

CHRISTMAS ISLAND and COCOS (KEELING) ISLANDS ECONOMIC DEVELOPMENT CONSULTATIVE GROUPS INDIAN OCEAN TERRITORIES ECONOMIC DEVELOPMENT STRATEGIC PLAN 2010 - 2015

This document to be linked with IOT Futures Plan, Crown Land Management Plan and Futures Plans of both Shires and provides a local strategy to link with the Commonwealth Government.

Introduction:

The Christmas Island (CI) and Cocos (Keeling) Islands (CKI) Economic Development Consultative Group (EDCG) have developed the Indian Ocean Territories (IOT) Economic Development Strategic Plan 2010 – 2015 (the Plan) by building on existing plans and reports for the IOT (refer Appendix A).

They have sought and gained feed back on the Plan from Federal, State and Local Government Agencies, community groups, businesses and individuals and were provided assistance from the Territories Branch of Attorney-General's Department (AGD) now Department of Regional Australia, Regional Development and Local Government (DRA) through the IOT Economic Development Officer in its preparation.

The Plan is designed to be linked with Commonwealth Government IOT Futures Plan, Crown Land Management Plan and Futures Plans of both Shires and provides a local strategy to link with the Commonwealth Government Regional Development Australia program. The Plan allows DRA and Shires of CI and CKI to consider the strategies in their planning purposes and decision making on resource allocations.

In 2009 the Minister for Home Affairs constituted the Economic Development Consultative Groups for the Indian Ocean Territories. In so doing the Minister appointed the members of the CKI and CI EDCG for a term of two years from May 2009 and nominated the Administrator of the IOT as Chair of the Groups.

The Plan is designed to have a regional and strategical approach with both CI and CKI being supportive and learning from each other.

Purpose:

The purpose of the Plan is to progress economic development sustainability and diversity in the economy of the IOT.

Vision:

The Indian Ocean Territories have sustainable diversified economies that are sensitive to the environment and the impacts of climate change.

Mission/Goals:

The Plan provides a set of targets and outcomes which provide direction for a unified approach to the development of actions allowing for monitoring and evaluation by the IOT community to achievement of the vision.

Resource / support:

Department of Regional Australia, Regional Development and Local Government: Is the Commonwealth Government Department on behalf of the Minister for Regional Australia, Regional Development and Local Government, through the CI and CKI Acts who administers the IOT. Other Australian Government agencies hold responsibility for matters within their portfolios such as customs, quarantine, immigration and taxation. DRA delivers essential services to the IOT either directly, contracts with private sector or through service delivery arrangements in place with the Western Australian Government. Services provided through DRA include services which would usually be provided at a state level on mainland Australia.

Administrator: Is the Government's senior representative in the IOT. The office of the Administrator of the IOT is as head of Government on the Islands and was established on 1 May 1968 through an ordinance which provides that the appointment be made by the Governor-General. The Administrator is appointed by the Minister for Home Affairs as the Chair of the CI and CKI EDCG.

IOT EDO role includes: Working with stakeholders (Federal, State and Local Government Agencies, community groups, businesses and individuals) to develop and implement a strategic vision and plan for sustainable economic development building on existing plans and reports.

CI and CKI EDCG: Terms of Reference include support for development, implementation and adoption of the Territories Economic Development Strategies and provide information to the EDO and community on these strategies at a local level.

Priority recommendations:

- Community Capacity Building
- Accommodation (resident/workers/tourism)
- Marketing
- Urban Design Master Plans / Precinct Plans
- Tourism
- Education / Research and Development
- Workforce development
- Business skills development (micro and home based business)
- Regional Development
- Horticulture
- Aquaculture
- Leadership

Key Areas:

