



Australian Government

**BUILDING OUR FUTURE**

# NORFOLK ISLAND reform update



## Message from Administrator

Christmas is a time for family and friends. It is also a time to reflect and plan ahead.

A lot of work has been undertaken in the past few months to shape the package of services and programs which will apply to Norfolk Island towards the positive future ahead. In the coming months, the community should start to see how the reform will work 'on the ground' as attention is turned from shaping to implementing.

Our transition team of experienced professionals, Executive Director, Peter Gesling; Transition Manager, Susan Law; and new Operations Manager, Peter Adams, are all focused on delivering changes to governance and expenditure to support private sector growth and better position the public sector so it can viably continue to deliver services and programs to the community effectively.

There continues to be some complex areas of the reforms which remain a priority for decision, including the delivery of health and aged care services. With a little over six months until changes commence on Norfolk Island, I will focus on resolution of these matters and continue to work closely with the community as mainland tax and social security, immigration, customs and biosecurity apply.

The Australian Government has set aside \$13.5 million over the next four years for infrastructure upgrades in addition to the \$13 million committed to the Cascade Pier. Concrete signs of change will appear in the coming months, including the pedestrian safety works at Channers Corner and the commencement of the Cascade Pier upgrade project, which is scheduled for completion in 2017-18.

Lorraine and I wish you and your family a happy, holy, safe and peaceful Christmas.

***The Hon Gary Hardgrave***





## What can you expect will happen over the coming months?

Delivering the key components of the reforms – taxation and social security systems, and extension of immigration, customs and biosecurity services – by 1 July 2016 is well advanced. Other important components are being carefully considered in the context of who will deliver services, how they will be delivered and when they will be delivered.

# 2016

The next six months will be important to confirm arrangements not yet ‘finalised’ and there is much work being done to prioritise arrangements for the delivery of health and aged care services, economic development, employment and education, as well as relevant NSW-based laws and programs.

The main legislative priority is ensuring the successful transition to the final reform arrangements. Key to this will be preparing and making legislation to allow elections to the Regional Council in the first half of 2016. Work is also underway with the Executive Director of Norfolk Island to make sure the Norfolk Island Regional Council is successfully set up and ready to commence on 1 July 2016.

There has been some apprehension and uneasiness in the community as people identify areas of change that may impact on them. Some people have raised concern about not knowing what the reforms are and what the changes will mean for them, their jobs and their businesses.

It is important to note, not all of the components of the reforms will commence on 1 July next year. Elements of the reforms are being transitioned and some of them are not anticipated to commence for some time. This is intentional to avoid excessive change and delivering too much information all at once.

The community will receive information at the appropriate time in the lead-up to each change.

## Reform achievements and priorities ahead

I am pleased to share advice provided by representatives from various Australian Government agencies.

## Visits and on-the-ground support for residents

The Australian Government Information Centre opened mid-2015 and over 450 residents and businesses have sought information about the reforms to date. The Centre continues to be an important gathering place, facilitating contact between Norfolk Island residents and Australian Government agencies. Information on the new reform arrangements is accessible in a single, central location for all on Norfolk Island. Visitors to the Centre can access free-of-charge computers to source and print information, as well as use online tools and calculators to explore a range of payments and services.





There have been 13 reform-related stakeholder engagement visits to Norfolk Island. Activities on Island have included meeting with key individuals and groups of stakeholders to scope future service delivery, and to provide information, as well as facilitate access to programs, services and initiatives.



Visits by Australian Government representatives will continue in 2016 to ensure the community is ready for the implementation of taxation, social security systems and national services such as immigration, biosecurity and customs.

Some agencies will be partnering together in 2016 to better support residents with information about their programs. Promotion of these visits and information sessions will be undertaken in the coming months.

## Introducing mainland tax

The Australian Taxation Office (Tax Office) has held seminars and one-on-one appointments on Norfolk Island, which have been well attended. It has developed a range of communication products to support businesses and residents, including a dedicated Norfolk Island web page, and small business bulletin, which is available by subscription.

