessions and interviews and subsequently transferred to electronic storage on the AECOM internal storage system.

### 7.3 Data transfer and storage

Fieldwork laptops will be used for the transfer of field notes. Hard copies will also be kept for a nominal period of time.

### 7.4 Photographic materials

Participants who are willing to have their photograph taken will be asked to sign a consent form and their images may be used for the final report.

## 8.0 Official Media Response

AECOM has been advised by the Department of Regional Australia to respond to all project related media enquiries as follows:

*AECOM has been commissioned by the Department of Regional Australia to conduct a socio-economic impact assessment of the effects of the Immigration Detention Centre on the Christmas Island Community. If you would like to know more about the project, please contact the Department of Regional Australia's media division on 02 6274 7977.*

## 9.0 Approvals

All field work travel dates, engagement techniques and associated advertisement materials and dates will be approved by the client representative, Michelle Ford and/or Kate Blagrove, before implementation and publication.

## Appendix A

# Serco IDC Employee Draft Survey Questionnaire

## Appendix A Serco IDC Employee Draft Survey Questionnaire

The Serco employee surveys are designed to elicit information about the employment history and trends of IDC employees, their living arrangements, their demographics, their participation in the local community, their usage of local services and their perception of the impact of the IDC on the local community. The draft questions outlined below are subject to approval by Regional, DIAC and Serco:

### Employment

- What is your role for Serco on Christmas Island?
- When did you start working for Serco on Christmas Island?
- How long is your contract for employment on the island?
- What is your weekly income (after tax)?
- Will your contract for work on the island be renewed? If so, do you intend to continue working on the island?
- Do you have any plans to stay on Christmas Island even if your contract ends? If so, please explain why you intend to stay. If not, please explain why you do not intend to stay.

### Place of residence

- What was your place of residence before you started working for Serco on Christmas Island?
- Do you still live at this place of residence? If so, do you own this place of residence?
- Where do you live when working on Christmas Island?
- Is this accommodation paid for by Serco?
- If not, do you rent or own this place of residence? If you rent this place, how much do you pay in rent per week?

### Demographics

- What is your gender?
- What is your age?
- What is your relationship status (single, married, de facto)?
- Do you have any children under the age of 18? If so, how many children do you have and what age are they?
- Do any members of your family live with you on Christmas Island? If so, who?

### Community participation

- Do you view yourself as a member of the local community? If so, why or why not?
- Do you participate in any informal community events (church, sports, socialising)? If so, how often?
- Do you participate in any formal community events (social club and committee membership)? If so, how often?
- During your contract roster period on Christmas Island, how often do you participate in social activities with people/families who live permanently on Christmas Island?

### Local services usage

- Below is a list of services provided on Christmas Island. Please indicate how frequently you would use these services when in town:

	Never	Once a week	Once a month	Once every 6 months	Once a year
Local Doctor					
Hospital					
Dentist					
Counselling Services					
Chemist					
Hotel / Motel					
Local Restaurants					
Supermarket					
Newsagency					
Australia Post					
Legal Aid					
Other – please specify					

### Local goods purchasing

- When you purchase items for your household, including grocery items, clothing, petrol and other goods, where do you purchase these items from?
- What percentage of your total household purchase is from each place (for example. Drumsite supermarket 5%, Gaze Road supermarket 10%, Kampong supermarket 25%, Poon Saan supermarket 60%)?

Drumsite supermarket	%
Gaze Road supermarket	%
Kampong supermarket	%
Poon Saan supermarket	%
Other (please specify)	%
Other (please specify)	%
Other (please specify)	%
Other (please specify)	%
Other (please specify)	%
Other (please specify)	%
<b>TOTAL (should add up to 100%)</b>	<b>%</b>

**IDC Scenarios**

- How would you be affected if the Immigration Detention Centre closed down?

**Impacts of the IDC**

- Do you think that the IDC has had any positive or negative impacts on the local community? If so, please describe those impacts.
- Any there any services lacking on Christmas Island?
- How much of your weekly income (after tax) do you spend on Christmas Island (please circle)?