1. Building Capacity

Area	Target	Due	Key Performance Indicators/Targets (Measurable)
1.1	Resident population increases in employment, skills development and training opportunities	Ongoing Measured annually	<ul style="list-style-type: none"> • Unemployment rates on CI are better than the national average • Unemployment rates on CKI match the national average • Apprenticeship and Trainee positions continue to be created
1.2	Progressive and supportive environment for conducting business	Ongoing Measured annually	Identification of the skill needs for existing and start up business with appropriate support programs developed and patronised
		August 2011	Effective membership based business organisations
		June 2012	Target 10 new business ventures including micro and home based business
		June 2015	Target 5 new exporters from the IOT
		Ongoing	Identify and support key cultural links include trade delegations to overseas investment
1.3	Longer term resident (beyond 2 years) population increases	Ongoing Measured annually	<ul style="list-style-type: none"> • Annual increase in longer term resident population (target of 1,600 for CI and 650 for CKI) • Increased retention of school leavers • Develop and maintain a welcome kit and welcome events • Annual target of 10% increase on new home development approvals
1.4	Leadership skills of people living in the IOT	June 2012 Review annually	<ul style="list-style-type: none"> • Develop an IOT leadership program to commence in 2011 • Attract a minimum of 3 people per Island to undertake the IOT leadership program • Support at least 1 person per year to attend regional or national leadership programs
1.5	Capacity	May 2011 Ongoing programs	Identify the community capacity and support programs that capitalise on the strengths and establish programs for the identified gaps
1.6	Regional Development	July 2011	Include IOT in Commonwealth Government Regional Development Australia

		Annual report	program and develop and maintain a regional development organisation
1.7	IOT secure relevant grant funding	Ongoing Measured annually	<ul style="list-style-type: none"> Increased levels of strategic planning and grant writing, management and acquittal skills. Increased grant funds sourced from all areas Increased funding programs and amounts are available specific for the IOT
1.8	Cultural	Ongoing	Support the retention by the community of their cultural and heritage

2. Red / green tape reduction

Area	Target	Due	Key Performance Indicator/Targets (Measurable)
2.1	Identify appropriately zoned land and have concept plans completed	December 2010	Feasibility / needs assessment reports undertaken for Housing and Industrial land
		2010 - 2012	Support a minimum of two Urban Design Master / Outline Development precinct plans per year
		Annually	Annual target of 10% increase in numbers of development approvals
2.2	Insurance	July 2011	That all businesses, community groups and households are able to access appropriate insurance cover

3. Information Sharing

Area	Target	Due	Key Performance Indicator (Measurable)
3.1	Increase awareness for new investment and residents	December 2010 Monitored annually	Marketing Plan and associated tools to support the ED Strategic Plan is implemented and monitored
3.2	Local awareness	May 2011 Monitored annually	Undertake review of the Strategy and required variations to maintain an effective CI and CKI EDCG and ensure a minimum of 70% community and 80% business awareness and support for the strategy

4. Industry development / growth

Area	Target	Due	Key Performance Indicator (Measurable)
4.1	Tourism Industry	March 2011 and Monitored annually	Identify the tourism development required and support investment from a minimum of 1 new operator and 1 local operators each year per island
		December 2011	Tourism accommodation expansion commences for CI and CKI in line with the identified tourism development
		Annually	Increase of tourist numbers by 10% per annum
		July 2011	Support regional tourism marketing and initiatives through the formation of a regional development organisation as part of a regional marketing plan
4.2	Education	Ongoing	<ul style="list-style-type: none"> Support establishment of links with higher education providers and research and development agencies Support IOT schools to increase student retention and increase students undertaking tertiary education / training
		July 2011	Education Precinct and business plan / feasibility report centred on the economic / business opportunities for CI District High School
		2012 – 2015	Attract a minimum of 5 fee paying overseas students per annum
		2011 – 2015	Develop and attract a minimum 2 internships per year to the IOT
4.3	Horticulture	June 2010	Identify the opportunities for horticulture in the IOT and support investment in line with these opportunities
		Monitored annually	Support increased consumption of fresh fruit and vegetables
4.4	Aquaculture	June 2011	Support an aquaculture plan for the IOT
		December 2011	Identify the opportunities for aquaculture in the IOT from this plan and support investment in line with these opportunities
4.5	Climate Change	Ongoing	Monitor the progress of the outcomes and projects from the IOT Climate Change Risk Assessment

4.6	Other	Ongoing	Proactively support new and existing industry and ensure that appropriate regional impact analysis, transitional and feasibility work is undertaken
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Appendix “A”

ANALYTICAL BACKGROUND

Background:

The Indian Ocean Territories Economic Development Strategic Plan 2010 – 2015 (the Plan) recognises the need to work collaboratively and to ensure that links between the community, the private sector and all levels of Government remain strong and vibrant.

