



THE GOVERNMENT OF NORFOLK ISLAND

MEDIA RELEASE

Chief Minister's address on Radio Norfolk

Norfolk Island Chief Minister David Buffett gave the following address to the community on Wednesday 14th June 2006:

Good afternoon, good afternoon everyone.

I just have some information to impart about the post office box drop of a coloured pamphlet from the Australian Government. It went into boxes yesterday. This is a pamphlet obviously issued by the Australian Government, it is not a pamphlet which has been discussed with the Norfolk Island Government, and in that context we don't necessarily endorse the information.

But that said, I do welcome the provision of some additional information by the Commonwealth on its projected changes to Norfolk Island governance and about programmes it offers in mainland Australia. The services and programmes listed in the pamphlet are in many cases already provided in the Norfolk Island community by our own government, without input or financial support from the Commonwealth.

We do believe that it is vitally important that government services and programmes and laws should reflect the needs and the aspirations of our community, the Norfolk Island community. Consequently, the services that we do provide have been carefully developed and delivered in ways that are sensitive to our special circumstances. This, of course, does mean that many of the services listed in the Commonwealth pamphlet are delivered differently to those in Australia, but we believe our methods to be very effective.

For example, the Norfolk Island Government offers its own health insurance and public hospital schemes, fully funded from Norfolk Island resources. It has for many years been offering the equivalent of a private health insurance rebate in the form of an exemption from Healthcare scheme contributions.

We don't have a waiting list for either urgent or elective surgery, unlike other jurisdictions within the Commonwealth. Our social welfare benefits are also structured and delivered differently from those outlined by the Commonwealth. In all, Norfolk Island offers nine types of pensions or benefits which are assessed and paid using possibly much less bureaucratic and intrusive procedures than those that might be experienced for social security payments elsewhere. The primary test for us in the Norfolk Island context is need, with attention available to each individual that might be involved.

Of course, in listing the Commonwealth services, the Commonwealth hasn't necessarily committed itself to providing the services in Norfolk Island. I don't really want to dwell on that subject too long, but with the brochure having been issued, I did not want there to be just stony silence from the Norfolk Island Government, and some of the pamphlet information needed to be put into context.

I should mention that the Commonwealth pamphlet is silent on the major impacts of the decisions it's announced so far. There is little information to inform the community about the wide range of taxes it is likely to introduce, and the impacts these will have on our community and our economy. It has indicated that it is likely to introduce personal and company income taxes, plus capital gains tax, fringe benefits tax and Medicare levy. It has not indicated a final position on goods and services tax.

The Commonwealth has also made clear through the terms of its references to the Commonwealth Grants Commission and the Australian Bureau of Statistics that it expects other taxes and charges to be levied, including land taxes, land rates, stamp duties and higher fees for government services.

In this context, the Commonwealth has announced that it will resume a number of functions, including customs. And of course that decision may well deprive the Norfolk Island Government of its major source of revenue.

The message at the commencement of the brochure includes these words, and I will endeavour to read this particular paragraph. It says:

Talk of a third model that offers no change to governance of Norfolk Island is not an option.

We are, of course, introducing changes in governance within the Island. The method of delivery of services is under review and will undoubtedly change. The taxing regime and revenue base has been, already, the subject of legislation. And all this is part of the second peg of our programme I outlined on an earlier occasion. And those three pegs, just to remind, are:

- Reinvigoration of the economy;
- Restructure within our governance arrangements; and
- Dialogue with the Commonwealth.

The Norfolk Island community and government are clearly developing a viable model which incorporates positive change and sustainable self-government. The various studies being undertaken, which includes the ABS and the Grants Commission, will assist both the Australian Government and the Norfolk Island Government to determine where the level of sustainability lies, and therefrom the most appropriate method of governing this Island. Together really we can achieve a positive outcome, and there has been progress already made.

But despite some of the gloomy forecasts of others, I need to mention that presently the Norfolk Island Government is able to support its ongoing programmes and has introduced initiatives which will ensure long-term sustainability of the economy and the community within the Island. We are moving forward; we don't intend to sit on our hands while we continue to engage in constructive dialogue with the Commonwealth.

Reinvigoration of the economy is something that is not addressed in the pamphlet, and yet it's the most vital factor for us today – reinvigoration of the economy. When we restructured the government in the last two weeks, I mentioned the skills we needed to bring to bear to lift our economy, as well as to negotiate with the Commonwealth.

In the reinvigoration programme, we do now have a stable airline operation, and in that context, the Minister for Tourism, Mr Brown, is leaving today to visit and consult with key tourism players in Australia and New Zealand, and will continue this over the next week. He'll call regularly and he'll speak weekly to these people to gain their confidence, and the idea obviously is to lift our visitor figures.

Tomorrow, I'll be in Australia with a group from Tasmania, Western Australia and New South Wales to discuss World Heritage prospects for the Kingston and Arthur's Vale Historic Area – not the totality of Norfolk Island, the KAVHA area. World Heritage does have a proven record in attracting visitors, and the KAVHA site is expected to meet the criteria for world listing. I do know, of course, that this was considered some years ago, and didn't proceed. But two different factors now prevail.

Firstly, the need to lift our decline in tourism, and I just mentioned how World Heritage listing is something that does attract visitors. The second is, the Commonwealth advise that the regime to protect World Heritage values can be tailored to each specific site, according to its individual special needs. That was not earlier available to us when we considered that situation.

My predecessor, Geoff Gardner, established a Norfolk Island steering group to undertake public liaison and consultation, and I have confirmed their continuing participation.

That's really just meant to be an overview from the Norfolk Island Government's perspective in terms of the pamphlet that has been just distributed and also to give some up-to-date situation report on the movement in reinvigoration and especially addressing the immediate area of our airline and tourism. Thank you for the opportunity for doing that this afternoon.

David Buffett
Chief Minister

15th June 2006