



**The Administrator
Australian Territory of Norfolk Island**

Norfolk Island Community Consultations Report to Minister

**Prepared by
The Hon. Gary Hardgrave**

20 December 2014

Contents:

Background: The consultation process	Page 3
Summary of Findings:	Page 3
A summary of consultation comments received:	Page 5
Attachment A: Detail of Consultation Comments received	Page 6
JSC Report Recommendation 1: Change of governance arrangements	Page 6
JSC Report Recommendation 2: Ongoing Consultation with Community	Page 8
JSC Report Recommendation 3: Port and associated infrastructure	Page 9
JSC Report Recommendation 4: Barges and conveyance issues at Ports	Page 10
JSC Report Recommendation 5: Planning and delivering better roads	Page 10
JSC Report Recommendation 6: Growing Norfolk’s economy	Page 10
JSC Report Recommendation 7: New opportunities for Norfolk Island	Page 11
JSC Report Recommendation 8: Norfolk Island Bio security arrangements	Page 11
Attachment B: General Comments from written submissions received to date:	Page 12
Attachment C: Notes from Consultations:	Page 14
Attachment D: Short analysis of the representations received	Page 19

Background: The consultation process

The Hon. Jamie Briggs MP, Assistant Minister for Infrastructure and Regional Development commissioned His Honour the Administrator of the Territory of Norfolk Island, the Hon. Gary Hardgrave, to undertake community wide consultation following the 20 October 2014 release of the Joint Standing Committee on the National Capital and External Territories Report: "Same Country: Different World – the future of Norfolk Island".

A series of private and public consultations were undertaken as well as community wide mail-outs seeking direct input from individuals.

The consultations included:

- Five community wide mail-outs
- Two public meetings – attended by 500 residents. The first forum focussed on Governance issues (recommendations 1-2) and was facilitated independently by Vivienne Twyford. The second dealt with recommendations 3-8 in detail.
- Members of the Legislative Assembly (Five meetings as a group and more than 15 separate meetings with individual MLAs),
- Two meetings with the Council of (Pitcairn) Elders,
- One meeting with the Norfolk Island Chamber of Commerce,
- 35 meetings with Individuals, and groups of, interested citizens.
- Over 150 items of correspondence also informed the consultation process.

Summary of Findings:

With regards to the recommendations of the JSC Report, the views of the community are clear:

Recommendation 1: The repeal of the current Act and the introduction of a new Norfolk Island Act to effect change of governance arrangements is **supported** by a substantial majority of Norfolk Island residents.

The vast majority of residents believe the 14th Assembly has not acted in the best interests of the people of Norfolk Island. The overwhelming view of the community is the Norfolk Island Legislative Assembly should now be abolished and replaced, after a transitional period to effect changes to the governance structures for service delivery, by a local government type body

Recommendation 2: Ongoing community consultations are **supported** as part of locally based transition arrangements. Ongoing community consultation is a basic hallmark of good governance. The community want a strategic and economic plan for the next twenty years as a matter of priority. The Plan should be referenced against the capacity constraints which exist and organise an operational plan to remedy this.

The community want local decision making and the establishment of a locally based Administrator's Advisory Board to oversight the transition process and develop a programme of regular community consultation. This is similar to models used in the past on Norfolk Island. Members of the Board could advocate through the Administrator for the unmet needs and concerns of the Community.

Recommendation 3: The Commonwealth to construct new port facilities is **supported**.

The project should be informed by engagement with a small working group of local people with knowledge of the tidal and wind impacts on structures built in the Cascade Port precinct. Consultations further suggest the current proposal for the Cascade Port Improvement is not sufficient for the long term needs of Norfolk Island. However it is a step in the right direction.

The community also expressed a strong view of the need for strong local knowledge input to the task of creating an overall infrastructure plan. Such an overarching infrastructure plan showing alternate ports and road linkages should be developed as a priority with a view to winning private capital investment.

An investment prospectus to attract private capital to major infrastructure on Norfolk Island should be developed.

Recommendation 4: Provision of new cargo and passenger barges is **supported**.

However there are a number of issues associated with this recommendation. Further consideration of the storage of such vessels either at Cascade or a point halfway between Cascade and Kingston Piers will be required. The barges may require substantial road infrastructure upgrades if transported over Island. This is currently not funded.

Recommendation 5: A Local road infrastructure plan is strongly **supported**

The community considers there is much work to be done. Road conditions are poor and dangerous on Norfolk Island. Road linkages between the various port options need identification and inclusion within an overarching seas, land and air transport plan for Norfolk Island.

There is a definite need to better coordinate the entire transport needs of the Island, especially for the tourists which weekly make up 25-30% of the population. There has been no road planning for pedestrian safety while clear signage protocols are also very poor.

Recommendation 6: The Commonwealth to drive economic development is **supported**. This requires local input into an overall economic plan.

The appointment of Commonwealth Officers to assist economic development through tourism and trade is strongly welcomed by the Norfolk Island community. It is noted community members believe this should be a collaborative arrangement.

Recommendation 7: Commonwealth to help foster new cottage industries is **supported**. This will require local input into an overall business plan.