The focus for the Tax Office next year is to continue to inform residents through seminars, appointments and workshops, including visiting employers in their workplace to help them get ready to make superannuation payments and withhold tax from 1 July 2016.

## Introducing mainland social security

The Department of Human Services will have a team on Norfolk Island from May to June 2016 to register customers and accept claims for payments and services from 1 July 2016. The team will include service officers who are specialists for Medicare, Centrelink and Child Support payments and services, Social Workers and Financial Information Service Officers.





The Department of Human Services will establish an agent for ongoing support with incoming and outgoing calls and all Centrelink, Medicare and Child Support processing operating from the mainland. Ongoing arrangements will include a team of Human Services staff on the island four times per year, similar to the current servicing of remote communities on the mainland.

The agent will provide Norfolk Island residents with free self-help facilities where customers can conduct their business with the Department of Human Services. The agent provides a face-to-face information service to the community and an internet-enabled computer and printer for customers to conduct their business. Norfolk Island residents will be able to lodge all Human Services documents at an agent site and agent staff will accept claim forms, documentation and provide assistance with providing and completing relevant forms.

## Extending immigration to Norfolk Island

On 1 July 2016, the *Norfolk Island Immigration Act 1980* will be repealed and the Australian migration zone will extend to include Norfolk Island. This means permits issued under Norfolk Island immigration arrangements will cease on 30 June 2016, and foreign nationals on Norfolk Island will be required to hold an Australian visa.

Foreign nationals wishing to enter and remain on Norfolk Island will be subject to normal Australian migration arrangements from this time. Arrangements to transition Norfolk Island permit holders to the Australian visa regime are currently being finalised by the Department of Immigration and Border Protection.

Staff from the Department have visited Norfolk Island in 2015 and have met with businesses and also with residents to assist with queries regarding their transition from holding Norfolk Island permits to holding appropriate Australian visas from 1 July 2016. The Department will establish a presence on Norfolk Island and engagement with the community will continue in 2016.

## Subscribe to the new Tax Office Small Business Bulletin



The Australian Tax Office has a Small Business Bulletin designed especially for Norfolk Island small business owners. You can subscribe to the regular email bulletin to receive important information on business tax and super, including questions raised during recent tax office visits.

To subscribe send an email to [NIBusiness@ato.gov.au](mailto:NIBusiness@ato.gov.au)





## Interested in becoming an Australian citizen?

Australian citizenship is a privilege which offers enormous rewards.

By becoming an Australian citizen, you are joining a unique national community.

Australian citizens can vote in federal and state/territory elections, vote in referendums, run for Parliament, apply for an Australian passport and re-enter Australia freely, and register children born overseas as Australian citizens by descent.



The Department of Immigration and Border Protection has provided the following information.

Permanent residents of Norfolk Island aged 18 to 59 are eligible to apply for Australian citizenship. Residents can apply if they:

- are a permanent resident, including a permanent resident of Norfolk Island;
- can meet the residence requirement;
- pass a citizenship test;
- have an intention to reside in Australia (which includes Norfolk Island) or maintain a close and continuing association with Australia; and
- are of good character.

The time it takes to apply for and be approved for Australian citizenship varies depending on the completeness of your application and your personal circumstances. It is best to plan ahead and allow several months for the processing of your application.

The final legal step in the journey to become an Australian citizen, for most people is to make a Pledge of Commitment at a citizenship ceremony. The role of holding these important ceremonies for residents who have been granted citizenship on the Island is undertaken by the Administrator of Norfolk Island.

For more information on Australian citizenship visit [www.citizenship.gov.au](http://www.citizenship.gov.au)

## Get your tax and super info online

A new tax office web page has been developed for all Norfolk Island residents.

