

CHAPTER 6

GOVERNMENT SERVICES AND INFRASTRUCTURE

1. This chapter describes the range and level of services provided on Norfolk Island. Comparisons are made with like services provided in remote mainland centres of comparable size and, where relevant, on the Cocos (Keeling) Islands and Christmas Island.

Pre-school Education and Child Care

2. On the mainland, some State Governments provide pre-school education and others subsidise pre-schools operated by community organisations. Child care is subsidised by the Commonwealth and the facilities are regulated by the States.

3. *Existing services.* Banyan Park Child Care Centre is a community based play centre. It receives a small annual subsidy from the Norfolk Island Government although, in the past, the centre has requested and received extra funds. In mid-1997, seventeen three year olds and fifteen four years olds were enrolled. The Centre has not been considered a pre-school because, although some activities of a pre-school nature have been offered, the previous staff were not qualified teachers. There are also two private child care centres on the Island.

4. At present, under a trial arrangement, the Banyan Park Centre has a qualified pre-school teacher who runs a planned and structured program for the older children, keeping records of the children's progress and preparing them for school. It was said that this arrangement needs to prove itself financially viable and to obtain community approval before any long term commitment is made to pre-school education.

5. *Comparisons.* There are no government subsidies towards the costs of child care similar to those on the mainland. Although the current trial program at the Banyan Park Centre provides pre-school type services for some children, the access to these services is not as comprehensive as it is in similarly sized remote communities on the mainland. Overall, the standard of pre-school and child care services on Norfolk is below that on the mainland.

Schools Education

6. On the mainland, State Governments are responsible for schools education and either undertake or regulate the delivery of the service. However, the Commonwealth

makes large specific purpose grants to the States for general education purposes and to assist disadvantaged groups.

7. ***Existing services and infrastructure.*** The Norfolk Island Government has executive responsibility for education, but legislative proposals are technically subject to Commonwealth veto. It has a Memorandum of Understanding with the Commonwealth and a contract with the New South Wales Department of School Education under which that State provides a kindergarten to Year 12 curriculum at the Norfolk Island Central School.

8. The school has a total student population of 318, with 187 primary students and 131 secondary students, and is classified as a 'Central Class 2'. It has a Principal and 23 teachers. The Norfolk Island Government does not receive any specific purpose education funding from the Commonwealth. It meets its own education costs, including the full mainland salaries and benefits of New South Wales teachers appointed to the school. Ancillary staff include one full time senior clerical assistant, two part time assistants (teachers aides), a gardener/maintenance officer and a librarian. An active Parents and Citizens Association raises considerable funds which are directed into major school improvements and projects, such as computing equipment, the oval, the tennis/basketball court, the netball court and playground equipment.

9. The New South Wales Board of Studies provides accreditation for the curriculum, which qualifies for the award of the New South Wales School and Higher School Certificates.

10. The New South Wales curriculum has been expanded to include a Norfolk Studies component. This course is directed to the appreciation of Norfolk Island heritage, environment and language. It has been provided through community support and voluntary individual classroom assistance.

11. There is a Support Teacher Learning Program to assist students with learning disabilities.

12. Only limited accredited Vocational Education and Training type courses can be offered to senior secondary students because few teachers on the Island have accreditation with the New South Wales Board of Studies to teach post-secondary subjects.

13. Students seeking a Tertiary Entrance Rank are well served through face-to-face teaching and input from the Distance Education Facility in Port Macquarie, New South Wales. In 1996, three students out of seven gained entry to Universities in New South Wales. Bursaries are paid by the Administration to students who require courses not available on Norfolk Island and who wish to study at an approved mainland secondary school.

14. The Norfolk Island Government told the Commission that there are short term management and long term strategic plans in place for schools education. Other sources noted that long term planning is limited by the restricted tenure of the New South Wales based staff (three years) and the approach taken to infrastructure on the Island. However, they also noted that a regular turnover of staff ensures a renewal of ideas and teaching strategies.

15. Concerning the infrastructure of the school, comments were made that it looks good outside but that inside there are considerable problems. These include:

- inadequate lighting;
- a run down kitchen, leading to occupational health and safety problems;
- an inefficient layout of buildings as a result of a piecemeal capital works program, mostly pre-self government, rather than a planned development;
- insufficient infrastructure to serve students seeking TAFE accreditation and adult learning;
- lack of floodlighting at the sportsground for night sports or training;
- inadequate classroom space for students undertaking distance education;
- lack of internal maintenance;
- lack of a school hall, as the community hall which is currently used is too far away for regular use by the school; and
- inadequate planning for further growth of the school.

16. The library and technology centres have been expanded in recent years. However, it was said that neither is adequate to take the school into the twenty first century. An evaluation of the possible use of the library as a community centre is underway. It was said that a well designed and operated library/community centre would provide a venue for cultural displays and exhibitions (for example, the 'Bligh' exhibition from the Mitchell library).

17. **Comparisons.** Table 6-1 compares the Norfolk Island expenditure on school education with the in-school expenditure by the States and Territories for 1996. It shows that for each student Norfolk spends less than any of the States, but in per capita terms spends more than any State except the Northern Territory. These apparently conflicting observations are because:

- the proportion of the population in the school age groups (5 to 19 years) on Norfolk is lower than that on the mainland (18.6 per cent compared with 21.0 per cent); and
- of the 5 to 19 year age group, 97 per cent attend school on Norfolk whereas on the mainland only 81.4 per cent attend school.

18. Comparisons of expenditure for each student generally provide a better indication of the relative standards of education being provided. However, the low expenditure for each student does not necessarily imply a lower standard of education. The

figures reflect the effects of the lower salaries paid to non-teaching staff on Norfolk and the relatively low need to provide additional resources to assist students with learning disabilities, such as a non-English speaking background. It may however be that these lower costs are balanced to some extent by the recruitment of more experienced and therefore more expensive teachers from New South Wales and the higher transfer costs incurred in their recruitment.

Table 6-1 STATE AND NORFOLK ISLAND EDUCATION EXPENDITURE, 1996

State	Expenditure		
	Total	For each student	Per capita
	\$'000	\$	\$
Norfolk Island	1 354	4 232	764
Mainland			
New South Wales	3 704 130	4 873	602
Victoria	2 358 726	4 562	522
Queensland	1 884 372	4 577	568
Western Australia	1 057 723	4 716	605
South Australia	834 632	4 702	566
Tasmania	302 758	4 823	640
ACT	205 752	5 148	673
Northern Territory	173 230	6 239	983
Total mainland	10 521 323	4 736	579

Note: The Norfolk Island expenditure for each student is based on the 1996 student population of 320 students.
Sources: Ministerial Council on Education, Employment, Training and Youth Affairs, *National Schools Statistics Collection*, 1996; Norfolk Island Central School, *Student Destination Report*, 1996; and Norfolk Island Administration, *The Administration of Norfolk Island: Financial Statements*, 1997.

19. Table 6-2 compares the student/teacher ratios at Norfolk Island Central School with other remote schools. It indicates that there were more students for each teacher on Norfolk than in most of the other centres chosen.

20. We conclude that, given the arrangements for the provision of schools education on Norfolk, the overall standard of education is comparable with that provided in centres of similar size in New South Wales. Nevertheless, there are areas in which the school finds it difficult to provide up to date services and facilities. For example, the school is excluded from the New South Wales Department of School Education Computers for Schools Program. (In any case, computer based technologies associated with the Internet, or other external use of Norfolk Telecom services, are expensive.)

21. The Island's educational services are also lacking in the area of vocational educational and training courses for secondary students.

Table 6-2 COMPARISON OF SCHOOLS IN NORFOLK ISLAND, THE INDIAN OCEAN TERRITORIES AND NEW SOUTH WALES, 1995

School	Total Students	Number of Teachers	Student/Teacher Ratio
Norfolk Island Central School^(a)			
Primary	187	10.2	18.4
Mainland			
Christmas Island	361	25.5	14.2
Cocos (Keeling) Islands	87	9.9	8.8
Bingara Central School	159	9.2	17.3
Brewarrina Central School	159	13.8	11.5
Warren Central School	160	10.3	15.5
Portland Central School	180	10.9	16.5
Jerilderie Primary School	76	4.0	19.0
Nundle Primary School	63	3.7	17.0
Urana Central School	33	3.6	9.2
Norfolk Island Central School^(a)			
Secondary	131	13.8	9.5
Mainland Secondary Schools			
Christmas Island	92	14	6.6
Cocos (Keeling) Islands	37	6.8	5.4
Bingara Central School	84	8.1	10.4
Brewarrina Central School	71	8.6	8.3
Warren Central School	162	17.9	9.1
Portland Central School	120	14	8.6
Urana Central School	22	4.7	4.7

(a) Norfolk data are for 1997.