There is strong agreement for this proposal. The community considers the potential for Norfolk Island Cottage Industries is enormous but suffers a severe disadvantage due to export freight and taxation arrangements. The importance of establishing a co-op type mechanism to enforce brand integrity of a Norfolk Island produce was recommended.

Recommendation 8: The Commonwealth to control bio security is **supported**.

It is agreed there is a need for a definite Australian Standard for the Norfolk Island quarantine process and enforcement regime.

Other comments:

A summary of other comments is set out below. In addition:

- **Attachment A** provides detailed commentary from major stakeholders
- **Attachment B** details comments forwarded privately by individual community members
- **Attachment C** is a summary of various meetings
- **Attachment D** is a short analysis of submissions compiled by the Department of Infrastructure and Regional Development

A summary of commentary from the community consultations:

- The need to maintain an “on Island” advisory committee during transitional arrangements to ensure “on Island” delivery of services
- Universal demand for Australia’s welfare, taxation and health arrangements
- The current governance arrangements on Norfolk Island enjoy little confidence within the Norfolk Island community
- Uncertainty is paralysing decision making amongst individuals who are “trapped” by circumstances they want changed
- A failure to reform now will expose the Commonwealth Taxpayer to a greater cost ‘down the line’
- There is incomplete understanding of how the Australian Tax and welfare systems operate – community education is vital
- The sentiment of “anti Australia” is rampant in a vocal minority but is driving a nasty sentiment against anyone perceived as “outsiders”
- The personal circumstances of most people is poor with charity providing basics to many average households
- Private capital will not flow to Norfolk Island under current governance arrangements
- Private investment on Norfolk Island is not “counted” as an asset by banks
- A “feudal” few are controlling the economic, social and political landscape

Attachment A: Detail of Consultation Comments received:

JSC Report Recommendation 1: Repeal of the current Act and a change of governance arrangements

The Norfolk Island Government (NIG):

- Federal type services need to be transferred to the Australian Government
- The extension of taxation and social security arrangements is an urgent priority
- An appropriate range of Commonwealth legislation may need to be extended to Norfolk Island as outlined in the Road Map.
- Rejects the dissolution of the Legislative Assembly. The Norfolk Island Act 1979 could be amended, not repealed.
- A proposed governance model, including transitional proposals, should be provided for consideration and debate prior to any decision being made
- Elected representation is critical to the future of Norfolk Island
- Consideration could be given to a reduction in the number of elected representatives (*from 9 to 5 representatives*).

The Council of Elders (The Council):

- Members raised concerns around changes which diminish self-governance.
- Supports current local government, self-governing model with some modifications which require further discussion.
- Advocates local knowledge and input as important to drive decisions that affect the Norfolk Island community.
- Expressed concerns for the introduction of (Mainland) taxation and social security leading to the creation of a welfare culture.

Comments from the First Community Forum (prepared by Twyfords):

- A vocal group rejected repeal of the Norfolk Island Act 1979.
- A request to consider modifying or amending the Act rather than repealing it.
- A clear community need for better understanding of the implications of potential governance options before being asked to comment
- Resentment and lack of trust for the Australian Government.
- Uncertainty about the island's future because of current economic unsustainability
- A strong desire for self-determination plus both capacity building and financial support from the Commonwealth so that the NI community is better equipped to manage its own affairs.

- Frustration with all the talking, the reports, the Road Map and the lack of any real change or improvement in people's lives for a lengthy period, but particularly since 2008 at the start of the GFC.
- A clear request for a more collaborative way of working between the Australian Government in Canberra, the NI Government and the various groups within the NI community to better understand the issues, to become better informed and develop workable solutions together.
- **The main theme contained in the meeting notes was that many people at the forum who supported Recommendations 1 and 2 were afraid to speak out publicly as they feared reprisals in the form of attacks on property or on businesses on the island.**
- It would appear perception exists of certain elements of the NI community regularly bully and intimidate those who have different opinions about future options for the Island.

Written Community Comments received to date:

- Full consultation process needs clear understanding of alternate governance structure; transitional timeframes; majority stakeholder support
- Bullying on NI; support for social inclusion.
- Support for change
- Legislative Assembly is stalling process.
- Change needs to come quickly
- If (governance) changed, new CEO (Australian) plus good local business people should be involved
- Past Assemblies not good
- Assembly anti competitive
- Is there a framework for interim administration;
- Support governance reforms;
- Many currently return to mainland for healthcare
- Tourism needs to be a priority
- Present Legislative Assembly needs to be dissolved
- NI should be a part of the ACT or NSW
- time for change is now

The range of community views on repeal or substantial amendment of the 1979 NI Act includes:

- Rescind the NI Government role in the delivery of "federal services".
- Reduce the size of a future elected local government type body from nine to five members

- Establish an interim Administration to manage the transition process and give advice to the responsible Australian Government Minister on the issues affected by transition.
- Interim or transitional administration to be the Administrator and a consultative body of between five and seven people.
- Operational and implementation tasks by the interim administration should be at a local level.
- Implementation of services (federal, state and local types) should be by local people.
- Ensure the full range of Commonwealth Legislation extends to the Norfolk Island including the Electoral Act.
- Define the Administrative Role of the Norfolk Island Public Service.
- Ensure the continuance of the local Legal review and Court processes.
- Extend the use of Independent Commission Against Corruption type mechanisms to include the Norfolk Island jurisdiction.
- Establish a return to an elected body once administrative reforms and the economic crisis evidenced by the budget deficit returned to a surplus or within five years.