The Plan has been developed from a series of reports and studies conducted in previous years. The CKI EDCG and the CI EDCG developed the Plan during July – December 2009 and sought public feedback during December 2009 - March 2010.

Economic Development strategies can not be looked at in isolation as there needs to be a capacity within the community to acknowledge and embrace the changes and travel the journey as economic climates are seldom stable.

Traditionally Economic Development in Australia is managed via State and Local Government with stimulus provided from the Commonwealth. Many regional and remote areas of Australia have different structures but all have some form of regional development organisation. The Commonwealth Government has been working with State and Local Government to develop Regional Development Australia (RDA) which commenced from 1 July 2009 and the IOT are aligned with RDA Midwest Gascoyne.

In the IOT a percentage of the economic development has been undertaken by volunteer organisations with limited resources. This has changed in recent years with increased resources to the Tourism Associations and the employment in December 2008 by the AGD of the IOT Economic Development Officer. In May 2009 the Indian Ocean Territories Economic Development Consultative Groups inaugural members were appointed by the Minister for Home Affairs.

The Plan recognises that a number of studies, reports, inquiries and community consultations have occurred which have been instigated by Community Groups, Economic Development Committee's and Governments. The following most recent documents from 2004-2010 have assisted in developing this strategy.

Studies, Reports and Consultation 2004-2010:

1. The third Christmas Island National Park Management Plan (2000 -2010)
2. Business Plan Commercial Hydroponics Vegetable Production Christmas Island (June 2004 CI Economic Development Committee Inc)
3. Indian Ocean Territories Review of the Annual Reports of the Department of Transport and Regional Services and the Department of the Environment and Heritage (Joint Standing Committee on the National Capital and External Territories August 2004)
4. IOT Health Services Community Services Needs Assessment (Alberton Report 2004)
5. Strategic Plan for the Economic Development of the Indian Ocean Territories (April 2005 SGS Economics and Planning)
6. The Winston Churchill Memorial Trust of Australia 2005 Report by Scott Brain
7. Shire of Cocos (Keeling) Islands Vision 2010
8. Current and future governance arrangements for the Indian Ocean Territories (Joint Standing Committee on the National Capital and External Territories May 2006)
9. 2006 Australian Bureau of Statistics Census
10. Christmas Island Walking Track Strategy (November 2007 Planning for People)
11. Shire of Christmas Island Plan for the Future 1 July 2007 to 30 June 2011 (revision 1 adopted 21 August 2007)
12. IOT Health Services Reform Agenda (McQestin Report 2007)
13. Report on Indian Ocean Territories 2007 (Australian Government Commonwealth Grants Commission)
14. Christmas Island Tourism Association Marketing Strategy 2007 – 2010 (June 2007 RBA Consulting)
15. Christmas Island Tourism Association Tourism Plan 2008-2012 (February 2008 Planning for People)
16. Sports and Recreation Strategies Cocos (Keeling) Islands (2008 WA Government Department Recreation and Sport)
17. Interpretation Plan for the Shire of Cocos (Keeling) Islands (Sept 2008 Paul Bridges, Val Humphrey in association Denise Cook)
18. Christmas Island's Communications A comparison of cable and satellite (Hibbard Consulting July 2008)
19. House of Representatives Standing Committee on Climate Change, Water, Environment and the Arts (Hansard Thursday 18 September 2008)
20. Christmas Island Destination Development Report (April 2008 Planning for people)
21. Climate Change Risk Assessment for the Australian Indian Ocean Territories (Jan 09 Maunsell Australia Pty Ltd)
22. Economic Modelling Report for IOT 2009 (September 2008 ACIL Tasman)
23. The Economic Impact of Christmas Island Phosphates (March 2009 ACIL Tasman)
24. 2009 Cocos Keeling Island Tourism Association Strategic Plan (The Edge Consulting December 2009)
25. 2009 Crown Land Management Plan (GHD report submitted to AGD)
26. Sport and Recreation Strategy Christmas Island (WA Department of Sport and Recreation March 2010)
27. Joint Standing Committee National Capital and External Territories Inquiry into the changing economic environment in the IOT (March 2010)
28. Shire of CKI Vision (undertaken internally by Shire)
29. IOT Climate Change Risk Assessment (June 2010 AECOM)
30. Cocos (Keeling) Islands Quarantine Station Outline Development Plan (GHD consultants contracted by AGD)
31. Christmas Island Light Industrial Land Outline Development Plan (GHD consultants contracted by AGD)