Source: Commonwealth Grants Commission, 1996 Special Data Collection for Government Primary and Secondary Schools and Norfolk Island Central School.

Vocational Education and Training

22. Vocational Education and Training (VET) is a joint Commonwealth and State responsibility on the mainland. The States are primarily responsible for the provision of training services, although they are required to meet national objectives. The Commonwealth provides funding through the Australian National Training Authority.

23. ***Existing services.*** The Norfolk Island Government noted that there are no publicly funded VET type services on the Island. However, its Vocational Education and Training Scholarship program assists with the costs of travel to the mainland for study purposes. These scholarships are relatively small and are not designed to cover the full costs of relocation and study. They fund the cost of one return airfare a year and contribute to the cost of books. One submission said that in certain circumstances correspondence courses, including remote learning schemes from some universities, are privately funded,

especially where the benefits of the study flow to the employer's business or to the wider community.

24. The Commission was told of an arrangement with the New South Wales Director of Apprenticeships which allows residents of Norfolk Island to complete the practical component of their apprenticeship with local employers. Apprentices are still required to complete their technical studies on the mainland. While being registered in New South Wales, apprentices often find it more convenient to do their technical studies component in Queensland. Training in that State is done in one block of four or five weeks a year, rather than the six or seven blocks of three or four days in New South Wales. If apprentices can substantiate their need, they are eligible for the Norfolk Island Government vocational training scholarships to cover their airfares.

25. Some private vocational education and training has begun to be offered on the Island. As there is currently a TAFE trained teacher resident on the Island, there is also the possibility for informal TAFE accreditation. Neither of these issues was explored deeply.

26. Parks Australia provides some informal training to temporary employees drawn from the local community. It has also offered training to the Norfolk Island Administration in areas such as effective writing and interview skills. Other employers provide some assistance for formal and informal vocational education and training. Opportunities have been provided to school leavers and adults, and include apprenticeships, skill enhancement, specific product or services training and motivational programs.

27. **Comparisons.** The main target group for VET type services is people 15 to 24 years old. Only 8.2 per cent of the Norfolk Island population is in this age group, compared with 14.7 per cent of the Australian population. This indicates a low level of potential demand for VET services.

28. The Commission has investigated the extent to which TAFE services are provided in some remote locations on the mainland. It found that most people in remote areas wishing to undertake a TAFE course have access to some courses, although they may not always have access to the course of their choice, and some would have to use distance education. The following are examples of the services provided on the mainland and the Indian Ocean Territories.

- New South Wales provides TAFE services in many country centres. It also provides a range of TAFE courses to dispersed and remote localities using a system called 'Flexilink'. This modern distance education system allows students to work at their own pace using linked personal computers, telephone contact with a central teacher, a variety of print, audio and video material and occasional face to face sessions.
- Other States also provide distance education for TAFE, predominantly using video conferencing and computer links.

- Queensland has four full time teachers providing courses in Normanton, which has a population of about 1100.
- Western Australia has the Kimberley College of TAFE in Kununurra, which provides services in Halls Creek, Broome, Wyndham and Derby. Three full time and three part time lecturers are allocated to Halls Creek, which has a population of about 2500.
- The Northern Territory, has three full time staff and a large number of part time staff providing VET services in Nhulunbuy, which has a population of about 4000.
- On Christmas Island, the Commonwealth Department of Employment, Education, Training and Youth Affairs partly funds a private training company, which focuses on employee training.

29. States generally provide apprentices with accommodation or subsidies for travel and accommodation, although the amounts differ. It would seem that apprentices on Norfolk Island are given a similar level of support to apprentices on the mainland. While they do not receive any subsidies for accommodation when on block release, the value of subsidies for travel to the mainland generally exceeds the travel assistance provided by the States.

30. During the July conference, most community representatives considered that improving technical and vocational training services was a high priority. They suggested that such services were needed to assist economic growth and to improve the efficiency of service delivery in both the public and private sectors. Moreover, it was thought that, if these services were available on the Island, more residents might be able to acquire the skills and knowledge needed to do jobs currently held by non-Islanders. Future availability of VET courses might even reduce the number of people in the 15 to 24 year age group leaving the Island.

31. The provision of government funded Vocational Education and Training services, other than for Norfolk Island based apprentices, is below that offered in remote areas of the mainland. This is resulting in an under trained workforce and is a threat to the long term viability of the Island's economy.

32. It might be feasible for Norfolk Island to enter arrangements with New South Wales to obtain basic TAFE services through an adaptation of the 'Flexilink' service. We understand that the capital and recurrent costs of such a system need not be large.

Health Services

33. On the mainland, health is constitutionally a State responsibility and States organise the service delivery, though the Commonwealth makes large specific purpose payments to them to support health services. The Commonwealth also makes large contributions to the health expenditure of individuals through medical and pharmaceutical benefit payments.

34. **Hospital services and infrastructure.** Norfolk Island has a 27-bed hospital that provides an extensive range of facilities, including a pharmaceutical dispensary (the only source of prescription medicines on the Island), aged care and community health services, and maternity and child health services.

35. The hospital employs 30.5 full time equivalent staff, including (on two year contracts) two full time and one part time doctor. These medical practitioners, a dentist and nursing and ancillary staff provide most health services at the hospital. All staff are employed by the hospital itself, not the Government. The salaried doctors provide general practitioner type services to the Island, while specialists, including a psychiatrist, dermatologist, endocrinologist, gynaecologist, urologist, and ear, nose and throat specialist, visit on six monthly or yearly cycles, depending on demand. There are also six weekly visits from an orthodontist.

36. Domiciliary nursing is provided by the hospital on behalf of a private trust with recipients paying on a fee for service basis. The Hospital Trust subsidises this service.

37. Hospital patients are treated on the Island whenever possible. If Island doctors decide that the required treatment is not possible locally, medical evacuations to the mainland are provided. Depending on the degree of emergency, these are by commercial flights, chartered aircraft or the RAAF (RNZAF for evacuation of New Zealand citizens to New Zealand). Only the airforce flights are free of charge to the patients.

38. We were told that New South Wales medical standards have been adopted as a target by the hospital board.

39. It was said that recruitment of doctors is becoming more difficult because:

- there are fewer general practitioners with the capacity to perform surgery;
- there are fewer general practitioners with obstetrics skills; and
- the remuneration offered might not be competitive with mainland rates (when on call hours are taken into account, a doctor's hourly remuneration on Norfolk may be less than that of a teacher).

40. The Norfolk Island Government has increased general nurses' salaries over the last three years to make them more comparable with Administration salary levels. In 1996 nurses salaries were \$27 052 for a single certificate nurse and \$29 145 for a triple certificate nurse. The certificates are awarded for extra specialties, for instance, midwifery, mental health or paediatrics. Australian nurses' salaries are no longer based on the number of these certificates held, so comparing Australian and Norfolk Island nurses' salaries at anything beyond a single certificate nurse is meaningless. However, at the base level, nurses' salaries on Norfolk Island are comparable with the after tax levels on the mainland.

41. The operations of the hospital are funded through collections of scheduled fees and an annual subsidy paid by the Norfolk Island Government. The fees were last increased in 1993 but are currently being reviewed by the Hospital Board. Medicare fees

are generally used as a benchmark. The lack of a sinking fund for the hospital makes budgeting for purchase of capital items difficult, especially when equipment breaks down.

42. The private ward accommodation rate each night is \$213 for locals and \$382 for visitors, while for shared accommodation the rate is \$145 for locals and \$344 for visitors. The intensive care rate is \$750 a night for visitors and \$350 a night for locals (compared with a mainland rate of up to \$2000 a night), but only \$88 a night for the elderly.

43. The general practitioners employ a two tiered fee structure, set by the Norfolk Island Government, whereby:

- visitors are charged \$50 for a consultation during business hours and \$80 out of hours; and
- those living on the Island are charged \$25 for a consultation during business hours and \$50 out of hours.

Out of hours rates apply after 5 pm on weekdays and 12 noon on Saturday.

44. The visiting specialists charge hospital patients:

- a concessional rate of \$55 for consultations; and
- full Medicare schedule rates for surgical procedures.