JSC Report Recommendation 2: Ongoing Consultation with Community

MLA's comments on transition arrangements:

- Gaps between Commonwealth and Norfolk Island services and legislation need to be considered to ensure the community is not adversely affected.
- The current age pension systems have different eligibility requirements, notably in the age of eligibility.
- Property is treated differently on Norfolk Island and the high number of land owners could be adversely affected by land rates and other aspects of the taxation system.
- The mainland taxation and social security systems operate within Commonwealth laws on privacy and confidentiality and this is important in any system.
- The NIG raised taxation and social security officials should come to Norfolk Island to explain these systems and their likely impacts on the individuals in the community, to inform the consultations and prior to any decisions being made. Additional relevant Commonwealth information should be made available to the NIG.
- Community consultation is critical and should address service delivery in any transition arrangements.
- Comment was made that Norfolk Island residents could be required to vote in one federal electorate to afford the community a critical mass.

Written Community Comments received to date:

- Support for both (Recommendations 1 + 2)
- Governance change should happen immediately
- Full enquiry into governance changes

- Information of benefits to be explained to community
- Yes to consultation
- Need an economic impact study
- Is there genuine intention by Minister to consider community supported proposal?
- Supportive of community consultation
- Concerned evidence supporting reform is untrue

JSC Report Recommendation 3: Port and associated infrastructure – short and long term plan

Norfolk Island Assembly MLA's Comments:

- Infrastructure projects can be locally managed and this is preferred over Commonwealth management regardless of ownership of the asset.
- The Cascade and Kingston Piers should be upgraded as a matter of priority.
- Questions were raised around whether the Worley Parsons design was the best option. The final design should incorporate local input and knowledge.
- Roads should be assessed against an appropriate standard, taking into account local conditions and road-users

Written Community Comments to date:

- Importance of cruise ships
- Need to retain Lighterage in certain weather conditions
- Commonwealth needs to establish overarching economic & fiscal framework
- Proper harbour/breakwater required
- Lighterage is a tourist attraction
- Containerisation needed
- Framework developed for new legislative arrangements?
- Is current plan for Cascade the best option
- Roads works to Cascade an issue
- Need for overall ports concept
- Use of leeward side of island unloading facility eg Headstone
- Alternative sheltered harbour
- Concern re Cascade pier reports and vested interests decision making on NI
- Pier development seen as crucial to NI future
- Cascade Development Committee presented strong argument
- Several locations (including leeward side) seen as other location
- Safe harbour concept discussed
- Use local knowledge and human resources

JSC Report Recommendation 4: Barges and conveyance issues at Ports

Norfolk Island Chamber of Commerce comments on Infrastructure investment:

- The Cascade and Kingston Piers should be upgraded as a matter of priority.
- It is important to get local input on the designs and to employ locally where possible.
- The Chamber suggested many residents consider barges will be required in the long term and they should be purchased for use at Cascade Pier now.
- A west coast port should also be considered.

Community Forum (Second Forum) comments:

- Importance of cruise ships
- Encouraging of Cascade Pier
- EIS & EPBC approvals needed for Pier redevelopment
- Need to retain Lighterage in certain weather conditions

JSC Report Recommendation 5: Planning and delivering better roads

Norfolk Island Chamber of Commerce comments on Infrastructure investment:

- The Chamber noted upgrading and maintaining roads are limited by access to rock.

Written Community comments to date:

- Support for commencement of large infrastructure developments
- Roads an issue
- Town centre beautification
- Wear & tear on roads by increased tourism
- Rock availability
- Road widening issues
- Which are the priority roads
- Need for footpaths

JSC Report Recommendation 6: Growing Norfolk's economy

- Tourism support needs Federal Minister's support
- Need to comment on NI Tourism Strategic Plan 2013-2023
- Increase to human resource base
- Great Norfolk Walk would be an asset
- Assistance from Tourism Australia an advantage
- Problem with wholesalers price gouging

- Priorities - ecotourism

Chamber of Commerce comments on Economic Development:

- The Chamber raised its interest in Norfolk Island joining Austrade and Tourism Australia, noting its concerns that the Australian market is significantly larger and may limit the success of joining
- Retailers will be affected by the loss of duty-free shopping and distributor rights.
- The Australian Government should consider the Tasmanian model for freight equalisation for Norfolk Island
- Norfolk Island is considered unattractive for investment. Banks have lost confidence in the Norfolk Island economy and are taking actions to minimise their risk and exposure
- In addition to strengthening the cottage industry, replacing fish imports through support for aquaculture or wild fishing should be considered