Current studies yet to be completed or released:

32. Transitional Economic Development Initiatives in the IOT 2007 (In-Confidence for Department of transport and Regional Services by Urbis)
33. The 50th Anniversary initiative of the community discussion, *Christmas Island Conversations*, 2008
34. Christmas Island Strategic Tourism Implementation Committee due to report in February 2009 on feasible ideas that came out of the Tourism Forum hosted by DOTARS in December 2007 (Destination Development Committee)
35. Christmas Island Local Planning Strategy (Draft 2007 Koltasz Smith)
36. Draft Aquaculture Planning in the Indian Ocean Territories (WA Department of Fisheries June 2005)
37. The Fourth Christmas Island National Park Management Plan (2010 – 2020)
38. IOT Horticulture Feasibility Study (SGS Consulting)
39. Shire of CI Vision 2018 (C Change Sustainable Solutions)
40. CI ecosystem and native species recovery plan (National Parks)
41. IOT Alternative Energy Report (SKM for DRA)

Recommended reports / plans for 2010:

- IOT Community Capacity Assessment
- IOT Accommodation needs assessment
- Urban Design Master Plans
- IOT Marketing Plan 2010-2015
- Resource Centre for Christmas Island

Major development / investment 2004-2008:

- Detention Centre and Construction Camp including 2009 expansions CI
- Recreation Centre CI
- Buoy system for wharf CI

Current / proposed development / investment planned 2010 – 2011:

- Asbestos removal from all Commonwealth buildings owned or occupied IOT AGD
- Dual User pathways project CI SOCI
- Rumah Baru CKI AGD
- Annual works upgrades by both Shires and the Regional and Local Community Infrastructure Projects
- National Parks projects including Bio-Control research project
- Trade Training Centre and new school library CI District High School
- Community Centre CKI West Island AGD
- Alternative Energy projects IOT AGD
- New power generators CI AGD including electrical workshop Power Station CI AGD
- CI Club structural work CI AGD
- Former Quarantine Station Refurbishment CKI AGD
- New housing CI AGD
- Runway upgrades CKI AGD
- Expansion Waste water treatment infrastructure CI AGD
- Whole of Government fibre optic project CI AGD
- Upgrades to the Poon Saan Units CI (DIAC)
- Upgrades to the CI Resort

Current industries:

<ul style="list-style-type: none">• Phosphate mining• Construction• Tourism• Retail / Hospitality• Training / Education• Government services including health / social services• Maritime / Stevedores	<ul style="list-style-type: none">• Agriculture / Horticulture• Sport / recreation (Lifestyle)• Arts / culture• Maintenance programs• National Parks• Immigration Facilities• Airport and allied services
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(For a detailed break down of these industries the Economic Impact of Christmas Island Phosphates (March 2009 ACIL Tasman) and ACIL Tasman Economic Modelling Report for IOT 2009 outlines these.)

