THE SENATE

BILLS

Private Health Insurance (Risk Equalisation Levy) Amendment (Norfolk Island) Bill 2015

Second Reading

SPEECH

Thursday, 14 May 2015

BY AUTHORITY OF THE SENATE
Senator CAROL BROWN (Tasmania) (12:45): I welcome the opportunity to speak on the Norfolk Island Legislation Amendment Bill 2015 and related bills. As the deputy chair of the Joint Standing Committee on the National Capital and External Territories, I would say to any member of this parliament or anyone in the community, for that matter, with a general interest in the progress of Norfolk Island that they would be well served if they read the committee’s report, *Same country: different world—the future of Norfolk Island*, that was presented to this parliament in October last year. The government responded to the report in February this year, accepting the recommendations of the report, all eight in total. The report and the government's response has bipartisan support and, most importantly, broad support from the Norfolk Islanders. All agree it is time for action because the prospects for Norfolk Island future was bleak in the wake of a marked decline in tourist numbers as a result of the GFC, a serious budget deficit and ongoing financial management concerns.

The purpose of this legislation is to draw a halt to the downward slide, to address economic development on Norfolk Island, to address declining employment, to create growth in tourism, to better manage the island’s revenue and expenditure, to bring an even greater confident outlook to the community of Norfolk Island and a satisfaction to the lifestyle of the islanders, equal to other communities on the mainland. This legislation follows the bipartisan support for the recommendations of the report I mentioned earlier: *Same country: different world—the future of Norfolk Island*. The first two recommendations deal with adopting a new governance model for Norfolk Island. The third recommendation is that the Commonwealth assume responsibility for key infrastructure items on the island, the Cascade and Kingston piers and upgrade them to Australian standards—very critical for the island. The forth recommendation, in line with the third recommendation, is that the Commonwealth purchase multipurpose barges for Norfolk Island. This vital infrastructure is paramount if the community is going to have access to food and fuel security. If the pier and/or barges are out of action the community comes to a halt. It is not an uncommon problem to island communities around mainland Australia. The fifth recommendation deals with upgrading roads, another vital piece of infrastructure. The remaining recommendations deal with provision of expertise from Commonwealth agencies to promote tourism and cottage industry on the island and that the Commonwealth take quarantine control matters.

The objectives of the legislation are to reform governance arrangements of Norfolk Island; the extension of mainland social security, immigration, health arrangements; and changes to the tax system on Norfolk Island. Norfolk Island is a remote community. Currently it does not receive social security benefits, access to the age pension or access to family tax benefits and does not fully participate in the Australian taxation system. This legislation introduces changes through a transitional period over the next 12 months, so that from July 2016 Norfolk Island residents will pay income tax and other direct federal taxes on all their income. The introduction of the mainland social security and taxation system will have enormous consumption and economic benefit to the island. These systems will provide confidence for investment in the island.

There is strong bipartisan support that the Norfolk Island Legislative Assembly be transitioned to a regional council. This has not been welcome by some on Norfolk Island. The fact of the matter is that the Norfolk Island Legislative Assembly model has failed on many levels. The priority must be: what is in the best interests and welfare of Norfolk Island and Norfolk Islanders as Australian residents? This legislation transitions Norfolk Island to a regional council model. The establishment of the regional council will be in consultation with islanders and the Commonwealth and the state departments of New South Wales that will take responsibility for service delivery arrangements of state type services. The regional council established on Norfolk Island will have make decisions about what services it can manage and deliver. What are the challenges of delivering an adequate level of services to a community?

Importantly Norfolk Island must have an effective governance model and comprehensive and well-understood service delivery agreements for a health and hospital service, for adequate roads, for an effective and efficient electricity network, for new infrastructure, for maintenance, for a prosperous inclusive community, for economic opportunities and for regularly air transport and shipping services. The coming 12 months of what is titled ‘the
interim transition time' are critical for the future of Norfolk Island as a new foundation is laid through a local advisory council appointed by the minister to a fully regional elected council in July 2016—a process whereby state-like services will be negotiated with the New South Wales government and New South Wales laws will gradually be applied on Norfolk Island. As this happens, other federal services will be extended, such as the Australian migration system, customs and biosecurity services. As the minister pointed out in his second reading speech earlier in the year:

These changes will bring Norfolk Island in line with other Australian communities and ensure services are delivered to a modern standard by the appropriate level of government.

It is a challenge. It must be the Commonwealth in partnership with the Norfolk Islanders implementing the reforms. The community must be kept informed and must fully understand and, likewise, those from the Commonwealth employed in the implementation process must work with the community so that each change and its impact is understood.

It is pleasing that Norfolk Islanders are excited and expressing their support at the prospect of the changes, but they are apprehensive nonetheless that the transition period and the establishment of the regional council will not become a top-down process where bureaucrats—whether they be Commonwealth or state in the case of service delivery agreements—decide unilaterally what is best for the islanders of Norfolk Island. Islanders want to be informed of when consultations are taking place. They want their voice heard and they want to have a real say. They have concerns that the extension of social services go hand-in-hand with opportunities for economic development. They have a deep concern that the role of the administrator's position in relation to the islanders and the Minister for Territories be clearly stated and understood. Islanders want to see their community prosper. I commend the bills before you to the chamber.