0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
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## Appendix B

# IDC Service Provider Surveys

## Appendix B IDC Service Provider Surveys

(note: not only service providers but also people who sell products to IDC)

These surveys are focused on understanding the capacity of service providers to continue providing services in the face of the four scenarios outlined in the project scope. Again, the questions outlined below are subject to approval by Regional:

- How many full time equivalent staff do you employ?
- Do you rely on volunteers to provide services to the IDC? If so, how many volunteers do you have working for you and how many hours do they work per week?
- How many of your full time staff relate directly to the services / products provided to IDC / contractors?
- What is the annual monetary value of the services or products provided to IDC or contractors (2010 financial year)
- Please provide a detailed breakdown of the services or products sold to the IDC or contractors (2010 financial year).
- For optimal provision of services by your organisation, what capacity/size would you ideally like to see the IDC?
- If the government decides to double the capacity of the IDC to hold asylum seekers (including North West Point, Phosphate Hill and Construction Camp), would your organisation be able to meet its requirements? How would that impact on your organisation?
- What would happen to your organisation if the IDC (including North West Point, Phosphate Hill and Construction Camp) closes?
- Has the IDC had any positive impacts on your organisation? If so please explain.
- Has the IDC had any negative impacts on your organisation? If so please explain.

## Appendix C

# Project, Fieldwork and Feedback Advertisements

## Appendix C Project, Fieldwork and Feedback Advertisements



**Australian Government**  
**Department of Regional Australia,**  
**Regional Development and Local Government**

**AECOM**

How does the detention centre affect our local community?

The Australian Government would like to get a better understanding of how the immigration detention centre affects your community by asking residents directly.

We will be holding an open workshop in your area to provide you with an opportunity to express and record your views about the impacts of the detention centre. The workshop will involve table discussions and will be guided by a set of basic questions designed to prompt discussion about your community and the positive and negative impacts of the centre.

We are particularly interested in hearing from people who may not normally get the opportunity to share their views. For this reason, we are holding one workshop for the Chinese community, one for the Malay community and one for the general community.

The workshop for the Malay community will be held on:

- Monday 9 May, from 7:30 pm to 9:30 pm at the Malay Association.

There is no need to register for the workshop. Please be there before 7:30 pm for a prompt start.

Please feel free to contact Liam or Marc on 0428 022 932 to find out more about the workshop or the study and to talk about the impacts of the detention centre. Alternatively, you can reach Liam at [liam.heitson@aecom.com](mailto:liam.heitson@aecom.com).

We are also available from 4 to 14 May for small group meetings. Please contact us using the above details to arrange a meeting with us outside of the workshops.



**Australian Government**

**Department of Regional Australia,  
Regional Development and Local Government**

**AECOM**

How does the detention centre affect our local community?

The Australian Government would like to get a better understanding of how the immigration detention centre affects your community by asking residents directly.

We will be holding an open workshop in your area to provide you with an opportunity to express and record your views about the impacts of the detention centre. The workshop will involve table discussions and will be guided by a set of basic questions designed to prompt discussion about your community and the positive and negative impacts of the centre.

We are particularly interested in hearing from people who may not normally get the opportunity to share their views. For this reason, we are holding one workshop for the Chinese community, one for the Malay community and one for the general community.

The workshop for the Chinese community will be held on:

- Tuesday 10 May, from 6:00 pm to 8:30 pm at the Poon Saan Community Hall.

There is no need to register for the workshop. Please be there before 6:00 pm for a prompt start.

Please feel free to contact Liam or Marc on 0428 022 932 to find out more about the workshop or the study and to talk about the impacts of the detention centre. Alternatively, you can reach Liam at [liam.heitson@aecom.com](mailto:liam.heitson@aecom.com).

We are also available from 4 to 14 May for small group meetings. Please contact us using the above details to arrange a meeting with us outside of the workshops.



**Australian Government**

**Department of Regional Australia,  
Regional Development and Local Government**

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How does the detention centre affect our local community?