JSC Report Recommendation 7: New opportunities for Norfolk Island

- Support for Economic Development Officer
- Local appointee needed to assist NI cottage industry
- Cottage industry is only one that needs help
- Greater maintenance & growth of duty free industry seen as important
- Norfolk pine products
- Herbs
- Milk, beef as potential “export” (to the mainland) industries
- Norfolk Island access to Tourism Australia is critical
- An on-Island experienced economic development officer is a priority

JSC Report Recommendation 8: Norfolk Island Bio security arrangements

- Psyllid eradication needs to be a priority to ensure food supply for the community
- A cultural heritage section within the Administration should be supported
- A King Island-type identity for local produce on Norfolk Island could be considered
- Supports eradication project
- Local admin does not expertise to eradicate pests

Attachment B:

General Comments from written submissions received to date:

- Need for change
- Lack of mental health facilities
- Child protection issues including under age sex
- Concern for voting method on NI and disenfranchisement of NZ residents, who pay local levies etc
- Need for long term planning (philosophical)
- Need to focus on educational centre of excellence
- Applauds reform process
- Too much protectionism by Assembly - anti immigration, competition, innovation at present
- Need for change
- Currently living in WA, because healthcare on NI not good enough
- 5 year waiting time for costs on pre-existing conditions
- No acceptance of same sex couples
- PBS issues
- Allow Medicare to be used on NI by Australians;
- Intro Medicare to all residents ASAP
- Income and company tax should be implemented ASAP
- NI should remain GST free (businesses submit returns but no payments)
- Retain the status quo (self identified as Pitcairner)
- Will radio services continue after "repeal"? (primary source of information)
- Concern about implementation of personal taxation
- Chatham Islands Council example of potential model for NI.
- Change recommendations are nothing new.
- Concerns about motor vehicle compliance (different models to mainland)
- Implement GST (with exemptions)
- Remove custom duties
- Install 3G network
- Upgrade roads
- Privatised GBEs
- Change needed now
- Blaming the GFC for issues is nonsense
- Repeal the Act
- Dissolve the Assembly
- Introduce Australian Taxation system
- Reform public service
- New residents needed
- Retirement village needed
- Change has taken too long
- Assembly stalls decision making
- Public meetings are hijacked by bullies
- Act now

- Supports repeal
- Superannuation is unknown on NI
- Commends community consultation
- It is possible to change and retain culture!
- Disagrees with Minister Brigg's thoughts that child protection does not exist on NI (although there is a lack of financial support)
- Untruths from Assembly in media (eg water assurance; treated timber; maintenance of public areas)
- Customs suggestions for future
- Agrees with recommendations
- Aware of island hardships in community and business sectors
- Governance must change
- NI Administration is not representative of the majority of community
- Supports recommendations
- Concern re damaged property when people disagree with the bullies
- High cost of living and expensive medical care on NI
- Support governance reforms
- Advisory board to encourage private investment
- Anti competitive environment is major barrier to new investment
- Aged pensions should be transferable to NI
- Silent majority afraid to speak (perceived retributions)
- Consultation process was widely applauded and seen as imperative to any changes

Attachment C:

Meeting with the Members of the Norfolk Island Legislative Assembly 10am, Tuesday 4 November 2014

Attendees: The Administrator of Norfolk Island, the Hon Gary Hardgrave; Chief Minister, the Hon Lisle Snell MLA; Minister for Finance, the Hon Tim Sheridan MLA; Minister for Cultural Heritage and Community Services, the Hon Robin Adams MLA; Minister for the Environment, the Hon Ron Ward MLA; Speaker, the Hon David Buffett MLA; Mr Hayden Evans MLA; Mr David Porter MLA; Mr Ron Nobbs MLA; Mr Roger Gottlob (observer); and Ms Kendrah Stanfield (note-taker). Apologies: Ms Melissa Ward MLA

Key issues:

- The Australian Government (AG) is expected to respond to the Joint Standing Committee (JSC) in early 2015. The community consultations are expected to inform the AG response.
- Norfolk Island Government (NIG) raised concerns on the JSC report which included too much focus on unrelated and negative aspects and recommendations outside of its Terms of Reference e.g. governance.

Recommendation 1: governance

- The NIG rejects the dissolution of the Legislative Assembly. The *Norfolk Island Act 1979* could be amended, not repealed. Chief Minister stressed the need for clarification and meaningful consultation on any amendment to the *Norfolk Island Act 1979*.
- A proposed governance model, including transitional proposals, should be provided for consideration and debate prior to any decision being made.
- Elected representation is critical to the future of Norfolk Island, consideration could be given to a reduction in the number of elected representatives.
- The NIG maintained its proposed model of shared responsibilities with the Commonwealth, provided to the JSC, was preferred.
- The extension of taxation and social security arrangements is an urgent priority. An appropriate range of Commonwealth legislation may need to be extended to Norfolk Island as outlined in the Road Map.

Recommendation 2: community consultation

- Community consultation is critical and should address service delivery in any transition arrangements.
- Comment was made that Norfolk Island residents could be required to vote in one federal electorate to afford the community a critical mass.