Patients meet pathology expenses on a full cost recovery basis.

45. All patients are charged the set fees for health services except veterans, who pay less than full cost, and persons covered by the Hospital and Medical Assistance (HMA) scheme, who receive free or subsidised health care. Many of the long term patients in the hospital are Veterans or HMA patients. Dental fees, which are set at Department of Veterans' Affairs rates plus 15 per cent, are collected from clients other than children and pregnant women.

46. Commonwealth Medicare is not available although the Norfolk Island Healthcare scheme provides partial coverage of total annual health costs. More details of health insurance on Norfolk Island are provided later in this chapter.

47. There is no Pharmaceutical Benefits Scheme and some common prescription medicines can cost six times mainland rates, although for more expensive drugs the prices are similar to those on the mainland. Drugs are dispensed at full cost with a variable mark up that ensures that the pharmacy operates overall as a revenue source. The cost of medicines to the hospital is high because of the procedures associated with the 'export' classification of the medicines (thus precluding any recycling), and the high freight costs from the mainland.

48. We were told that some people restrict their visits to the hospital because of the high costs involved. Moreover, many people on the Island use the hospital dispensary before visiting the doctor, in an attempt to minimise their costs. None of this, of course, is unique to Norfolk Island, but any precise comparison with the mainland is not possible.

49. We were also told that the hospital does not refuse provision of medical and hospital services to those who need such services, even if it results in bad debts. Because of the high medical costs involved and the low income of many of the locals, this policy has contributed to the accumulation of debts, which totalled over \$300 000 early in 1997 but had been reduced to about \$180 000 by July. Occupation rates have fallen markedly in recent years due to deaths of long term elderly patients, and this trend is reflected in a fall in fee income.

50. It appears that the building and equipment generally need upgrading. The hospital management is responsible for maintenance and, in this regard, the hospital is managed differently from all other Norfolk Island Government assets, which are under the maintenance control of the works department. The hospital makes do with what is available — for example, visiting specialists bring their own equipment and leave it at the hospital, and oxygen cylinders are stored in a hallway because of a lack of storage space. Capital expenditure priorities are for a new operating theatre (to meet anti-infection standards), new X-ray machine, dental equipment and a shift of the dental clinic from the front of the hospital to the rear so that dentistry and orthodontic services can be accommodated in one place. We understand that an X-ray machine will be purchased in 1997-98.

51. The hospital is of piecemeal design and construction. It is apparent that extensions have been made at various times, and the present layout of the rooms and buildings bears little resemblance to a strategically planned, functional form. Like many small hospitals on the mainland, the layout is not conducive to efficient use of staff.

52. The hospital has one ambulance, run by St John Ambulance volunteers. There are 14 volunteers in the Norfolk Island division of St John Ambulance, including one doctor. All officers do at least 100 hours of training a year, as required by the headquarters of St John Ambulance on the mainland. The division conducts first aid training, which is available to anyone on the Island. During 1996, there were 120 call outs.

53. The Lions and Rotary Clubs also provide support to the hospital.

54. **Comparisons.** Table 6-3 compares Norfolk Island hospital to other remote hospitals on the mainland. Expenditure for each occupied bed day is very low and the average occupied bed days for each inpatient high. This may be because many of the beds are nursing home type beds, which would be low cost and long stay. The low costs may also be because the average costs for operations are lower, since the more expensive operations would have been done on the mainland, although this would probably be true for all the isolated hospitals in the table.

55. The Norfolk Island hospital with 27 beds is also larger than those in small remote communities on the mainland, which normally have five to ten beds. This could be attributed to isolation and to the nursing home accommodation provided in the Norfolk Island hospital. The number of doctors is about what would be expected given the isolation of Norfolk Island and the types of service provided.

Table 6-3 SELECTED DATA FOR HOSPITALS IN REMOTE AREAS, 1990-91

	Total Expenditure	Inpatients	Occupied Bed Days	Cost each occupied bed day	Non- inpatients	Total Staff
	\$'000			\$		
Norfolk Island (1995-96 data)	824	303	3 415	241	8 444	30.5
Christmas Island (1994-95 data)	3 087	103	260	11 873	10 000	14
Queensland						
Aurukun	641	171	198	3 237	15 157	10.7
Bamaga	1 201	466	3 506	343	11 606	22.9
Blackall	1 574	764	3 649	431	6 137	30.9
Charleville	4 016	1 374	6 694	600	30 397	87.0
Longreach	3 614	1 228	5 220	692	23 649	63.0
Quilpie	1 114	198	1 034	1 077	3 743	23.0
Thargomindah	160	38	38	4 211	3 155	2.9
Western Australia						
Derby	13 074	2 707	17 527	746	43 303	243.7
Kununurra	3 819	1 468	5 728	667	30 511	58.2
Wyndham	3 113	463	3 175	980	11 240	54.5
Northern Territory						
Gove	7 307	1 779	9 190	795	25 885	99.5

Sources: Commonwealth Grants Commission, *Report on Christmas Island Inquiry 1995*, Australian, Government Printing Service, 1995; Norfolk Island Administration.

56. The Norfolk Island hospital infrastructure is of considerably lower standard than that on Christmas Island, where a new hospital, built to the standard of equivalent hospitals in Western Australia, was completed in September 1995.

57. A related infrastructure issue concerns facilities for the care of the aged. Given the ageing trend of Norfolk Island's population, it has been recognised by the Island Government that the provision of aged care facilities should be part of its strategic plan. However, these facilities are not a priority at present because enough beds are available in the hospital for long term aged care patients.

58. In comparison with hospital services generally available in small remote centres in mainland Australia, the range and level of services provided by the Norfolk Island hospital are of a good standard. However, due largely to its age, the standard of buildings and equipment used is below that to be found in many such centres, and this is having a detrimental effect on the efficient operation of the Hospital.

59. **Public health services.** The Health and Building section of the Norfolk Island Administration is staffed by a Health and Building Surveyor, a Health and Quarantine Officer and a part time Quarantine Officer. The section is responsible for:

- inspection of food outlets, which number about 50;
- monitoring water quality;
- occupational health and safety;
- building control; and
- quarantine and related matters.

60. The Island enjoys some natural advantages that reduce its public health risks. These, it was said, include its lack of exposure to salmonella poisoning of food (because of the isolation) and its development of separate water supply sources for each establishment, which reduces the risk of cross-contamination.

61. Any new accommodation built on the Island (either permanent housing or tourist accommodation) has to meet minimum water storage capacity limits. Some bores have experienced increases in chloride and sodium levels. The Norfolk Island Government said it would be studying a recent guide produced by the Australian Capital Territory Electricity and Water Corporation (ACTEW) which recommends more frequent monitoring of the quality of water extracted from aquifers.

62. **Comparisons.** Relative to what is available in small remote centres on the mainland, the range and level of public health services provided by the Norfolk Island Government are considered to be comparable.

63. **Community health services.** On the mainland, community health is the responsibility of State governments, although the Commonwealth funds some programs through SPPs and subsidises the private provision of community health type services through payments of medical benefits to individuals.

64. The Norfolk Island hospital provides school medical and dental services, and maternal and infant health facilities. The latter provide pre-natal and post-natal care as well as mothercraft nursing services. The hospital also conducts child and adult immunisation programs.

65. Community associations provide some assistance for medical aids and appliances, including hearing aids. We were not made aware of any programs funded by the Norfolk Island Government — in the past or present — addressing issues such as the risks involved in drink driving, smoking or taking other forms of drugs. Similarly, we were not told of any programs that assess youth health, women's health or geriatric health.

66. **Comparisons.** The range of community health services provided on Norfolk is narrower than that available in small remote communities on the mainland. The lack of health prevention programs may reflect the lower need for these services arising from the isolation of the Island and the relatively few people in the 15 to 30 year age group.

However, such factors do not eliminate the need for these services, the provision of which could become more important if the attempts to broaden the Island's tourist appeal to younger age groups are successful.

67. School dental services are more extensive than mainland services. Norfolk Island school dental services cater for students up to the end of year 12, whereas on the mainland such services are usually restricted to primary school students.

Health Insurance and Private Health Care

68. On the mainland, health insurance is a Commonwealth responsibility.

69. ***Norfolk Island Healthcare Scheme.*** The Norfolk Island Government operates its own health insurance scheme, called Healthcare. Membership of the scheme is compulsory for all people aged over 18 years who are ordinarily resident on the Island, and who express an intention to reside on the Island for more than 120 days, unless they are Norfolk Island pensioners or can show they have full private health insurance.¹

70. Contributions to the scheme are set at \$130 every six months for each adult member, although exemptions are available to those with low incomes.

