CHRISTMAS ISLAND AGREEMENT AMENDMENT BILL 1981

Date Introduced: 9 June 1981
House: House of Representatives
Presented by: Hon. K. Newman M.P., Minister for Administrative Services

Purpose

To give effect to amendments to the Christmas Island Agreement which have been agreed to by the Australian and New Zealand Governments.

Background

Prior to 1958 Christmas Island was governed and administered as a separate colony of the United Kingdom. By an Imperial Act entitled the Christmas Island Act 1958 it was provided that Christmas Island might be placed under the authority of the Commonwealth of Australia and, by section 5 of the Christmas Island Act 1958, the Commonwealth Parliament accepted the area as a Territory.

At the time of its acceptance as a Territory the mining of phosphate rock on Christmas Island was managed by the British Phosphate Commissioners (BPC). The BPC was established by the Nauru Island Agreement of 1919 between Australia, New Zealand and the United Kingdom, to extract phosphate from Nauru and dispose of it to the three participating countries. The functions of the BPC were subsequently extended to Ocean Island (Banaba), and Christmas Island, where since 1949 the BPC has acted as managing agents for the Christmas Island Phosphate Commission (CIPC), that body having been established in 1949 by the Governments of Australia and New Zealand to control the phosphate mining operations on Christmas Island on their behalf.

In 1980 the Sweetland Report into the viability of the Christmas Island phosphate industry was tabled in Parliament. The report made recommendations for changing the present arrangement for the mining of phosphate rock on Christmas Island and for the purchasing and distribution of phosphate rock generally. Following these recommendations the Commissioners of the CIPC and the Board of the BPC separately recommended to the Governments of Australia, New Zealand and the United Kingdom that the organisations be wound up.
It is the intention of the Governments of Australia and New Zealand that a completely new Christmas Island Agreement will be negotiated. However, the present Bill, as an interim measure, is designed to enable the BPC to be replaced as managing agents for the CPIC by an Australian Government owned and controlled company as from 1 July 1981.

Provisions

Clause 2 approves the agreement of 9 June 1981 between the Australian Government and the New Zealand Government to amend the Christmas Island Agreement 1958. The effect of the agreement as set out in the Schedule to the Bill is to provide for amendment of the Christmas Island Agreement 1958, as amended by the First Amending Agreement of 1976. The amendments contained in Article 1 of the Schedule enable the CIPC to employ, in lieu of the BPC such managing agents as are jointly nominated by the two Governments. Article 2 of the schedule enables the CIPC to transfer its phosphate stockpiles in Australia and New Zealand to the respective Governments.

Clause 3 inserts a definition of "the amended agreement."

Clause 4 amends section 7 to provide for the continuance of the CIPC for the purposes of the amended agreement.

For further information, if required, contact:

12 June 1981

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