Find out more about tax and super at [www.ato.gov.au/norfolkisland](http://www.ato.gov.au/norfolkisland)





## Private health insurance arrangements for Norfolk Island

The Australian Government Department of Health has provided the following information:

Norfolk Island residents will have access to private health insurance from 1 July 2016. The premiums residents would pay and associated policies will be the same as those offered to Australians residing on the mainland.

Current information suggests most of the 26 open funds will be offering policy products to residents of Norfolk Island.

There are a range of products provided by funds for singles, couples and families, with benefits varying widely between policies. For example, there are more than 280 different policy products available to single people in NSW and the ACT, from a range of insurers with premiums and benefits differing between each of them.

Currently Norfolk Island residents are required to pay a healthcare levy plus the first \$2500 in medical costs, and many residents also hold Overseas Visitor Health Cover (OVHC) policies for visits to the mainland for specialist treatment. From 1 July 2016 OVHC policies will cease for Australian citizens on Norfolk Island and residents who are interested in private health insurance policies will need to apply. The Norfolk Island healthcare levy will no longer apply from 1 July 2016.

People who are not Australian citizens, or will not be eligible for residency on 1 July 2016, will need to confirm ongoing OVHC with their insurance provider.



### Do you know when your Australian passport is due to expire?

Residents needing to apply for an Australian Passport or Document of Identity are asked to first telephone the Office of the Administrator on 22152 to make an appointment to lodge or discuss passport applications.

The Office of the Administrator has recently received requests for urgent assistance from anxious residents who are about to travel from Norfolk Island, but who had just discovered their travel document had expired, was about to expire, or did not have a current travel document. Not having a valid Passport or Document of Identity can prevent you from travelling.

The above is also relevant to those families who have had to travel off-Island for the birth of a child.

It can take between 10 and 15 working days for a new Australian Passport to be issued.

For this reason, we recommend residents ensure they hold a current Australian Passport or Document of Identity at all times and these are up to date well before any planned travel off-Island.





## KAVHA Advisory Committee and Heritage Management Plan

An improved management approach to the nationally significant and major tourism drawcard of the world heritage listed Kingston and Arthur's Vale Historic Area has commenced. Changes include maintaining a strong local involvement through a highly experienced advisory committee whose aim will be improvements to the use and promotion of the site.

Following a call for expressions of interest, appointments were recently announced for the new Kingston and Arthur's Vale Historic Area (KAVHA) Advisory Committee.



The Committee will provide local community and expert heritage advice on the future direction of the site, and importantly, guide and support a steering group from the Australian Government and Administration of Norfolk Island to make sound decisions on the management, use and future of KAVHA.

The Committee's first face-to-face meeting on the island will be held in early January 2016.



### Did you know ...

#### Support and assistance with Australian Government payments.

Staff from the Department of Human Services will be on Island from May to June 2016 to support and assist eligible residents with applications for Australian Government payments.

Further information will be available early 2016.





## Changes to drink driving

An Ordinance was made by His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd), Governor General of the Commonwealth of Australia, on 10 December 2015 resulting in the introduction of random breath testing powers for police on Norfolk Island.

The introduction of these powers for police on Norfolk Island completes intended changes to laws by the former Norfolk Island Legislative Assembly. Importantly, Norfolk Island police now have the power to stop and detain people who choose to endanger innocent road users by driving while under the influence of alcohol.



From 1 December 2016, the Ordinance will also amend the *Traffic Act 2010* (NI) and the *Marine Safety Act 2013* (NI). These changes will lower how much blood alcohol content is permitted for everyone operating a vehicle or vessel on Norfolk Island from 0.08 to 0.05.

The Norfolk Island Road Safety Strategy prepared in 2011 observes a blood alcohol content of 0.08 results in a driver being five times more likely to have a crash than before they started drinking.

The Australian Government understands this reduced blood alcohol content limit to 0.05 will require adjustment on the part of the community and businesses. The lowering of this limit will therefore commence next year on 1 December 2016 to give the community time to better understand their responsibilities and prepare for this important change.