Recommendation 3-5: Cascade and Kingston Piers; multipurpose barges; and roads

- Notwithstanding Commonwealth funding, local management of infrastructure projects can be locally managed and is preferred over Commonwealth management regardless of ownership of the asset. The Cascade and Kingston Piers should be upgraded as a matter of priority.
- Questions were raised around whether the Worley Parsons design was the best option. The final design should incorporate local input and knowledge.
- Roads should be assessed against an appropriate standard, taking local conditions and road-use into account. Ownership and responsibility for road maintenance should be clarified.

Recommendations 6-8: economic development

- Norfolk Island access to Tourism Australia is critical.
- An on-Island experienced economic development officer is a priority.
- Psyllid eradication needs to be a priority to ensure food supply for the community.

- A cultural heritage section within the Administration should be supported.
- A King Island-type identity for local produce on Norfolk Island could be considered.

Meeting with the Council of Elders
2.30pm, Wednesday 6 November 2014

Attendees: The Administrator of Norfolk Island, the Hon Gary Hardgrave; Mr Albert Buffett; Ms Mera Martin; Ms Edith Christian; Ms Robin Butterfield; Ms Colleen Crane; Ms Jan Nobbs; Mr Steve Nobbs; Mr Shane McCoy; Mr Ross Quintal; Mr Ken Christian; Mr Roger Gottlob (observer); Ms Kendrah Stanfield (note-taker).

Key issues:

- The Council of Elders (the Council) was first established on Pitcairn Island in the 1830's. It has participated in the management of Norfolk Island as various structures, including through elected and appointed representation within an executive council, advisory council and the Legislative Assembly.
- The current Council was re-established in 2008. It aims to promote the Pitcairn culture, traditions and heritage with the support of governments.
- The Council is concerned that the Joint Standing Committee did not comment on the importance of the Pitcairn culture and traditions in its report.
- Any changes to the Island are likely to come at a detrimental cost: change is not desirable.
- The Council raised concerns around the proposed land rates system and the effect the introduction of land rates will have on the community.

Consultation

- The Council felt it did not represent the entire community and indicated it would prefer to provide detailed comment after community consultation was undertaken.
- The Council and the Administrator will meet again following the community meeting scheduled for 12 November 2014.

Changes to self-governance

- The Council raised concerns around changes that will diminish self-governance.
- The Council supports the local government, self-governing model with some modifications which require further discussion.
- Local knowledge and input is important to drive decisions that affect the Norfolk Island community.
- Concerns were expressed around the introduction of taxation and social security leading to the creation of a welfare culture.

Economy

- The Global Financial Crisis was the key cause of the current economic crisis on-Island.
- Norfolk Island would have the capacity to work its way out of the economic crisis if the Australian Government agreed to provide special economic zones (including fishing rights); facilities to support cruise ships; and stimulus to increase tourism. The Australian Government should also cease preventing Norfolk Island from implementing innovative ideas, such as medicinal marijuana.
- Norfolk Island's contribution to the mainland economy should be valued and the Australian Government should assist Norfolk Island to get back on its feet without any conditions.
- Increased immigration should not come at the expense of changing the way of life on the Island.

Infrastructure

- The Council raised construction of a pier at Puppies Point as an alternative to upgrading Cascade Jetty.

- It is very important to have a hospital that allows births on the Island and provide health care for the elderly residents.
- Ensuring the standard of the airport was maintained is of critical importance.
-

**Meeting with the Chamber of Commerce
2.30pm, Thursday 7 November 2014**

Attendees: The Administrator of Norfolk Island, the Hon Gary Hardgrave; Mr Barry Hyatt; Mr Ian Anderson; Mr Brett Sanderson; Ms Charisse Clarke; Mr John Brown; Mr Roger Gottlob (observer); Ms Kendrah Stanfield (note-taker).

Key issues:

- The Australian Government (AG) is expected to respond to the Joint Standing Committee (JSC) in early 2015. The community consultations will inform the AG response.
- The Australian Government has made a commitment to extend federal taxation and social security to Norfolk Island and the JSC have proposed additional changes which will be discussed through community consultation.
- The Chamber of Commerce members have discussed the report but are waiting for additional information on the AG's proposed changes before expressing a view.
- The Chamber of Commerce recommended the Australian Productivity Commission undertake an inquiry into Norfolk Island.

Infrastructure investment

- The Cascade and Kingston Piers should be upgraded as a matter of priority.
- It is important to get local input on the designs and to employ locally where possible.
- The Chamber raised that many residents consider barges will be required in the long term and they should be purchased for use at Cascade Pier now.
- A west coast port should also be considered.
- The Chamber raised upgrading and maintaining roads is limited by the access to rock.

Economic development

- The Chamber raised its interest in Norfolk Island joining Austrade and Tourism Australia, noting its concerns that the Australian market is significantly larger and may limit the success of joining.
- Retailers will be affected by the loss of duty-free shopping and distributor rights.
- The Australian Government should consider the Tasmanian model for freight equalisation for Norfolk Island.
- Norfolk Island is considered unattractive for investment. Banks have lost confidence in the Norfolk Island economy and are taking actions to minimise their risk and exposure.
- In addition to strengthening the cottage industry, replacing fish imports through support for aquaculture or wild fishing should be considered.