71. The Healthcare scheme is intended to meet 'catastrophic' medical costs incurred by members of the Norfolk Island community. Individuals and families are covered for approved medical costs in excess of \$3 000 for each nuclear family unit in a financial year, including:

- hospital, medical and non-inpatient treatment on Norfolk Island;
- diagnostic, laboratory and specialist services on Norfolk Island;
- hospital and medical treatment in mainland Australia or New Zealand when a patient is referred there for treatment by an Island doctor, but only to the equivalent of a public shared ward rate in a public hospital;
- pharmaceuticals;
- optometry and osteopathy;
- services provided by a physiotherapist, chiropractor and chiropodist, up to a limit of \$200 each financial year;
- transportation costs, including airfares and ambulance costs, and the travel costs of escorts and their expenses, although there is a limit of \$200 each financial year;

¹ Many Norfolk Island residents have private insurance to cover Island, mainland and overseas medical costs. Southern Cross, a popular insurer against medical costs, charges a monthly premium of \$96 per family and \$48 per single person.

- exemption from the departure tax for people going on medical flights (but landing fees are still payable);
- medical appliances; and
- some diagnostic, laboratory and specialist services obtained outside Norfolk.

72. Although the Healthcare scheme covers only \$200 of the transport costs associated with medical treatment, it was noted that the airlines give Island residents discounts of about 30 per cent on their fares to the mainland or New Zealand. In some cases, the hospital will pay for patients flying to the mainland, but add the cost to the patient's account. This effectively gives a patient the air fare on credit.

73. The Executive Member has a discretionary power to approve Healthcare payments for some legitimate costs normally outside the scheme or in excess of the normal limits.

74. There were 47 claims beyond the \$3 000 limit in 1995, and 57 in 1996. By April 1997, there were 31 claims over the \$3 000 limit.

75. The Healthcare Scheme does not insure contributors against:

- optional surgery or medical treatment obtained outside Norfolk without a referral from a doctor of the Norfolk Island Hospital;
- accidents or illnesses that started outside Norfolk; or
- any pre-existing illness or injury for a period of five years after joining the scheme.

76. As a consequence of the limitations set out above, we were told that people usually spend in excess of \$3 000 on hospital, medical and associated expenses before they become eligible for the Healthcare benefits. For example, it was suggested that in some cases only about \$1 400 of the first \$3 000 spent on hospital, medical and associated expenses would qualify as 'allowed expenditure' under the scheme — that is, \$1 600 would be unapproved towards the scheme's \$3 000 barrier. If this is correct, it would appear possible for a resident to spend over \$6 000 before the costs became 'catastrophic'.

77. Several submissions commented on the Executive Member issuing guidelines on the circumstances in which the doctors should or should not provide referrals for offshore treatment. They argued that decisions on whether or not referrals are given should be the sole responsibility of the Medical Officer, that the guidelines were too restrictive and that their primary aim was to limit the expenses of the Healthcare scheme.

78. **Commonwealth Health Insurance.** The Commonwealth's *Health Insurance Act 1973* does not apply to residents of, or visitors to, Norfolk Island. On the mainland, whether a person lives in a metropolitan or a remote area, the Medicare system entitles all legally permanent residents to:

- free treatment as a public (Medicare) patient in a public hospital; and
- free or subsidised treatment by a doctor (including treatment by specialists), participating optometrist or dentist for specified services.

In addition, the Commonwealth Government, through the Pharmaceutical Benefits Scheme (PBS), subsidises the cost of prescription medicines.

79. No minimum threshold applies to hospital and medical expenditure before claims can be made and the majority of costs are recovered under Medicare (or not paid under the PBS).

80. Out of hospital services are based on a schedule of fees set by the Commonwealth Government. Medicare pays 85 per cent of the schedule fee or the schedule fee less \$29.30², whichever is the larger amount. When claimant individuals or families have paid gap amounts totalling \$271.20³ in a calendar year (representing the accumulation of the 15 per cent of the scheduled fees not recovered on each claim), Medicare benefits increase to 100 per cent of the schedule fee for any further services in that year. Safety net provisions also apply to the PBS.

81. The costs of the Medicare scheme are met in part by an annual Medicare levy, which is generally 1.5 per cent of taxable income. For an adult full time worker on average weekly ordinary time earnings (about \$690 a week or about \$36 000 a year), the annual Medicare levy payment would be approximately \$540 if no tax deductions were available. This compares with the fixed annual levy of \$260 for the Norfolk Island Healthcare Scheme, which is equivalent to the levy payable on a mainland taxable income of about \$17 300. Thus any contributors on Norfolk who earn less than \$17 300 a year pay more than they would under the mainland levy provisions, and those with higher incomes pay less.

82. If residents on the mainland want coverage for hospital and medical costs over and above those covered by Medicare and the PBS, they can take out private insurance and pay premiums in addition to the Medicare levy.

83. There is also an Isolated Patients Transfer Assistance Scheme on the mainland under which patients from remote areas who are referred to health facilities in the regional or metropolitan areas receive assistance from the State government towards the travel costs. This usually amounts to the costs of the cheapest appropriate mode of travel.

84. **Cessation of Medicare benefits on the Island.** At the commencement of the *Norfolk Island Act 1979*, Health was a non-scheduled function retained by the Commonwealth. However, in 1984-85, as part of a review of the transfer of powers, the

² Adjusted annually on 1 November.

³ Adjusted annually on 1 January.

Norfolk Island Government sought full responsibility for public health matters, including the hospital and environmental health. Subsequent negotiations between the two governments resulted in the Norfolk Island Government agreeing to enter into an MOU with the Commonwealth. Under the agreement, persons ordinarily resident on the mainland and temporarily visiting the Island would be eligible for free hospital treatment on the Island, and Norfolk Island residents were to be eligible to receive free medical care under Medicare when visiting the mainland.

85. In March 1988, the Commonwealth wrote to the Norfolk Island Government indicating that it was unable to confirm its earlier 'in principle' agreement on reciprocal health care. The Commonwealth Minister indicated that future reciprocal health care agreements would be entered into by the Commonwealth only where there were negligible costs to the Budget. He said that such agreements could be contemplated only where there was comparability of health care systems and equality of access. As Norfolk Island residents visiting the mainland made far greater use of Medicare than mainland residents did of health care facilities on Norfolk Island, the proposed MOU with Norfolk Island could not be conducted on a reasonably cost neutral basis, and therefore it could not proceed.

86. The Norfolk Island Government sought to amend the proposed MOU in September 1988. However, the Commonwealth wrote again in December of that year advising changes to Medicare eligibility and entitlements, including:

- amendment to the *Health Insurance Act 1973* to limit access to Medicare to persons who had a legal entitlement to reside permanently on the mainland, and who actually lived there (Norfolk Island was not part of Australia for the purposes of this legislation);
- neither Australian citizens living abroad, nor citizens from other countries who were visiting Australia (except for visitors from countries with reciprocal agreements) would have access to Medicare from 1 January 1989; and
- Medicare benefits for medical services rendered overseas (including Norfolk Island) to Australian residents would not be payable from 1 January 1989, and Australians travelling overseas would be encouraged to take out travel insurance which included adequate health cover.

87. The Commonwealth also advised that, as Norfolk Island is not part of Australia for the purposes of the Health Insurance Act, residents of the Island would not be eligible for access to Medicare from 1 January 1989. The Commonwealth concluded that it would therefore be inappropriate to contemplate a reciprocal agreement, or an MOU on health care, with Norfolk Island.

88. In response to protests from the Norfolk Island Government, the Commonwealth, in January 1989, agreed to extend the eligibility of Norfolk residents for Medicare benefits to 30 June 1989.

89. **Comparisons.** There are big differences between the range and level of benefits payable on the mainland under Medicare and the PBS, and those payable under the Norfolk Island Government Healthcare Scheme. There are differences in the charges also. Some of those differences are listed below.

