

# Customs moves to Christmas Island

By Ric Cole



A Christmas Island crab.

Christmas Island is the summit of a submarine mountain that juts 361m above the ocean. The island is 23.7km long with an average width of 7km - over half of which is national park. A thin band of coral reef surrounds the island after which the sea plummets over 500 metres. It is an Australian external territory with a population of about 1500 people of mostly Malay origin. The economy relies on phosphate mining and tourism.

The island was named by Captain William Mynors when he landed there on Christmas day in 1643. Britain annexed the island in 1886 and two years later the Clunies-Ross brothers established a settlement to collect timber and supplies for Cocos Island, 900km to the south.

In 1891, the Christmas Island Phosphate Company took out a 99-year lease on the island and exported phosphate until the Japanese occupied the island between 1942 and 1945. After the war, Christmas Island fell under the jurisdiction of the Colony of Singapore until 1957, when the Australian Government acquired it for 2.9 million British pounds.

Christmas Island is a speck in the Indian Ocean some 2600km north-west of Perth and 360km south of Java. Last year, as the centre of the Indian Ocean Territories, it became Australian Customs newest and most isolated outpost.

In the late 1990s, the Australian Government decided to bring its external territories into line with mainland legislative practices. Customs sent a working party to Christmas Island in 2000 and, in September the following year, a Customs District Manager arrived to set up office.

This first manager was Stuart Clifford, seconded from Geraldton in Western Australia. Stuart was given three months to set up a District Office using a room in the Australian Federal Police building.

"I didn't get off to a great start," he said. "When I was flying into Christmas Island, the weather was so rough the plane couldn't land. After three attempts we diverted to Cocos Island.

"There was no accommodation so I spent the night in a cell, courtesy of the local police. I flew to Christmas Island the following morning, arriving 24 hours after leaving Perth."

Legislatively, Christmas Island is a unique environment, not covered by the *Customs Act 1901*. Legislative guidance comes from the Christmas Island Customs

Ordinance. Only ad hoc Customs measures had been used in the past. The island still enjoys duty and GST-free status.

"I expected logistical challenges to be the key concern in setting up a District Office," Mr Clifford said.

"I had not been to Christmas Island before, but it was clear that the isolation meant dealing with unforeseen circumstances as they arose."

As it turned out, Mr Clifford's arrival coincided with an influx of asylum seekers. He spent the ensuing months processing unauthorised arrivals. Setting up a Customs office was put on hold.

The new arrivals affected island life in unexpected ways.

"When asylum seekers arrive, they can increase the island's population by 25 per cent," Mr Clifford said.

"Add mainland officials to this and the figure doubles. There are only two flights and one supply ship each week and, once things run out, you have to wait till the next ship."

Early in 2002, two full-time Customs officers took over from Mr Clifford. Trevor Innes, the new District Manager, was previously at the Bunbury District Office in the south-west of Western Australia. Mr Innes adjusted quickly to the unfamiliar culture and climate and set to work assessing the island's Customs needs.



Christmas Island port area.

"The island needs a full air and sea risk evaluation to establish an operational framework," Mr Innes said.

He is still setting up a Customs office, using accommodation supplied by the AFP. All work is done on laptop computers, as access to the Customs network is not available. Everything has to be processed manually - passengers, ships, cargo, the lot.

The biggest challenge facing Christmas Island in the near future, according to Regional Director of Customs in Western Australia, Mr Paul O'Connor, is the proposed Asia Pacific Space Corporation rocket-launching project. If this goes ahead, the workload on the island will increase immensely, he says.

"The impact of the planned space program on Customs activities would be enormous," Mr O'Connor said.

The proposal is for a private company to sell contract launching of commercial satellites. Christmas Island was chosen for its political and economic stability, isolation, and proximity to the equator.

The space program would mean around 2000 shipping containers arriving on the island each year during construction.

"Currently there are no controls in place and the challenge for Customs would be to establish a reporting and release mechanism from the wharf," Mr O'Connor said.

A new wharf area would be constructed to accommodate the increase in shipping activity. The airport would have to cope with increased international flights for workers and prospective clients.

Downstream effects of tourism, local population, shipping and flights will have corresponding impact on border protection needs.

"Christmas Island has the potential to be one of Australia's largest District Offices if the space port goes ahead," Mr O'Connor said. "Besides the space program, we expect a corresponding increase in tourist activity, as this has happened everywhere else in the world where rockets are launched."

The construction of a permanent immigration reception and processing centre on the island was announced by the Minister for Immigration and Multicultural and Indigenous Affairs, Philip Ruddock, in March this year.



Christmas Island from the air.