The Australian Government would like to get a better understanding of how the immigration detention centre affects your community by asking residents directly.

We will be holding an open workshop in your area to provide you with an opportunity to express and record your views about the impacts of the detention centre. The workshop will involve table discussions and will be guided by a set of basic questions designed to prompt discussion about your community and the positive and negative impacts of the centre.

We are particularly interested in hearing from people who may not normally get the opportunity to share their views. For this reason, we are holding one workshop for the Chinese community, one for the Malay community and one for the general community.

The workshop for the general community will be held on:

- Thursday 12 May, from 6:00 pm to 8:30 pm at the Recreation Centre.

There is no need to register for the workshop. Please be there before 6:00 pm for a prompt start.

Please feel free to contact Liam or Marc on 0428 022 932 to find out more about the workshop or the study and to talk about the impacts of the detention centre. Alternatively, you can reach Liam at [liam.heitson@aecom.com](mailto:liam.heitson@aecom.com).

We are also available from 4 to 14 May for small group meetings. Please contact us using the above details to arrange a meeting with us outside of the workshops.



**Australian Government**

**Department of Regional Australia,  
Regional Development and Local Government**

**AECOM**

How does the detention centre affect our local community?

The Australian Government would like to get a better understanding of how the detention centre affects your community by asking residents directly. AECOM has been commissioned to carry out this study.

Social scientists Liam Heitson and Marc Wohling from AECOM will be on the island to conduct the study between 3 and 14 May 2011. We would like to know, in your own words, what positive and negative impacts the detention centre has had on your community and lifestyle.

We are particularly interested in hearing from people who may not normally get the opportunity to share their views.

We will be available to speak with people individually or in small groups and will also hold open community workshops in Kampong, Poon Saan, and Settlement to discuss the impacts of the detention centre and provide an opportunity to record your views. All individual conversations will be treated as confidential.

Please feel free to contact Liam on 6430 2292 or Marc on 0428 022 932 to find out more about the study and to talk about the impacts of the detention centre. Alternatively, you can reach Liam at [liam.heitson@aecom.com](mailto:liam.heitson@aecom.com).

Watch this newspaper and your community notices for details of our workshops.