IOT Economic Development Funding

The Economic Development Funding Programme (EDFP) for the Indian Ocean Territories (IOT), of Cocos (Keeling) Islands and Christmas Island, is an Australian Government initiative supporting the development of self-reliant communities. The programme aims to promote economic development and enhance business opportunities in the IOT by providing financial support to eligible organisations and activities. The IOT Economic Development Officer (EDO) plays an essential role in this programme by identifying and developing opportunities and recommending applications for funding. The programme funding has a maximum of \$75,000 per annum for each of the Territories, subject to annual Australian Government budgetary processes.

IOT Economic Development Fund

2007/2008 (\$75,000 available to each for CKI and CI)

6 projects on CKI total allocation \$74,008

6 projects on CI total allocation \$55,298

(Total \$129,306)

2008/2009 (\$75,000 available each for CKI and CI)

- Big Barge Art Company \$32,500 stage 2 CKI
- Zephyr Kite Tours (Tourism) \$21,500 CKI
- Indian Ocean Group Training Association Entrepreneurial and Leadership program (CI and CKI) \$17,000
- Project Officer for Cruise Ships (CI) CITA \$43,500

(Total \$114,500)

2009/2010 (\$75,000 available for each CKI and CI)

- Horticulture Feasibility Study for IOT Christmas Island Phosphates (CI and CKI) \$21,100
- Indian Ocean Group Training Certificate 3 Tour Guide Research (CI and CKI) TBA
- CI Tropical Homes Marketing (CI) \$10,000
- CKI Tourism Association Trial Bus project (CKI) \$22,300
- Big Barge Art Centre Marketing and telecommunications infrastructure (CKI) \$8,974
- Shire of CKI Commercial Centre Home Island Concept Plan (CKI) \$18,720
- Zephyr Kit Tours transport logistics (CKI) \$15,000

(Total \$96,094)

2010/2011 (\$75,000 available for both CKI and CI)

- Chinese Cultural Centre for Christmas Island (CI) \$42,800

State-type (equivalent) Grants Program

In May 2001 the Commonwealth Government implemented a Program to fund Western Australian State-type assistance for the Indian Ocean Territories (IOT). This program enables eligible IOT Shires, residents and community groups to apply for funding equivalent to that offered by WA Government agencies. The Program is funded and managed through the DRA. WA Government agencies provide assessment advice to the DRA, which in turn forwards a recommendation to the Minister for Regional Australia, Regional Development and Local Government. This is a discretionary grants funding Program. The Minister will determine the payment, or otherwise, of grants funding.

In 2007/08 18 projects were awarded funding totalling \$479,121 and in 2008/2009 projects totalling \$1,631,000 were funded.

Statistics Summary

The following summaries of figures are gained from the Australian Bureau of Statistics 2006 Census and should be read with the Economic and Community Portraits prepared by The Public Practice Pty Ltd for the Attorney-Generals Department in 2009. (Copies of these are available at http://www.ag.gov.au/www/agd/agd.nsf/Page/TerritoriesofAustralia_TerritoriesPublications_GeneralPublications) **Note that in 2009/10 population numbers fluctuate for CI dependant on the requirements of the Immigration Facilities and there are many employees flown in to provide services for short length of time. Plus they may fluctuate dependant on the season and time of year when people leave for holidays or for transfers.*

Cocos (Keeling) Island: 572 (47.9% males 52.1% females which was slightly higher than national average)

Age	Number	% of population	National Average	Christmas Island average
0 – 4 years	33	5.8	6.3	6.6
5 – 14 years	119	20.8	13.5	16.8
15 – 24 years	54	9.4	13.6	9.4
25 – 54 years	243	42.5	42.2	49.6
55 – 64 years	72	12.6	11.0	12.5
65 years and over	50	8.7	13.3	5.1

Median age 37 years higher percentage of 0 – 14 years 26.6% (National average 19.8%) whilst 15 – 24 years show a significantly lower figure (reflection of school and year 11 and 12 off island). Whilst the Australian citizenship numbers of 94.1% are higher than the national average of 86.1% the persons born overseas 7.3% is significantly lower than national average of 22.2% they are offset by language and religious percentage. The predominant language spoken at home is Malay (Cocos Malay) with 69.1% of the population and 75.3% have Islam as their faith and 78% of the population over 15 years of age are married (National average of 49.6%). The unemployment rate was 11.3% (National average of 5.2%) and part time employment was at 30.5% (National average of 27.9%). There was also marked difference in full time with 116 people in full time employment which is 48.5% (National average 60.7%).