**Meeting with the Members of the Norfolk Island Legislative Assembly
10am, Monday 10 November 2014**

Attendees: The Administrator of Norfolk Island, the Hon Gary Hardgrave; Chief Minister, the Hon Lisle Snell MLA; Minister for Finance, the Hon Tim Sheridan MLA; Minister for Cultural Heritage and Community Services, the Hon Robin Adams MLA; Minister for the Environment, the Hon Ron Ward MLA; Speaker, the Hon David Buffett MLA; Mr David Porter MLA; Mr Ron Nobbs MLA; Mr Roger Gottlob (observer); Mr David Price (observer); and Ms Kendrah Stanfield (note-taker).

Apologies: Ms Melissa Ward MLA and Mr Hadyn Evans MLA.

Matters arising

- The key issues circulated from the meeting of 4 November 2014 were accepted. The key issues led to some additional comments from the Norfolk Island Government (NIG):
 - The Road Map was seen to have failed.
 - The Advisory Council Model (1936-1979) could be created by amending the *Norfolk Island Act 1979*.

Key issues

- The NIG would be in a stronger financial position if it was part of the GST transfer payment system as it currently applies to states and territories.
- The current system of Government works well but is no longer affordable.
- A preferred governance model should ensure local services are managed and delivered by locals.
- It is important to strengthen the attractiveness of Norfolk Island for investment from both the public and private sectors.
- Minister Briggs should visit the Island to consult with the NIG and the community.
- On 20 August 2014, the NIG moved to have a referendum or plebiscite on any governance changes. The NIG also lodged a petition to the Australian Parliament with 746 signatures calling for a referendum or plebiscite.

Transition arrangements

- Gaps between Commonwealth and Norfolk Island services and legislation need to be considered to ensure that the community is not adversely affected.
- The age pension systems have different eligibility requirements, notably in the age of eligibility.
- Property is treated differently on Norfolk Island and the high number of land owners could be adversely affected by land rates and other aspects of the taxation system.
- The mainland taxation and social security systems operate within Commonwealth laws on privacy and confidentiality and this is important in any system.
- The NIG raised taxation and social security officials should come to Norfolk Island to explain these systems and their likely impacts on the individuals in the community, to inform the consultations and prior to any decisions being made.
- Additional relevant Commonwealth information should be made available to the NIG.

Norfolk Island plan

- It is important that a plan is developed outlining the needs and aspirations of the community, including the goals for health services.
- The NIG raised the importance of improving the hospital to the standard where it is eligible for Medicare rebates.
- The NIG raised the importance of creating a sustainable economy to ensure there is a future for the children and that Norfolk Island does not develop a welfare culture.

Public Meeting 12 November (prepared by Twyfords)

1.1. Summary of participant spoken input

The main themes heard in the community's comments were:

- Rejection of the first recommendation to repeal the Norfolk Island Act 1979.
- A clear community need for better understanding of the implications of potential governance options before being asked to comment.
- A request to consider modifying or amending the Act rather than repealing it.
- Surprise and frustration that the JSC report had two governance recommendations at its head when the JSC's Terms of Reference focused only on ways to improve the island's economy.
- Criticism of the Commonwealth Government's historical lack of:
 - support for Norfolk Island's community,
 - respect for their history and culture,
 - acknowledgement of the Legislative Assembly's successes.This has resulted in resentment and mutual lack of trust.
- Uncertainty about the island's future because of current economic unsustainability.
- A strong desire for self-determination plus both capacity building and financial support from the Commonwealth so that the NI community is better equipped to manage its own affairs.
- Frustration with all the talking, the reports, the Road Map and the lack of any real change or improvement in people's lives for a lengthy period, but particularly since 2008 at the start of the GFC.
- A clear request for a more collaborative way of working between the Commonwealth government in Canberra, the NI government and the various groups within the NI community to better understand the issues, to become better informed and develop workable solutions together.

1.2. Summary of participant written input

The main theme contained in those notes was that many people at the forum who supported Recommendations 1 and 2 were afraid to speak out publicly as they feared reprisals in the form of attacks on property or on businesses on the island.

It would appear that the perception exists that certain elements of the NI community regularly bully and intimidate those who have different opinions about future options for the Island.

Attachment D:

JOINT STANDING COMMITTEE ON THE NATIONAL CAPITAL AND THE EXTERNAL TERRITORIES

SAME COUNTRY: DIFFERENT WORLD – THE FUTURE OF NORFOLK ISLAND

Summary of Consultations with the Norfolk Island Community

COMMUNITY CONSULTATION

Community consultation commenced with the release of the report titled *Same country: different world – The future of Norfolk Island* by the Joint Standing Committee on the National Capital and the External Territories (the JSC report) on 20 October 2014 and the announcement on the same day by the Assistant Minister for Infrastructure and Regional Development, the Hon Jamie Briggs MP that the Administrator of Norfolk Island, the Hon Gary Hardgrave would be leading a series of public forums and written comments were now invited.