## Appendix D

# Economic Multipliers

## Appendix D Economic Multipliers

Table 18 : Multipliers for Christmas Island 2005-2006

Source: AECOM based on 2006 Christmas Island IO Table

	Output				Income				Value Added				Employment			
	Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total
Other mining	1.00	0.24	0.25	1.48	0.27	0.04	0.07	0.37	0.45	0.08	0.14	0.67	2.10	0.86	1.36	4.32
Bakery products	1.00	0.18	0.25	1.43	0.27	0.04	0.07	0.39	0.39	0.07	0.15	0.61	6.65	0.98	1.41	9.03
Basic chemicals	1.00	0.41	0.15	1.56	0.11	0.07	0.04	0.23	0.22	0.13	0.09	0.44	1.40	1.42	0.83	3.65
Electricity supply	1.00	0.18	0.09	1.27	0.08	0.03	0.02	0.13	0.30	0.07	0.05	0.42	5.02	0.90	0.48	6.40
Water supply	1.00	0.19	0.17	1.36	0.17	0.04	0.05	0.26	0.59	0.09	0.10	0.77	2.40	0.88	0.96	4.24
Residential building construction	1.00	0.45	0.17	1.63	0.12	0.09	0.05	0.26	0.17	0.18	0.10	0.46	3.26	2.48	0.96	6.70
Other construction	1.00	0.35	0.12	1.47	0.07	0.08	0.03	0.18	0.26	0.14	0.07	0.48	2.85	1.84	0.67	5.36
Construction trade services	1.00	0.45	0.23	1.68	0.20	0.09	0.06	0.35	0.41	0.18	0.13	0.72	6.17	2.57	1.29	10.03
Wholesale trade and repairs	1.00	0.40	0.27	1.67	0.25	0.09	0.07	0.41	0.38	0.17	0.15	0.70	3.63	1.62	1.49	6.74
Retail trade and retail repairs	1.00	0.27	0.29	1.56	0.29	0.07	0.08	0.44	0.43	0.12	0.17	0.72	9.39	1.43	1.60	12.41
Accommodation and restaurants	1.00	0.18	0.24	1.42	0.26	0.04	0.06	0.36	0.38	0.08	0.14	0.60	6.85	0.98	1.32	9.15
Road transport	1.00	0.33	0.24	1.56	0.21	0.08	0.06	0.36	0.37	0.14	0.14	0.65	6.05	1.88	1.30	9.24
Water transport	1.00	0.46	0.19	1.64	0.14	0.10	0.05	0.28	0.21	0.17	0.11	0.49	2.93	1.64	1.02	5.59
Air and space transport	1.00	0.23	0.18	1.41	0.18	0.05	0.05	0.27	0.27	0.09	0.10	0.46	2.84	0.84	1.00	4.69
Services to transport; storage	1.00	0.40	0.23	1.63	0.19	0.10	0.06	0.35	0.39	0.17	0.13	0.70	2.33	1.89	1.28	5.50
Communication services	1.00	0.30	0.19	1.49	0.16	0.07	0.05	0.28	0.49	0.13	0.11	0.72	3.00	1.43	1.02	5.45
Banking	1.00	0.06	0.28	1.34	0.34	0.02	0.08	0.43	0.74	0.03	0.16	0.94	3.27	0.21	1.56	5.04
Ownership of dwellings	1.00	0.08	0.02	1.10	0.00	0.02	0.00	0.03	0.78	0.05	0.01	0.83	1.40	0.37	0.09	1.87
Other property services	1.00	0.54	0.17	1.70	0.11	0.10	0.04	0.25	0.42	0.24	0.10	0.75	1.55	1.85	0.92	4.32
Scientific research	1.00	0.37	0.43	1.80	0.42	0.12	0.12	0.66	0.46	0.17	0.25	0.88	5.49	2.03	2.40	9.92
Other business services	1.00	0.32	0.31	1.63	0.31	0.08	0.08	0.47	0.48	0.14	0.18	0.80	6.93	1.54	1.71	10.18
Government administration	1.00	0.31	0.41	1.72	0.43	0.08	0.11	0.62	0.49	0.14	0.24	0.86	10.33	1.77	2.26	14.36
Defence	1.00	0.25	0.29	1.54	0.31	0.05	0.08	0.44	0.42	0.10	0.17	0.69	4.72	1.22	1.62	7.56
Education	1.00	0.14	0.56	1.70	0.66	0.04	0.15	0.85	0.74	0.07	0.32	1.13	9.99	0.89	3.11	13.99
Health services	1.00	0.11	0.56	1.67	0.67	0.03	0.15	0.85	0.77	0.05	0.32	1.15	9.32	0.65	3.10	13.07
Community services	1.00	0.13	0.38	1.51	0.44	0.03	0.10	0.57	0.75	0.06	0.22	1.02	16.84	0.73	2.10	19.66
Libraries, museums and the arts	1.00	0.28	0.37	1.65	0.38	0.08	0.10	0.55	0.39	0.13	0.21	0.73	13.74	1.79	2.02	17.55
Sport, gambling and recreation	1.00	0.45	0.24	1.69	0.20	0.10	0.06	0.37	0.25	0.19	0.14	0.57	5.39	2.22	1.33	8.95
Personal services	1.00	0.28	0.30	1.58	0.30	0.07	0.08	0.45	0.51	0.12	0.17	0.81	16.91	1.51	1.65	20.06
Other services	1.00	0.17	0.54	1.71	0.63	0.05	0.14	0.82	0.65	0.08	0.31	1.04	8.37	0.92	2.99	12.29
Compensation of employees	1.00	-0.20	0.41	1.21	0.00	0.21	0.00	0.21	0.00	0.46	0.00	0.46	16.70	8.00	0.00	24.70