- (i) Under the Norfolk Island scheme, claims for expenditure reimbursement can be made only when approved medical costs exceed \$3 000 (but there is no threshold for people on Norfolk Island pensions or Veterans Affairs pensions). Under Medicare and the PBS, no minimum expenditure threshold applies to claims.
- (ii) Under the Norfolk Island scheme, all residents who are 18 years of age and over must contribute to the scheme, unless they receive a Norfolk Island or Veterans Affairs pension, have sufficient private insurance or earned less than \$3 500 during the six months before a levy day. Under Medicare, only taxpayers contribute to the scheme.
- (iii) Under the Norfolk Island scheme, the annual levy is \$260. Under Medicare, the levy is generally 1.5 per cent of income in excess of \$5 400. Hence, a person with an income of about \$30 000 a year and without any tax deductions would pay double the Norfolk levy.
- (iv) Under the Norfolk Island scheme, residents who return to the Island and are not members of the Healthcare scheme are not covered for any pre-existing illness or injury for five years after re-joining. Under Medicare, Australian citizens who return to mainland Australia after being elsewhere for less than five years are immediately covered for any pre-existing ailment or injury. Australian citizens who return to mainland Australia after being overseas for more than five years, and who state their intention to reside in mainland Australia on returning, are also immediately covered for any pre-existing ailment or injury.

90. Table 6-4 contains some simplified aggregate comparisons of revenues and expenditures related to the health insurance schemes on the mainland and Norfolk Island.

Table 6-4 GOVERNMENT HEALTH REVENUES AND EXPENDITURES —
MAINLAND AND NORFOLK ISLAND, 1995-96

	Mainland	Norfolk Island
	\$ pc	\$ pc
Gross Expenditure		
Medical benefits paid	333	
Pharmaceutical benefits paid	131	
Healthcare benefits		195
Hospital and medical assistance to approved people		203
Government subsidies to hospitals	493	347
Gross expenditure	957	745
Less: Levy receipts	160	188
Total	797	557

Sources: Norfolk Island Administration; Commonwealth Grants Commission data.

91. The simplified comparison in Table 6-4 makes no allowance for differences in the complexity of medical treatment (which could overstate the mainland expenditure relative to that on Norfolk). Nevertheless, it indicates a higher government subsidy towards health costs incurred in the public health system on the mainland than on Norfolk. This conclusion is unaltered if the hospital subsidies are excluded from the comparison — such a comparison would understate the differences between the two schemes because reimbursements of hospital fees are included in the Norfolk figures but not in the mainland ones. The conclusion would be strengthened if allowance were made for the effects of the Isolated Patients Transfer Assistance Scheme.

92. Table 6-4 also indicates that overall, the Healthcare Levy on Norfolk represents a revenue raising effort above that on the mainland. This difference would be primarily caused by the limitation of the mainland charges to taxpayers, rather than all people over the age of 18 years other than Norfolk Island pensioners and those with adequate private health insurance.

93. Our analysis indicates that people who receive Norfolk Island pensions are well catered for by the Healthcare and HMA schemes because it covers their total medical costs, including airfares.

94. However, for other Island residents, submissions to this inquiry and the broad comparisons made above suggest that the Norfolk Island Healthcare Scheme imposes a much greater proportion of total health costs on the users of health services than the Medicare and Pharmaceutical Benefits scheme does on the mainland. This conclusion is supported by information from the household expenditure surveys for New South Wales and Norfolk. That information indicates that average weekly expenditure on health and medical costs on Norfolk is more than 50 per cent higher than that in New South Wales (\$47.53 on Norfolk compared with \$30.35 in New South Wales).

95. Some Islanders have reached a similar conclusion. Statements made during our conferences on Norfolk indicated that many individuals would prefer to pay the mainland Medicare levy and receive Medicare benefits rather than remain in the Norfolk Healthcare scheme.

96. Overall, we conclude that this is an area where the standard of government services on Norfolk Island is below that provided on the mainland, and the below standard service is of particular concern to the less well off.

Social Security

97. On the mainland, social security is a Commonwealth responsibility. On Norfolk it is the responsibility of the Norfolk Island Government.

98. ***Existing services.*** The Norfolk Island Social Services Act 1980 provides for payment of four means tested pension benefits — an age benefit, an invalid benefit, a widowed persons benefit and a special benefit. The fortnightly rates for these pension benefits for a single person and a married couple are currently \$294.60 and \$490.40 respectively. The mainland equivalents are \$347.80 for a single aged pension, and \$580.20 for a married couple.

99. Additional pensions payable on Norfolk are an orphan's benefit (\$54.20), a handicapped children's benefit (\$71.90), a supplementary children's benefit (\$42.50) and a long term care benefit.

100. Current eligibility for the single person's age benefit ceases when income reaches about \$515 each fortnight, although it is very difficult to measure income on the Island since there is no requirement for such details to be collected. This means it is very difficult to audit eligibility for benefits. No assets test is applied under the Act.

101. The special benefit is payable to persons who, in the opinion of the responsible Executive Member, are suffering hardship, unable to earn a sufficient livelihood, are not qualified to receive any other benefit and meet the age benefit income test. However, public awareness of the availability of the special benefit appears to be low.

102. Under Hospital and Medical Assistance (HMA) arrangements, pensioner benefits include, in general, free or subsidised (according to the income test) medical, dental, optical and pharmaceutical services, and airfares for mainland specialist treatment when necessary.

103. A long term care benefit is payable to a person who has been in hospital for 90 consecutive days and has been or is qualified to receive a benefit under the Act or under the Commonwealth *Social Security Act 1991*. Recipients of long term care benefits have their normal hospital expenses waived, but are required to contribute 80 per cent of their total income towards their hospital costs.

104. Age benefits apply only to residents of Norfolk Island who have resided on the Island for at least ten years immediately prior to the claim, while invalid benefits, widowed persons benefits and handicapped children's benefits require residency of five

years immediately prior to the claim. Australian citizens who would be eligible for social security assistance on the mainland are not eligible for assistance on Norfolk Island unless they pass the Norfolk eligibility criteria, and cannot receive mainland assistance while living on the Island during the qualifying period. Recipients of Norfolk Island benefits lose their entitlement if they leave Norfolk. There is no specific benefit payable to the unemployed, although the Executive Member has the discretion to pay the special benefit if it is considered necessary.

105. The Norfolk Island benefits were originally set at approximately 80 per cent of the mainland levels for similar benefits. They are now indexed each six months using the movement in a 'benefit adjustment factor' which is based in part on the Norfolk Island Retail Price Index. This has broadly maintained the levels of social service benefits at the 80 per cent relativity.

106. The majority of social service benefits paid on Norfolk Island are to the aged. We were told that the number of age pensioners had fallen from 60 to 55 persons in recent times. However, the total cost of the Island's social service scheme is likely to grow because:

- (i) under current migration trends, the ageing of the Island's population will continue;
- (ii) the decline in interest rates in recent years has meant that fewer people have been denied benefits on income test grounds; and
- (iii) there has been a fall in the number of people of pensionable age who qualify for repatriation benefits under the *Commonwealth Veterans' Entitlements Act 1986*.

107. Table 6-5 shows the proportion of people on Norfolk Island in groups that often require social security payments. The proportion in all groups other than separated persons increased between 1991 and 1996.

Table 6-5 PROPORTION OF PERMANENT NORFOLK ISLAND POPULATION IN GROUPS THAT OFTEN REQUIRE SOCIAL SECURITY SUPPORT, 1991 and 1996

Group	1991	1996
	Per cent of population	Per cent of population
People aged over 65 years	14.0	15.9
Disabled persons	3.8	4.4
Separated	3.2	3.2
Divorced	7.1	7.9
Widowed	6.4	6.9

Source Administration of Norfolk Island, *Norfolk Island Census of Population and Housing, 1996*, Tables B6, C1.

108. **Comparisons.** Under mainland Social Security arrangements, the Commonwealth provides a wide range of benefits and allowances. These include:

- age pension;
- disability support pension and wage supplement;
- carer pension;
- wife pension;
- widow pension;
- bereavement allowance;
- mature age allowance;
- sole parent pension;
- pharmaceutical allowance;
- Newstart allowance;
- youth training allowance;
- partner allowance;
- sickness allowance;
- special benefit;
- widow allowance;
- family payment;
- parenting allowance;
- maternity allowance;
- guardian allowance;
- multiple birth allowance;

- child disability allowance;
- family tax payment; and
- rent assistance.

109. Different income and assets tests apply to these payments, depending on which allowance is being claimed, whether the person or couple own a home, and the age of the applicants. For instance, payment of the aged and disability pensions ceases if a single person's or a married couple's fortnightly income exceeds \$806.40 and \$1 347.20 respectively, or if the value of assets of potential beneficiaries exceeds prescribed limits. The value of the family home is not taken into account in the assets test.

