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

Second Reading

SPEECH

Thursday, 14 May 2015

BY AUTHORITY OF THE SENATE
Senator BACK (Western Australia) (12:52): I rise as a member of the Joint Standing Committee on the National Capital and External Territories to also endorse the comments made by Senator Brown with regard to Norfolk Island and express my enthusiasm for a new era for Norfolk Island. People who have not visited the island would be surprised to learn that at this moment, and indeed up to the time when the committee visited the island and undertook its negotiation and discussions, Norfolk Islanders are not really fully Australian citizens. This is unacceptable. It is unacceptable to the Australian community; it is unacceptable to the community of Norfolk Island. These changes—recommended in a bipartisan way by the committee, endorsed by the government and now in legislation that has come through the other chamber into this chamber—will not only give a high degree of certainty to Norfolk Island and Norfolk Islanders; they will certainly guarantee the commercial and social future of the island. I believe they are going to open up a completely new opportunity.

At this moment, a retired Australian, perhaps on a pension, who went over to Norfolk Island and contemplated residing there would not enjoy Medicare benefits and the other benefits they would back at their home on the mainland. This has to change. At the same time, I can understand the community apprehension, as expressed by Senator Brown, as to how the future will play out. From my point of view, I want to say that if I have any influence at all in how the new legislation is enacted and introduced it will be to take a high degree of interest in making sure that the island community remains a community which is able to have its input, receive information and see the benefits of being fully incorporated into Australian society as Australian citizens. I have not enquired but I certainly hope that the current practice of having to take a passport and depart from Sydney through the international terminal—being treated in some way as a foreigner when going to and coming back from Norfolk Island—stops. To me, it was one of the strongest expressions of the gap between Norfolk Island and that big large island to the west of it, which is mainland Australia, and of course Tasmania.

There is only one area of concern I want to express my views on. I have done so to the committee, to the minister with responsibility, Minister Briggs, and indeed to the Assistant Treasurer, Mr Frydenberg. It relates to second and third jobs on Norfolk Island. Having been responsible for the management and administration of an island myself, I am only too aware of the limited amount of labour that is available on an island. Let me give you an example. Somebody might be working as a mechanic in a workshop on the island when a vessel comes in delivering freight. That person, and others like them, are then required to stop what they are doing, go down and become lightermen so that the vessel can be unloaded. It may even be the case that in the event a cruise ship manages to get its passengers onto Norfolk Island—and I will come back to that in a moment—that same person may end up being a bus driver driving visitors around the island. This is not a nice-to-have situation. It is not a case of having a great pool of people out there to be trained as lightermen or to be trained as bus drivers. The simple fact of the matter is there is not that pool of labour. Therefore, we must have a circumstance in place in which, without disadvantage from a taxation point of view, that person can do a second and a third job on the island without financial penalty.

Here on the mainland, we know that a person undertaking a second job would be paying tax at the marginal tax rate. I say, and I have made the plea, that in Norfolk Island we need a circumstance in which people are encouraged and allowed to provide essential services. I am pleased to be able to report that in the tax arrangements, as they have been explained, and as in the documentation, there is in fact quite a degree of information for employees on Norfolk Island as to how they would be treated under that circumstance of a second or indeed even a third job so that, as we transition, it will be made clear to people where their circumstances are. Again, I will be watching this closely myself. As they transition, if you like, to be fully Australian citizens under our tax system, if for some reason there is a disincentive or it is not working, then I will be coming back into this place and I will be pleading with the relevant ministers to make sure we do not cut off the supply of labour to do these occasional but necessary and essential tasks.

I want to finish, if I may, on those people coming from cruise ships and visiting the island. Those who do successfully get onto Norfolk Island report the highest level of satisfaction to their cruise ship company of all of
the places they visit. They just love getting onto Norfolk Island. So where is the problem? The problem is the same one that was experienced by the HMS *Sirius*, which was a vessel in the First Fleet of Governor Phillip in 1788. The *Sirius* was wrecked on Norfolk Island. The island is simply inhospitable when it comes to anchoring or mooring vessels. It is the case that of an evening no vessels are anchored around Norfolk Island. Everything comes out of the water—recreational vessels, lighters, et cetera. The difficulty at the moment becomes the fact that the landing facilities, or the two ports—I would not call them ports—are so unreliable in terms of safety that the cruise ships usually cannot successfully get their passengers onto Norfolk Island. Even for those who do come into Norfolk Island waters, I think the success rate is less than 15 per cent. You can then imagine, of course, there would be an enormous number of cruise vessels that would not even make Norfolk Island their intended destination because of that unlikeliness. If we can change that, if we can create economically a safe circumstance in which those passengers can safely get onto Norfolk Island and, equally, from the viewpoint of the captain, get back off the island to again rejoin the cruise ship, that is going to add dramatically to the tourism potential of the island, because the islanders were telling us, and the cruise ship companies I think would confirm, that once people have visited Norfolk Island as a cruise ship passenger it is likely that they will return for a longer period of time as an overnight passenger for two or three or four nights.

Never having been to Norfolk Island but having had responsibility for the administration of another offshore island, I was particularly interested and somewhat apprehensive as I read the information as I travelled from Perth to Sydney and then Sydney to Norfolk Island. But there is absolutely no doubt the environmental assets of the island, the historic assets of the island, the social assets of the island and the tourism assets of the island make it an imperative that we continue to support Norfolk Island. As Senator Brown said, there are now more opportunities for the island to tap into resources and services. At this moment, for example, Tourism Australia does not include much, if any, of Norfolk Island tourist information. It is essential that those sorts of services now become extended. So I am delighted, as a member of the committee, that the committee, in a bipartisan way, made the recommendations that we did and that they have been endorsed by government and they have passed through the other place. I, like Senator Brown, look forward to a very bright future for Norfolk Island as it becomes totally absorbed into the Australian commune.