**Table 19 : Local Share of Spending Estimate: Christmas Island**  
Source: 2006 Christmas Island IO Table

Industry	Local Share
Other mining	44%
Bakery products	23%
Basic chemicals	39%
Electricity supply	22%
Water supply; sewerage and drainage services	38%
Residential building construction	39%
Other construction	34%
Construction trade services	54%
Wholesale trade and wholesale repairs	49%
Retail trade and retail repairs	38%
Accommodation, cafes and restaurants	25%
Road transport	43%
Water transport	42%
Air and space transport	28%
Services to transport; storage	51%
Communication services	45%
Banking	23%
Ownership of dwellings	42%
Other property services	66%
Scientific research, technical and computer services	53%
Other business services	48%
Government administration	48%
Defence	33%
Education	45%
Health services	43%
Community services	44%
Libraries, museums and the arts	37%
Sport, gambling and recreational services	46%
Personal services	45%
Other services	41%
Private Consumption	61%
Government Consumption	78%

## Appendix E

# DIAC Expenditure Data

## Appendix E DIAC Expenditure Data

The following categories of expenditures made by DIAC on CI were considered in the economic impact assessment.

1. DIAC operating expenditures in year 2010-11 (or March-May 2011 as specified)
  - DIAC expenditures on IDC related services
  - Salaries and allowance paid to DIAC staff working on CI
  - DIAC expenditures on services provided by CI businesses
  - Expenditures contributed by DIAC to CI community services
2. DIAC capital expenditures on facility construction, for the period prior to 2007
3. Expenditures incurred by SERCO in year 2010-11

Detail of the above expenditures is provided in the following.

**Table 20: DIAC expenditures on IDC related services, 2010-11**

Expenditure Item	2010-11 Expenditure	Further Information for period March-May 2011
Detention Services – Payment to SERCO <sup>1</sup>	\$129,674,714	Detail of SERCO expenditures is provided in Table 25
Interpreting Services	\$18,327,790	
Aircraft Charter, Freight & Travel	\$29,270,521	A total of 64 DIAC charter flights to and from CI occurred during the period. Total number of passenger movements were 3,513 including DIAC clients, DIAC staff, contracted service provider staff and staff from other agencies
Health Services – Total Cost	\$36,792,490	
Torture and Trauma Cost Recovery	\$1,125,948	Corresponding expenditure on torture and trauma counselling services <sup>1</sup> for the period was approximately \$235,000
In-patient treatment and ancillary health services at Christmas Island Hospital	NA	DIAC expenditure for period was approximately \$2.5 million <sup>1,2</sup>
IAAAS	\$8,522,349	
IT & Communications	\$6,056,499	
Utilities, Repairs and Maintenance / Property	\$8,787,752	
Other Miscellaneous Costs	\$1,486,668	
Motor Vehicle Expenses	\$1,002,590	
IOM/ARC	\$184,233	

(1) Counselling services were open to both asylum seekers and local residents. Proportion of services provided to local residents was not known.

(2) Financial information was not available to confirm whether this cost was part of the total health services cost or not

Table 21: Salaries and allowance paid to DIAC staff working on CI, 2010-11

Expenditure Item	2010-11 Expenditure	Further Information
Total Employee Cost	\$13,456,020	
DIAC Staff Salaries	\$10,907,285	
DIAC Staff Allowances	\$2,548,735	Irregular Maritime Arrivals Allowance as per the DIAC EA (\$117.20 for each day worked or rate of \$30,000 per annum) and Travel Allowance
Number of Employees	120 (estimated average number for year)	As at 31 March 2012 there were around 75-76 DIAC employees on CI In May 2011, the level of IHMS <sup>1</sup> employees on Christmas Island was around 54