110. The range and level of benefits provided under the Norfolk Island social service scheme are below those generally payable on the mainland and cut out at much lower levels. The following are some particular examples.

- (i) The age pension benefits are set at about 80 per cent of the mainland rates. During the July conference, it was suggested that the lower benefits would be offset by the absence of medical and pharmaceutical expenses, the absence of funeral expenses, lower car registration fees and telephone charges and a much better quality of life. While the monetary concessions might reduce the difference, they are unlikely to eliminate it given its size, the existence of concessions on the mainland, the caps on medical and pharmaceutical expenses and the much higher electricity charges on Norfolk.
- (ii) Pension benefits for a single aged pensioner cut out at incomes of about \$515 on Norfolk and \$804.40 per fortnight on the mainland. This difference is much greater than the roughly 20 per cent difference in benefits.
- (iii) There is no provision for some of the benefits paid on the mainland, such as the family payments. There is a supplementary children's benefit on Norfolk, but its application is narrower than the mainland family payment and it is at a much lower level. (The Norfolk supplementary children's allowance is \$42.50 a fortnight compared with the mainland maximum family payments of \$96 a fortnight for each child under 12 years and \$124.90 for each child aged 13 to 15 years — these mainland amounts are subject to an income means test.)

111. Moreover, the Norfolk Island scheme is less generous than the mainland arrangements in the following eligibility criteria.

- (i) Although, under the Commonwealth Act, eligibility for age pensions requires persons to be Australian residents for at least ten years, pensions are payable if residence in certain countries with which Australia has a reciprocal agreement can be proven. The same waiting period of ten years applies for the Norfolk Island age benefits but no reciprocal country arrangements exist. However, we were told of one case where the Executive Member's discretion was used to grant an

age pension to a person who returned to Norfolk after a long period of residency on the mainland. There may be an argument for a reciprocal arrangement between Norfolk Island and the mainland.

- (ii) Under the Commonwealth Act, the widow's pension is immediately payable if both the widow and her partner were residing on the mainland at the time of her partner's death. Under the Norfolk Island scheme a widow has to be ordinarily resident on the Island for a five year period immediately before making the claim for a widow's pension, as well as being wholly dependent on the deceased spouse for three years or more prior to his death.
- (iii) The Commonwealth disability support pension is payable if a physical, intellectual or psychiatric impairment of 20 per cent or more is proven and, as a result of the impairment, the person is unable to work for the next two years and is unable to undertake educational or vocational training that would equip him or her for work within the two years. The Norfolk Island invalid benefit is payable only if permanent incapacity (85 per cent) is proven and the person had been living on the Island for five years immediately prior to the claim.

112. Given the ageing of the Island's population (as discussed in Chapter 2) and the likelihood that more people will become eligible for social service benefits, the social service scheme is likely to become progressively more costly for the Island.

Welfare Services

113. Welfare services on the mainland are State or local government responsibilities that are partly funded through payments to the States from the Commonwealth.

114. These services include a wide range of services to the aged and disabled and to families and children. They include refuges, accommodation for aged and disabled persons, senior citizens clubs, sheltered employment workshops, delivered meals services, home visiting and housekeeping services, rehabilitation programs (drug and alcohol), child day care centres, counselling services, emergency housekeeping services, transport for people with disabilities and concessions on many daily costs of living (travel, rates and so on) for pensioners and people with inadequate earning capacity. Assistance and relief for the carers of the aged and disabled is also a feature of mainland welfare programs.

115. Some of the services aim to provide institutional accommodation for the young, the aged and the disabled. However, there is a growing emphasis on providing high-quality cost-effective care for these people in the community and minimising admissions to high-cost residential care.

116. Many of the accommodation services provided to the elderly on the mainland are private or are run by 'not for profit' community organisations such as churches.

117. *Existing services.* Under the Commonwealth's *Norfolk Island Act 1979*, the Norfolk Island Government is responsible for child, family and social welfare. In taking up this responsibility, the Norfolk Island Social Services Act 1980 provides for payment of pensions (addressed in the previous section of this chapter).

118. The Norfolk Island Government has set aside a minimum of eight beds in the hospital to accommodate aged people who require institutional care. However, in June 1997, there were no residents in these facilities. It also has a number of units in the hospital grounds for the use of people who do not require full time care, although it was said that there are practical difficulties associated with their use.

119. The Norfolk Island Government provides funeral services free of charge. Pension related benefits include an exemption from the Norfolk Island Financial Institutions Levy, a twenty per cent reduction in vehicle registration costs and telephone rentals, and a five cent a unit reduction in electricity charges. The GBEs affected absorb the pensioner concessions given for their services.

120. A 1994 paper by the Law Reform Commission on women in remote communities used Norfolk Island as a case study of welfare services provided to women in remote communities.⁴ The study found that:

- domestic violence existed on Norfolk Island;
- women on Norfolk Island had little independent financial means, since they were usually in business with their husband;
- there was no sole parents benefit under the social security system on the Island;
- there were no counselling services for women on the Island;
- women on Norfolk Island lacked adequate access to legal services, since the lawyers on the Island were all male and might be acting for the husband in other matters; and
- there was a lack of access to the Family Court, in particular the counselling, conciliation and mediation services provided by that court on the mainland.

121. The Norfolk Island Domestic Violence Act 1995 put into place recommendations of a consultant facilitated by the Commonwealth.

122. The Norfolk Island Government does not employ a social worker. However, counselling services are provided by church organisations located on the Island and there are some qualified persons who provide assistance of a social nature to the community. Voluntary funding of health and welfare services by private charity groups is quite important — for example, ophthalmology services and diabetes testing are provided by the

⁴ Australian Law Reform Commission, *Equality Before the Law: Women's Equality*, ALRC Report No 69, Part II, 1994.

Lions Club, and the Quota Club has provided assistance for the hard of hearing and the speech impaired for more than 15 years. Domiciliary nursing services are provided by a private trust and patients pay for each visit.

123. It is noteworthy that the Island community, through its service clubs and other bodies, makes a large private contribution to the welfare of the aged and those with low incomes. These groups provide financial support to individuals, and assist with airfares for the elderly and with health programs run on the Island (for example, eye testing, hearing tests, blood pressure tests, and cholesterol testing). It was often said during our conferences that ‘nobody on Norfolk ever goes hungry’ — though some challenged this view. Figures on the private involvement in such activities on the Island are unavailable but it is likely that it would exceed the 5.6 per cent of the mainland population who perform voluntary work in the community welfare field.⁵

124. **Comparisons.** An assessment of the needs for welfare services on Norfolk compared with small rural communities on the mainland would be influenced by many factors.

125. Some 28 per cent of Norfolk Island residents are aged over 55 years, and the numbers of women aged over 60 and men over 65 are rising. Figure 3-1 has compared the population profile of Norfolk Island in 1986 and 1996. It shows that there was a higher proportion of people in the 70 and over age group in 1996 than there was in 1986. This would suggest a growing need for services aimed at supporting the aged. Generally, it was said during our conferences that there are no homeless people on the Island and that unemployment, if it exists, is low. This would suggest a very low need for some other welfare services relative to the mainland.

126. The Island would appear to have sufficient facilities to cater for the expected growth in the demand for the institutional care of the aged and disabled population. However, few government resources are devoted to assisting in the community-based care of those people. Given the ageing of the population and the existing high level of voluntary effort, it is likely that additional government support will be required. Consistent with the methods of service provision on the mainland, one efficient means of providing such support might be grants to existing service clubs or other community organisations.

127. The range of concessions provided to pensioners on Norfolk is roughly comparable with those on the mainland. The government provision of funeral services is a higher level of service than exists on the mainland, particularly for the wealthy.

128. Submissions to this inquiry and our discussions on the Island also suggest that there is some demand for government support in the family and child welfare areas, including additional support for child care facilities and qualified counselling services. In this latter case, we note that informal or community based services are not always appropriate, especially in small communities, and that, for this reason, a government counsellor/social worker was appointed to Christmas Island.

⁵ ABS, *Voluntary Work, Australia*, Catalogue Number 4441.0.

129. We have concluded that, on the whole, welfare services on Norfolk are below those available to small mainland communities, notwithstanding that there are areas where the need is relatively low and a few where assistance exceeds that on the mainland. The nature of welfare services is such that the beneficiaries of the various initiatives are often different and extra benefits in some areas might not offset the lower levels of government support needed for other community based programs.