Consultations consisted of two public meetings held on 12 and 19 November, a call for written submissions via the Department of Infrastructure and Regional Development's website and two mail-outs to all members of the Norfolk Island community, providing feedback on consultations and seeking targeted feedback on some key issues which emerged in the public meetings. Approximately 450 people attended the public meetings, and 111 written submissions were received from 90 individual authors. The period for providing commentary on the JSC report closed on 12 December.

Many members of the community also contacted the Administrator privately to express their views. Four meetings were convened with Members of the Legislative Assembly (MLAs) during the consultation period, two with the Council of Elders and one with the Chamber of Commerce.

RELUCTANCE TO OPENLY VOICE SUPPORT FOR CHANGES TO SELF-GOVERNANCE

A significant issue which emerged during the community engagement process has been the reluctance to openly voice support for the proposal to remove the self-government model. The report by the independent facilitator (Twyford's) noted the pressure put by some participants at the first public forum to present a consensus view, rejecting the recommendation to remove self-governance. The Facilitator noted an awareness of an alternative view amongst many participants and this provided context for considering the views heard.

A number of attendees at the consultation meetings left written notes with the facilitator or subsequently wrote to a range of contacts, including the Administrator, Departmental officials on the island, the Norfolk Island Reform email address and Assistant Minister Briggs, claiming they felt uncomfortable with voicing their support in the public forums for changes to or the removal of the Legislative Assembly. This was summed up by one participant who observed: "...intimidated and disadvantaged in my presentation at the public meeting".

The Twyford report also noted the follow-up written submissions follow a similar theme of reluctance to speak out in support of changes to the governance arrangements on Norfolk Island for fear of reprisals from a certain element of the community. It is clear that public meetings have not provided an effective mechanism for gauging a representative sense of community sentiment with this group. There is evidence of a broad interest in and mood for change, suggested by the actions of residents motivated to make their positions known after the meetings.

Again from the Twyford report, there is a marked difference in the 41 comments recorded during the discussion and the 12 written notes provided to the facilitator following the public session. Of the 41 spoken comments, three were neutral and only one was supportive of Recommendation 1.

Yet in the 12 written notes received by the facilitator immediately after this one meeting, eight (67 per cent) were explicitly supportive of the JSC report recommendations and seven (58 per cent) made explicit statements of bullying and fear of reprisals:

- "...we are being bullied and will be targeted if we show our hands."
- "...too afraid to stand up and speak publically..."
- "...too scared to speak out...the vocal minority is out-gunning us."
- "...would not speak out for fear of something happening to my property."
- "...concerned about repercussion from the local community, especially as they have businesses here."
- "...I am too scared to speak out."
- "...fed up and want significant change but are cowed into silence."
- "...some of those wanted a show of hands, typical bullying tactic."

All but one of the other five written notes were supportive of changes to the current governance model.

Several written submissions raised concerns around coercion during the conduct of the recent petition, including inappropriate pressure being put on school students. A number also raised issues of maladministration.

Analysis of the written submissions and other correspondence received shows that of the 111 pieces of correspondence received, 42 (38 per cent) are in support of recommendation 1 with 23 (21 per cent) stating they are opposed to any change in the governance arrangements. 46 writers (41 per cent) did not express a view on Recommendation 1.

SUPPORT FOR REPEAL OF THE *NORFOLK ISLAND ACT 1979*

42 respondents supported the repeal of the *Norfolk Island Act 1979*.

Broadly speaking, there appears to be two main reasons why respondents wanted to repeal the Act.

- 16 respondents considered self-government or aspects of the current governance on Norfolk Island to be unsustainable and the cause of the current economic and financial difficulties on the Island. Concerns were raised about the flawed voting system, the anti-competitive and anti-immigration environment that stifles business and private investment, poor service delivery resulting in run-down assets and expensive services, and Norfolk Island Ministers being too involved in decisions made by the Norfolk Island Administration.
- 10 respondents wanted reforms to align the taxation, social security and health care systems with those on the mainland to deliver fairness and equity for all Australian citizens no matter where they live.

OPPOSITION TO REPEAL OF THE *NORFOLK ISLAND ACT 1979*

22 responses explicitly rejected the repeal of the *Norfolk Island Act*. Of these, 12 responses felt greater community consultation is required before any reforms occur as the implementation and impact of the reforms – and repeal of the *Norfolk Island Act 1979* – is not well understood by the community.

Some respondents were also concerned the evidence to support reforms and the recommendations reported by the Joint Standing Committee was not accurate. Others supported continuing self-governance and the Norfolk Island Assembly's preferred model of governance because they did not want Norfolk Island governed remotely by Canberra bureaucrats.

While a few responses did support the introduction of social security and taxation without changes to governance, others raised fears that these systems would lead to Norfolk Island becoming welfare dependent.

NO SPECIFIC POSITION ON GOVERNANCE ARRANGEMENTS

47 responses (42 per cent) did not state their support or rejection of Recommendation 1 to repeal the *Norfolk Island Act 1979*.

Almost half of these respondents supported infrastructure projects or the importance of developing an economic plan for Norfolk Island which considers pursuing infrastructure projects that best contribute to the economy.