(1) IHMS: International Health and Medical Services Pty Limited

Table 22: DIAC expenditures on services provided by CI businesses, 2010-11

Expenditure Item	2010-11 Expenditure
Christmas Island Cricket & Sporting Club	\$18,138
CI Hardware	\$17,990
Christmas Island Internet & Administration	\$37,255
Christmas Island Post Office	\$7,270
CI Removals	\$15,931
CI Engineering & Maintenance	\$78,883
Christmas Island Pest Control	\$6,120
Complete Stevedoring & Freight Services	\$183,631
Shire of Christmas Island	\$624,962
Gaseng Petroleum	\$247,543
The Barracks Café	\$2,050
CI Reefer Services	\$260
Island Taxis	\$94,900
Siborg Technologies	\$132,170
Travel Exchange CI	\$4,488
Kiates Service Station/Car Rental	\$93,278
Soong Car rental Pty Ltd	\$111,828
CI Removals	\$15,931
Boong Trading	\$867
Menh Chong Trading	\$1,055
Evercrown Trading as CI Supermarkets	\$37,016
Christmas & Cocos Island Travel Pty Ltd	\$82,318
Christmas Island Bus Services Pty Ltd	\$419,069

Table 23: Expenditures contributed by DIAC to CI community services, March - May 2011

Expenditure Item	Expenditure during March - May 2011	Comment
Capital expenditure on upgrading Poon Saan	\$1,773,215	March - May 2011
Maintenance for Poon Saan	\$576,957	March - May 2011
Public bus service (funding via SERCO)	Nil for period	Service commenced from next financial year
Support for fuel farm development	Nil for period	Development only commenced in August 2011
Voluntary community services undertaken by DIAC and SERCO staff and sub-contractors	Level of participation unknown thus not quantified	

Table 24: DIAC capital expenditures on facility construction, period to 2007

Expenditure Item	Expenditure
Reconfigure Construction Camp & Compounds A & C	\$515,797
Construction Camp	\$496,559
North West Point Lilac Compound	\$252,100
North West Point Aqua Compound	\$2,356,591
North West Point	\$500,464
Poon Saan Staff Accommodation	\$9,912
Reconfigure Construction Camp & Compounds A & C	\$1,989,882
Phosphate Hill Compounds A & C	\$1,438,246
North West Point Lilac Compound	\$7,971,158
North West Point Aqua Compound	\$10,862,753
Poon Saan Staff Accommodation	\$10,813,047
General Expenses	\$375,032
North West Point	\$292,924,857
North West Point CCTV	\$5,000,000
North West Point Long Term Upgrade	\$5,500,000
Phosphate Hill Construction Camp	\$2,900,000

Table 25: Expenditures incurred by SERCO in year 2010-11

Expenditure Item	Expenditure
Air & Boat Fares	\$1,612,450
Car & Van Acc Repairs	\$73,921
Car & Van Hire - Short	\$250,509
Car & Van Hire with driver	\$55,979
Car & Van Insurance	\$1,663
Car & Van Leasing	\$132,300
Car & Van Licences	\$69,431
Car & Van Maintenance	\$19,559
Cleaning	\$3,531,055
Electricity	\$101,696
Equipment operating lease rentals	\$40,466
Fire safety	\$2,400
Fuel	\$266,511
Gas	\$44,646
Hardware-Computer	\$10,966
Health & safety	\$123,613
Hotel Costs	\$143,178
Materials Consumed	\$18,479,678
Medical/ Occupational Health	\$ 3,012
Office equipment and computer consumable	\$23,300
Office equipment purchased	\$1,494
Postage & couriers	\$2,538,077
Print & Repro (External)	\$113,829
Professional/Consultancy services	\$141,308
Rent	\$69,232
Repair & Maint-Other	\$21,770
Stationery & Office Supply	\$172,379
Storage costs	\$74,490
Telecommunications (Landline-Voice)	\$ 62,908
Telecommunications (Mobile)	\$57,738
Telecommunications Hardware (Mobile)	\$4,804
Uniforms with Company Logo	\$41,801
Uniforms without Company Logo	\$2,069,285
Capital Expenditure	\$590,000
Projected Capital Expenditure	\$5,212,500

At May 2011, SERCO had 296 staff including 160 Serco officers and 136 sub-contractors. In the economic analysis, wages and salaries were calculated for the former group, cost of the latter group was funded through SERCO operating expenditures and capital expenditures.