Housing

130. On the mainland, welfare housing is primarily a State Government responsibility.

131. **Existing services.** There is no public housing on Norfolk Island and no provision of rent relief for low income earners. However, the Mawson flats in the hospital grounds provide self contained accommodation with subsidised rent and one meal a day for social security recipients.

132. **Comparisons.** State Housing Authorities indicate that while there is public housing in small rural communities, it is unlikely that new stock would be purchased or built in communities the size of Norfolk Island unless there were specific demands for, say, the Aboriginal community or the mining sector. The Queensland housing department has indicated that it provides housing assistance through community or social housing groups. Although most housing on Christmas Island was sold recently, the Commonwealth retained some houses for welfare purposes.

133. The ACT applies an income test to applicants for public housing. This is currently \$407 gross a week for a single applicant, and \$679 gross a week for a family of two persons, increasing by \$68 for each child. The ACT charges rent but residents are not expected to pay more than 25 per cent of gross household income in rent.

134. The Commonwealth provides rental assistance to low income households as part of the social security system. Under the Commonwealth-State Housing Agreement, there are also provisions for short term mortgage and rent assistance to low income families facing problems gaining access to home ownership or private rentals. Such assistance is not available on Norfolk Island.

135. The 1996 Norfolk Island Census indicates that over 25 per cent of households on Norfolk rent their houses. Although there are no details of the income of these people, it is possible that some of them would qualify for rent assistance under the schemes on the mainland.

136. The provision of public housing and rental assistance on Norfolk Island is not comparable with that available in similar sized communities on the mainland or on Christmas Island. However, accepting that there are no homeless people on Norfolk Island, there is little or no need for the provision of Government owned housing. Rental subsidy or mortgage relief programs, as on the mainland, would be a more effective means of meeting any need for housing assistance on Norfolk Island.

Employment Conditions

137. The Commonwealth and State Governments share responsibility for these services on the mainland.

138. **Existing services.** The Norfolk Island Government has executive responsibility for employment matters such as labour and industrial relations, employees' compensation, and occupational health and safety, but legislative proposals are subject to Commonwealth veto.

139. The Norfolk Island Government commenced a review of its Employment Act 1988 in late 1994 and in late 1995 informed the Commonwealth that amendments to the Act would be made in two stages:

- stage 1 would improve the rights of employees, clarify the rights and responsibilities of employers and improve sick leave and occupational health and safety provisions; and
- stage 2, which was considered unaffordable on Norfolk at the time, was to cover long service leave, maternity leave and superannuation.

140. A draft Bill covering the stage 1 amendments was introduced in 1995 but did not proceed. A revised Bill was passed in 1996 but it dealt only with workers compensation and the occupational health and safety issues from stage 1.

141. **Industrial relations.** The Norfolk Island Government said that the Employment Act 1988 sets out minimum employment standards to protect workers and operate as a safety net. If conciliation fails, disputes about employment agreements are heard by the Court of Petty Sessions sitting as the Employment Tribunal. However, it has been suggested to the Commission that, relative to procedures followed on the mainland, this mechanism could disadvantage employees, particularly holders of Temporary Entry Permits. The Public Service Association is the only employee organisation on the Island.

142. **Wages and salaries.** There are a number of separate wage structures on Norfolk Island. Some employees, including Australian Federal Police officers, New South Wales teachers and bank employees on short term postings, receive salaries based on their normal mainland gross salary structures. A Public Sector Remuneration Tribunal determines general wage increases for all members of the Norfolk Island public sector and Legislative Assembly, except those working for the Tourist Bureau. Public Sector wages are set at approximately 80 per cent of their mainland equivalents. Some doubts were raised about whether Norfolk Island public servants would have the qualifications or the experience to obtain a similar level position on the mainland. If not, it could imply that public sector employees are, in effect, receiving in excess of 80 per cent of mainland pay rates.

143. Wage levels in the private sector are set by enterprise bargaining, constrained by minimum wage provisions. Most employees receive more than the minimum wage (about \$10 an hour was said to be typical). Under 18 year olds receive the minimum wage, which is seen as a big disincentive to employing young people.

144. The minimum wage on Norfolk Island is \$7.00 an hour for full time employees and \$8.10 an hour for casual employees. It appears that the appropriate Minister sets the minimum wage, based on the arguments in submissions received and on community perceptions about the adequacy of the minimum.

145. It seems that many private employees on the Island receive salaries at a mainland after tax level — 80 per cent of the mainland rates was often mentioned as a standard. Managerial staff often receive salaries equivalent to the mainland, although this is not so in the hospitality industry. The minimum terms and conditions of employment include ‘enforcement machinery’ for employment agreements providing for more than the minimum conditions. This involves financial penalties for non-complying employers, but there is no provision in the Act for the checking of salary and wages books. The enforcement machinery can only be used if an employee makes a formal complaint to the Employment Liaison Officer.

146. **Workers compensation.** Employers must insure for workers compensation through the Norfolk Island Government scheme. All employers on Norfolk Island pay into a workers compensation fund at the rate of 18 cents an hour for every hour worked by employees, regardless of the level of risk involved in the occupation. There is a maximum ongoing payment of \$904.10 a fortnight to an injured worker and a maximum lump-sum payment of \$117 570 for permanent injury or loss of limb. The Norfolk Island Government is examining the possibility of charging employers different rates depending on the level of risk involved in the work undertaken.

147. Payment of the levy is on an ‘honour’ system because the Government does not have the power to audit the returns of employers. Our analysis of levy collections and employment suggests that collections are only about 60 per cent of what they should be.

148. It is not compulsory for self employed people to contribute to the workers compensation fund. They may insure privately.

149. **Occupational health and safety.** Occupational health and safety provisions in the Norfolk Island Employment Act 1988 are based on the Victorian legislation. The Norfolk Island Government asserted that these provisions allow for effective and flexible maintenance of occupational health and safety standards. However, it is understood that entitlements to payments for incapacity are limited to two years. Moreover, the Island does not have effective codes of practice to enforce the provisions of its legislation. It is an offence not to have safe working practices, but proving that practices are not safe is very difficult.

150. **Superannuation.** The Norfolk Island Employment Act 1988 imposes no obligation on employers or employees to contribute to a superannuation fund. The Provident Account Ordinance 1958 requires that officers of the Public Service contribute five per cent of their fortnightly salary. The Administration contributes from five to eight per cent of an employee’s salary, depending on length of service.

151. **Comparisons.** The general employment conditions for Public Sector employees, both Commonwealth and Norfolk Island Administration, appear to be comparable with conditions that applied on the mainland before recent public sector

reforms. However, Norfolk Island employees do not have the same overarching legislative support on occupation health and safety or workers compensation. There are some areas in the private sector where the protection of workers is inadequate. The combination of lack of employee support legislation and the requirement of temporary entry permit holders (the itinerant workers on the Island) to have employment is said to allow some employers to take advantage of their staff.

152. The lack of powers to verify workers compensation levy payments and of binding codes of practice for occupational health and safety are of general concern. Such omissions are not comparable with mainland provisions.

153. Other areas where Norfolk Island employment legislation is below mainland standard are the relatively low minimum wage and the lack of entitlements such as long service leave, maternity leave or superannuation (except for the public sector).

154. In relation to superannuation, mainland employers are required to contribute six per cent of an employee's ordinary time earnings:

- to a specified fund if they have an award obligation; or
- into a complying superannuation fund; or
- into the Taxation Office collection system, called the Superannuation Holding Account Reserve, if they cannot find a fund to protect small superannuation payments.

The employer contribution is set to increase to nine per cent by the year 2002-03.

Roads

155. All three levels of government on the mainland play a part in building and maintaining roads, although they are primarily a State and local government responsibility.

156. ***Existing services and infrastructure.*** Outside the National Park, there are 67 kilometres of sealed roads and 9 kilometres of unsealed roads on Norfolk Island, classified into primary and secondary roads.

157. Apart from a few sections of the main shopping area in Burnt Pine, there are no footpaths on the Island. This was said to represent a potential danger for pedestrians; especially for tourists who are often elderly and prefer to walk.

158. The works depot is responsible for the maintenance and reconstruction of all roads, except those within the National Park. However, it performs the roadworks within the Park under contract for Parks Australia. It also provides tar sealing services on private properties on a fee for service basis. The Executive Member determines the priority of the roadworks.

159. Before the roads were sealed, dust and mud were perennial problems for the road system and it was sometimes impossible to travel around the Island. Sealed road

construction was originally performed using a six inch road base, but the Island now uses only a four inch base. Roads are generally five to six metres wide and lanes are unmarked.