Employment in industry sectors is dominated by Education, Local Government, Accommodation, Engineers / Technical Services and Water / Sewerage supply with 44.8% (national average of same industry mix 8.9%). This may not be the current situation as the Rumha Baru project has seen an increase in off-island workers averaging between 20- 30 people housed at the former Quarantine Station. This could be expected to continue for some time with other proposed major projects planned over the next 2-3 years.

Median individual income is 27% lower than the national average at \$341 per week compared to median household income at \$1,220 per week which is 19% higher than national average. (Average household size is 4 people national average 2.6) Family income at \$1,020 per week is 13% lower than national average. Family characteristics indicated couples with children at 65.4% which was 20% higher than national average and only 2% were one parent families compared to national average of 15.8%.

Private dwelling ownership is low with 21.2% owning or purchasing compared to national average of 64.8%. With 70.8% in rented or other tenure compared to 28.1%. (58.6% of dwellings being rented were owned by the Government)

Christmas Island: 1349 (56.6% males and 43.4% females significant difference of 7% to national averages)

Age	Number	% of population	National average	Cocos Keeling average
0 – 4 years	89	6.6	6.3	5.8
5 – 14 years	226	16.8	13.5	20.8
15 – 24 years	127	9.4	13.6	9.4
25 – 54 years	669	49.6	42.2	42.5
55 – 64 years	169	12.5	11.0	12.6
65 years and over	69	5.1	13.3	8.7

Median age 38 (similar to CKI) with higher than national average of 0-14 years at 23.4% (national average 19.8%) and 4% less of 15-24 year olds (CI does have years 11 and 12 at the District High School but no tertiary / university). Country of birth shows 30.5% of the population were born in Malaysia and 45.1% in Australia and 44.6% of the population were born overseas (national average 22.2%)

Chinese languages at 34.2% (consisting of Mandarin 23.9% and Cantonese 9.3%) equals English at 34.8% of the language spoken at home with Malay at 16.4%. Buddhism at 30.2% and Islam at 19.7% are the predominant religious affiliations.

Whilst the percentage of people married at 61% is higher than national average at 49.6% it is lower than CKI and the never married comparison of 26.7% CI to 16% CKI may reflect the imbalance between males and females on CI.

Labour force numbers appear to reflect similar percentages to national averages although they show larger percentage of 10% in full time employment and around 11% less in part time employment. Mining non-metallic / quarrying shows as the largest employment industry with schools, local government / administration and non-residential building construction, cafes and restaurants also featuring higher than national average. The non residential construction may well have included the construction of the immigration facilities and also this would tend to reflect the larger population of males.

These figures are considered not be reflective of the current situation at the time of producing this report as there is over 300 extra people employed as a result of the Immigration Centre and its various service providers.

The median individual income was exactly 100% higher than CKI and over 46% higher than the national average. The household income was only 4% lower than CKI and 15% higher than national average the median family income was 39.5% higher than CKI and 21.5% above the national average.

Cost of living comparison indicates significant difference of CKI community to that of Christmas Island. E.g. CI has 682 people employed with median individual weekly income of \$682 = total weekly income \$465,124 CKI has 212 people employed with median individual weekly income of \$341 = total weekly income \$72,292. Using these figures annual income from employment on CI is \$24.2 million CKI \$3.76 million. CKI have 30% of IOT population and 13.4% of the total IOT income received for wages.