## Understanding 'gifting' and what it means for Age Pension eligibility

The Australian Government has considered the gifting rules for Norfolk Island residents following concerns there may have been financial decisions made by some residents over a small period of time in relation to gifting of assets.

The current gifting policy will apply to Norfolk Island, including existing mechanisms for appeals and review.

The Department of Social Services has provided the following information about gifting.

Like the name suggests, 'gifting' means giving something of value away, such as a car, property, land, money or shares, without receiving its equivalent market value. Perhaps you have gifted a car to your son or daughter, or transferred a property in their name, and did not receive money, goods or services in return.





It is important to know the gifting of these assets can affect your eligibility for social security payments, including the Age Pension.

This is because the Australian Government provides social security payments as a 'safety net' for people in the community unable to fully support themselves.

The purpose of the pension gifting rules is to ensure people who do have significant means (income or assets) available for their self-support do so, rather than giving away those assets and relying on the taxpayer funded social security system for support.

Understanding the pension gifting rules can help you to make an informed decision about managing your assets into retirement.

Under the gifting rules, you can give away assets with a value up to \$10,000 in a single year or \$30,000 over a five-year period, before this affects your eligibility for an Age Pension. However, any amount given away above either of these amounts is considered a 'deprived asset' and it continues to count as your asset for five years, from the date of the gift.

Importantly for Norfolk Island residents, these rules do not apply to gifts made before 19 March 2015, when the Australian Government announced that Norfolk Island will integrate with mainland tax and social security systems from 1 July 2016. This is because Norfolk Island residents could not have reasonably known before this announcement that they may qualify for a social security pension or allowance.

There are review mechanisms in place where a person is not satisfied the gifting rules have been correctly applied in their case. There is also provision under the social security legislation which means the gifting rules cease to apply where a person has gifted income and/or assets and the income and/or assets are returned. In this case, the income/asset will again commence to be assessed under the means test.

Further information on the gifting rules is available online at [www.humanservices.gov.au/customer/enablers/assets/gifting](http://www.humanservices.gov.au/customer/enablers/assets/gifting) and through the Australian Government Information Centre at Burnt Pine, which offers free access to facilities, to call mainland customer service staff with questions and access agencies' websites for more information.

## Additional changes to Norfolk Island laws

In addition to changes amending the *Traffic Act 2010* (NI), further changes to allow for advancement and planning in key areas include:

- integration of the functions, assets, and liabilities of the Norfolk Island Government Tourist Bureau into the Administration of Norfolk Island; and
- enhanced oversight and governance of the Norfolk Island Gaming Authority.

These changes support economic growth and sustainable governance of Norfolk Island.





## Public holidays and office 'shutdown' over Christmas

The Office of the Administrator and the Australian Government Information Centre will be closed from Friday 25 December and will reopen on Monday 4 January 2016.

In the event of an emergency please call 50000.

## Geotechnical investigations for new path and associated road works project



*Consulting Engineer, Harry Batt; Doug Creek, Manager of Public Works and Glen Williams from the Administration's public works crew cutting 350mm deep trenches on Taylors Road at the intersection of Queen Elizabeth Avenue on Thursday 3 December 2015 as part of a geotechnical investigation of the Taylors Road and Queen Elizabeth Avenue pavement.*

This work, while inconveniencing some drivers along this section of road, was necessary in order to finalise the design work for improvements to Taylors Road and the Channers Corner intersection.

Subject to approvals, works are expected to commence on the path and road upgrade project in February 2016. This is a great outcome for community safety.

## Update – progress of air services

The tender process for the Australian Government's underwriting of regular passenger transport air services between the mainland and Norfolk Island is underway and should be finalised early in 2016. Announcements on this matter will be made when appropriate.



### Key dates for January 2016

14 Jan	First meeting for the new KAVHA Advisory Committee
26 Jan	Australia Day community event at Government House
28 and 29 Jan	the Hon Paul Fletcher MP, Minister for Major Projects, Territories and Local Government visits Norfolk Island