These letters prioritised infrastructure projects to support the cruise ship industry, improving the safety and reliability around unloading cargo. There were mixed views on whether the current Worley Parsons design to extend the Cascade Pier is the best option and a number supported building a pier on the western side of the Island.

A large number of letters (37) raised specific issues, including:

- The importance of social security services and health care being portable between the mainland and Norfolk Island;
- Correcting inaccurate statements made by the Joint Standing Committee, the Administrator or the Minister;
- Requesting greater consultation with the community on reforms being considered;
- Querying the impact of reforms or governance changes on local laws, such as land planning, continuing radio services and vehicle import regulations;
- Maintaining the Pitcairn culture and identity on the Island;
- Suggesting the Chatham Islands model as an alternative model of governance; and
- Changes to taxation.

RECOMMENDATIONS 3-8

105 of the 111 submissions (95 per cent) raised infrastructure improvements as a priority, with particular mention of obtaining the right capacity with the island's piers to leverage the tourism benefits offered by cruise ships, and the need to focus on roads.

There is clearly a keen appetite for progressive change and improvements to amenity of life on the island.

29 respondents supported greater investment in shipping infrastructure. Of these, one respondent supported the current design to upgrade Cascade Pier and nine explicitly stated they did not support the current design. 14 respondents indicated any infrastructure investment decisions should emphasise projects that allow the cruise industry to reliably access Norfolk Island. Seven respondents also suggested that a jetty on the western side of the island should be explored, either in addition to or instead of upgrading Cascade and Kingston Piers.

A small number of respondents commented on Recommendation 5 to upgrade the roads. Respondents indicated that road upgrades and maintenance would increase the attractiveness of the Island to visitors and increase the safety of road users. There was strong support for only focusing on primary roads in the short term, such as New Cascade Road, Taylors Road and Queen Elizabeth Avenue.

Recommendations 6 and 7 were considered a lower priority by respondents. While respondents welcomed any additional assistance to strengthen the Norfolk Island's economic and human resource capacity, the focus should first be on redressing barriers to tourism.

A number of respondents supported ensuring Norfolk Island maintained its image as a pristine environment and supported any additional support for ensuring effective quarantine arrangements were in place. Some respondents raised significant concerns about the Norfolk Island Government's ability to eradicate the psyllid infestation.

CONSULTATION WITH THE NORFOLK ISLAND GOVERNMENT AND MEMBERS OF THE LEGISLATIVE ASSEMBLY

Recommendation 1: Governance

The NIG rejects the dissolution of the Legislative Assembly. The *Norfolk Island Act 1979* could be amended, not repealed. There is a broad acknowledgment that change to the governance model is needed, but a divergence of views amongst members (from individual written correspondence) on the extent of amendment to the current structure.

The Chief Minister stressed the need for clarification and meaningful consultation on any amendment to the *Norfolk Island Act 1979* and a proposed governance model, including transitional proposals, should be provided for consideration and debate prior to any decision being made.

There was a sentiment that taxation and social welfare systems would only be acceptable if it could be proven there was a net benefit to Norfolk Island.

Recommendation 2: community consultation

Community consultation is critical and should address service delivery in any transition arrangements.

Recommendations 3-5: Cascade and Kingston Piers; multipurpose barges; and roads

Notwithstanding Commonwealth funding, local management of infrastructure projects can be locally managed and is preferred over Commonwealth management regardless of ownership of the asset. The Cascade and Kingston Piers should be upgraded as a matter of priority.

Roads should be assessed against an appropriate standard, taking local conditions and road-use into account. Ownership and responsibility for road maintenance should be clarified.

Recommendations 6-8: economic development

There was a strong view that Norfolk Island access to Tourism Australia is critical. The MLAS also believed an on-Island experienced economic development officer is a priority.

Psyllid eradication needs to be a priority to ensure food supply for the community.

A cultural heritage section within the Administration should be supported.

CONSULTATIONS WITH KEY STAKEHOLDERS

Council of Elders

The Council is concerned that the Joint Standing Committee did not comment on the importance of the Pitcairn culture and traditions in its report. Any changes to the Island are likely to come at a detrimental cost: change is not desirable. Concerns were expressed around the introduction of taxation and social security leading to the creation of a welfare culture.

The Council raised concerns around the proposed land rates system and the effect the introduction of land rates will have on the community.

The Council felt the consultation programme did not represent the entire community and local knowledge and input is important to drive decisions that affect the Norfolk Island community.

The Council supports the local government, self-governing model with some modifications which require further discussion.

Chamber of Commerce – focus is on economic development opportunities

The Cascade and Kingston Piers should be upgraded as a matter of priority and a west coast port should also be considered.

The Chamber is keen for Norfolk Island to join mainland tourism initiatives under Austrade and Tourism Australia, noting the Australian market is significantly larger and may limit the success of joining.

Retailers will be affected by a loss of duty-free shopping and distributor rights.

The Australian Government should consider the Tasmanian model for freight equalisation for Norfolk Island.

Norfolk Island is considered unattractive for investment. Banks have lost confidence in the Norfolk Island economy and are taking actions to minimise their risk and exposure.