Housing ownership on CI is 43.6% (double that on CKI) but over 20% lower than the national average. There is a higher percentage of lone person households than the national average. The Government are not the major owners of rental accommodation at 37.6%, but this is still significantly higher than national average of 14.9%

Points of interest from figures and reports:

Key Strategies and trends: These have emerged from the studies, reports and consultations and have driven these recommendations and priorities by the CKI EDCG and the CI EDCG. The final strategies will be implemented and monitored by the CKI EDCG and CI EDCG in consultation with the Department of Regional Australia, Regional Development and Local Government through the IOT EDO. These strategies are designed to be utilised by all organisations to link their plans and strategies with the sustainable economic growth of the Indian Ocean Territories. They will be used to undertake economic modelling and provide an overview for the sustainable economic growth of the Indian Ocean Territories. A key point is the linkages between CKI and CI, including transport, tourism, health, climate and culture. Further research and reports are required to understand the significance to both Islands of decisions which may only apply to one island.

Mining: Christmas Island Phosphates (CIP) is the major economic base for Christmas Island and are the successors to phosphate mining which has operated for over a 100 years. CIP has indicated that with access to an additional 256 hectares they would be able to operate beyond 2014 and the announcement by the Government that they will not approve new mining leases provides an anticipated closing date within the coming decade.

Immigration Facilities: The CI Detention Centre and processing of asylum seekers to Australia has been a major driver to the economy in recent years which included the construction phase and now the processing phase. There is limited understanding of the longer term significance and opportunities that the facility offers to the economic sustainability of the region. Significant direct and indirect employment opportunities exist for locals from CI and CKI along with a recognised need for workers who fly in and fly out.

The announcement by the Commonwealth Government in November 2009 of a doubling of the capacity increased employment and investment into other sectors of the economy. This was followed by announcement on 15 December 2009 by Minister for Home Affairs of a \$50million infrastructure package to benefit the Christmas Island community and further infrastructure investments in the May 2010 Governments budget for the IOT.

Tourism: Tourism has been identified as a key driver for the future economy of the IOT and attempts have been made previously including the CI Casino and Resort. The Commonwealth Government have committed increased funding towards tourism through infrastructure and the Christmas Island Tourism Association and the Cocos (Keeling) Islands Tourism Association which are membership based organisations. There has been a review of the current set up of tourism and there has been the new airline contract with Virgin Blue from April 2010 and the arrival of cruise ships to CI. There has been little joint marketing between both tourism associations.

Diversification: There appears to be no argument that the IOT needs to diversify its economic base and this strategy along with many of the reports which have been undertaken picks up on what some of those industries may be. The key to this will be to finalise feasibility reports, land use planning strategies and commence marketing and implementation of recommendations to allow diversification to occur. The key to this is attracting investment which will be from both on-island and off-island and ensuring that there is appropriate infrastructure and services available. A review of the development approvals process may need to be undertaken to support investment in the IOT.

National Park Christmas Island: Over the past 25 years the CI National Park has grown from 12 % of CI to 63.5% which covers a relatively intact natural and unique terrestrial and marine habitats which are attractions for nature focused tourists. It is recognised that for CI to maintain this asset there are a number of exotic species which are causing damage and that a whole of Island approach is needed. A linkage with economic development may be one of the means for sustainability to the Park and for the survival of species and habitat.

Culture: The strong links that the IOT has with South East Asia through its workers and residents and the varying countries that have had ownership or alignment through its short history along with the religious and cultural beliefs make it unique to Australia. These links also allow for overseas investment opportunities.

Cocos Co-operative: Play a significant role in the employment on the Cocos (Keeling) Islands through its retail, stevedoring and other services.

Generational Dynamics: Whilst it is recognised communities and societies make mistakes and then learn lessons from those mistakes there is very little generational dynamics on CI with a limited percentage of its resident population being people who are 2nd or 3rd generation.

Abbreviations:

AGD: Attorney-Generals Department

CI: Christmas Island

CITA: Christmas Island Tourism Association

CKI: Cocos (Keeling Island)

CKITA: Cocos (Keeling) Islands Tourism Association

DRA: Department of Regional Australia, Regional Development and Local Government

EDCG: Economic Development Consultative Groups

EDO: Economic Development Officer

IOT: Indian Ocean Territories

RDA: Regional Development Australia