## Appendix F

# Robber Crab Kill Locations

## Appendix F Robber Crab Kill Locations

In January 2010, PA established a program to monitor robber crab road kills in response to the increase of robber crab deaths due to vehicles. As a result of the increase, PA staff have devoted considerable time to monitoring and mapping road mortality sites, including a week-by-week mortality tally. The robber crab species is the world's largest terrestrial arthropod, once numerous on many other tropical islands, but Christmas Island now has the only remaining significant population. Most Robber Crab kills on the Island have been found along the main access road to the IDC, and PA considers that such mortality rates are likely to be unsustainable. PA has been working with a range of stakeholders on island to reduce vehicle impact on crab mortality around the island.

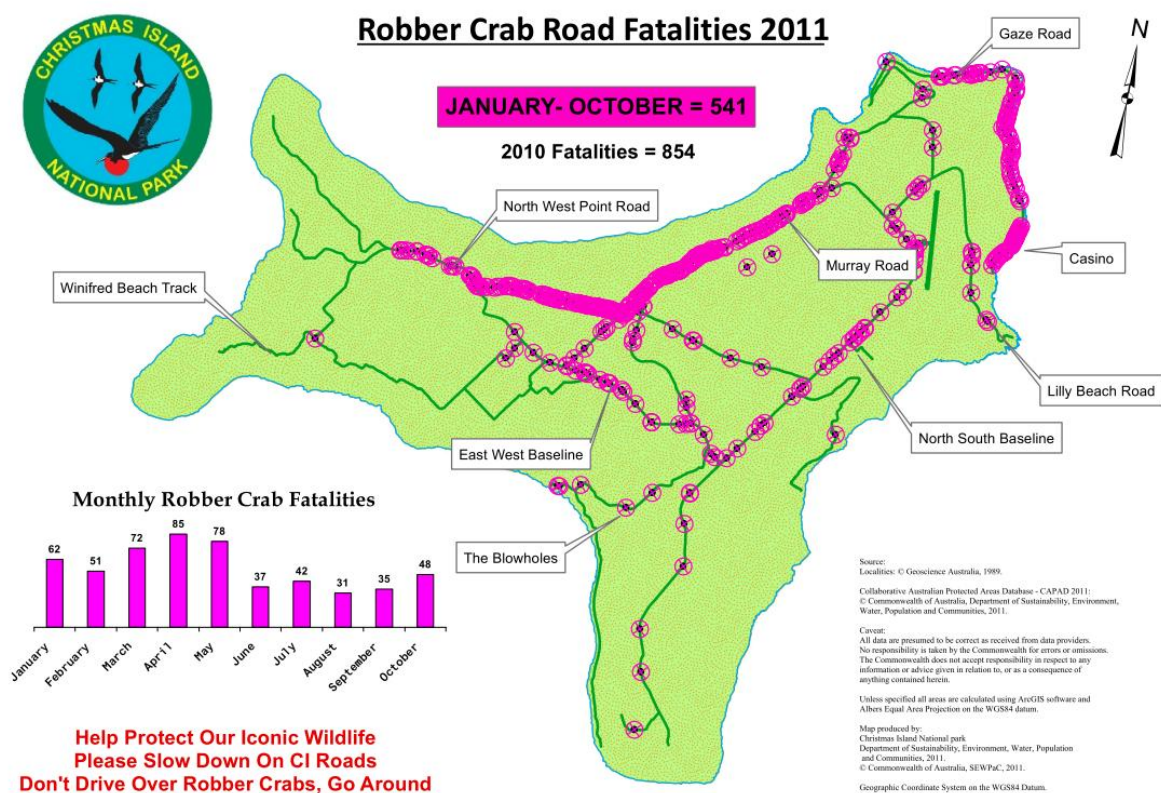


Figure 12 : Robber Crab Road Kill Locations 2011