160. As a matter of policy, the only maintenance until the late 1980s was the filling of potholes. In the last ten years, the works depot has been resealing and reconstructing roads (twenty kilometres have been reconstructed). This reconstruction work has been greatly assisted by using soil stabilising methods rather than traditional methods of constructing road bases. While construction of a road base by the traditional method costs around \$125 000 a kilometre, the new method costs about \$98 000.

161. A major problem for road construction and maintenance is the lack of base material on the Island. Very little suitable rock is left in the approved quarry area. Moreover, there has been some difficulty of obtaining crushed rock because of the frequent breakdowns of the Island's privately owned crushing plant.

162. There are also some weather induced maintenance problems — for example, the effect of water drainage on road edges because of the absence of guttering, although the recently constructed drainage in the Burnt Pine area was said to be functioning well. A further cost of road construction arises from the need to avoid protected Norfolk Island Pines on roadsides.

163. Road use also has implications for the amount and cost of the road maintenance task. Table 6-6 indicates that there were 2 364 vehicles on the Island at 30 June 1996. Although this number is relatively high compared with most mainland remote communities, the most important influence on road maintenance is the number of heavy vehicles. There is only a small number of heavy commercial vehicles, even though some of the Administration vehicles should be classified as heavy, and the proportion of heavy vehicles is relatively low compared to the mainland. Other things being equal, this should result in a reduced need for road maintenance expenditure.

164. The Commission was told that the average life of road building equipment on the Island is eight years. Nevertheless, the replacement policy for vehicles is 120 000 kilometres or ten years use for heavy vehicles, and five years for other vehicles. In spite of this replacement policy, the works depot is still using a grader that is 45 years old, and the age of several other vehicles is greater than ten years. As a matter of policy, cost savings have been achieved recently by replacing some smaller vehicles and other pieces of equipment with second hand equipment from Japan. In some cases, however, this policy is resulting in greater maintenance costs and downtime as spare parts are difficult to get.

165. The vehicle fleet employed by the works depot experiences major maintenance problems with rust and rapid wear of tyres. The Commission was shown a cabin of a vehicle that was being repaired for the third time because of rust damage — each time the repair required being larger. The roads and potholes are hard on tyres, which are often replaced before they have travelled 10 000 kilometres.

Table 6-6 VEHICLES ON REGISTER, 30 JUNE 1996

Type of Vehicle	Number
Privately owned motor cars and vans	1 473
Motorcycles	130
Trailers	104
Tourist buses and vans	20
Hire vehicles	404
Heavy commercial vehicles	38
Light commercial vehicles	24
Not used	61
Administration vehicles	110
Total	2 364

Source: Finance Branch, Norfolk Island Government.

166. **Comparisons.** Table 6-7 compares road lengths on Norfolk Island with those on Christmas Island and local government type roads in shires in New South Wales with similar populations.

Table 6-7 ROAD LENGTHS FOR SELECT LOCAL AUTHORITIES, 1994-95

	Population	Urban local sealed	Non-Urban local sealed	Other local unsealed	Total Local Roads	Road length for each 100 persons
		km	km	km	km	km
Norfolk Island	1 772		67	9	76	4.3
Christmas Island	2 200	141	n.a.	n.a.	141	6.4
Bingara Shire	2 170	29	99	394	522	24.1
Conargo Shire	1 500	3	300	534	837	55.8
Jerilderie Shire	1 940	22	265	671	958	49.4
Nundle Shire	1 400	9	71	183	263	18.8
Urana Shire	1 590	50	194	620	864	54.3

Sources: New South Wales Local Government Grants Commission, *Annual Report 1994-95*, New South Wales Department of Local Government, 1995; Commonwealth Grants Commission, *Report on Christmas Island Inquiry 1995*, Australian, Government Printing Service, 1995.

167. The estimated costs of building roads in remote areas of New South Wales vary from \$50 000 a kilometre to over \$200 000 a kilometre. Shires with terrain similar to Norfolk Island estimated the cost of road construction to be in the higher end of this range. While there are many factors to be considered regarding quality, such as the width and depth of the bitumen, the reconstruction cost of about \$98 000 a kilometre on Norfolk suggest a cost efficient operation.

168. Recent research carried out by Victoria and Queensland on road maintenance costs indicates that:

- (i) maintenance costs do not decline proportionally with reductions in use because the environment emerges as the primary cause of road surface deterioration — at 2 000 vehicles a day in each lane, only about 25 per cent of maintenance is attributable to use; and
- (ii) average annual maintenance costs for each kilometre of sealed one lane and two lane roads are approximately \$2 000 and \$4 000 respectively.

169. An estimate of the annual minimum maintenance cost for the Island is \$2 000 x 76 kilometres or about \$150 000 a year — an amount that is comparable with the present expenditure level. This estimate is based on the lowest mainland cost figure mentioned in the previous paragraph and an assumption that road use is less than 2 000 light vehicles a day for each kilometre (the Australian average for two lane sealed rural arterial roads in 1981 was about 500 vehicles a day). However, the lower standard construction methods employed on the Island and the relatively high rainfall could be expected to increase maintenance costs above this estimate.

170. The level of service provided by the Norfolk Island road network is considered generally comparable, at present rates of use, to that of Christmas Island and remote mainland communities of similar population size. This conclusion has been reached after taking broad account of the length and distribution of the road system, the proportion of the total network that is sealed, surface quality, level of use and the terrain of the various areas.

171. We have some concerns about the quality of the road through the Burnt Pine commercial area but it is understood that this is to be improved as part of the Burnt Pine redevelopment project. This work has been given a high priority and is ready to proceed. Footpaths will also be laid in this area.

172. The condition of the equipment used by the works depot to construct and maintain the Island's road network is well below that of equipment currently used in mainland remote centres of similar size. Following the recent upgrading of the limited equipment on Christmas Island, it is also below the standard there.

173. Were road use to grow in the future, the Island's road system could become progressively inadequate. Even to maintain its current standard, an upgraded stock of equipment would be needed to cope with increased use.

Public Works – Other

174. **Existing services and infrastructure.** As well as maintaining the roads, the works depot provides capital works, maintenance, painting and joinery services to all public buildings (except for the KAVHA buildings and the hospital), and it maintains the equipment and the motor vehicle fleet. It also maintains all the parks and reserves, including the cleaning of public toilets and barbecue areas.

175. **Comparisons.** These services are generally comparable with those in remote centres with a similar population on the mainland, although it is obvious that some tools and equipment at the works depot are old, inadequate and probably unsafe.

Electricity Supply

176. On the mainland, the generation and distribution of electricity is primarily a State Government responsibility, although some States have moved to privatise these activities.

177. **Existing services and infrastructure.** The electricity generators on Norfolk are diesel powered and have a safe working capacity of 1.8 to 2 megawatts, with back up of the same capacity. Maximum demand on the Island is now 1.4 megawatts. Hence, it was said that the capacity is sufficient for the next 2½ to 3 years, providing there is no large increase in demand from tourism. Use of electricity is strictly controlled by restrictions on the import and use of some types of appliance (cookers and air conditioners in particular) and by limitations on public lighting. The high price of electricity also limits the use of large appliances.

178. The five generators are old, the newest having been installed in 1989, and the Norfolk Island Government has announced that one generator will be replaced in 1997. The electricity generators are maintained by six staff who have electrical qualifications and four with mechanical qualifications. Maintaining the generators is only a part of their normal duties. Diesel fuel for the generators is the largest single cost item for the service.

179. Service reliability is said to be high with a very small number of failures in recent years. However, there are frequent episodes of surging and dropping current which interfere with the normal operation of computing and other equipment.

180. Studies done on alternative sources of energy (including wind, solar and wave) have shown that these are either too expensive or not viable on Norfolk. However, we were told that an examination of the possibility of changing the fuel used in the generators from diesel to heavy fuel oil is proceeding. Such a change could produce lower operating costs but would have environmental disadvantages.

181. **Comparisons.** On Norfolk Island, electricity tariffs in December 1996 were 28 cents a kilowatt hour. Up to date information for Western Australia, the State with the highest tariffs, indicates that domestic consumers now pay 14.1 cents a kilowatt hour, and a supply charge of 23.39 cents a day, regardless of whether they live in Perth or a remote community. Western Power is also introducing off peak electricity, which reduces the tariff

to 6 cents for each kilowatt hour in off peak times, but increases it to 18.5 cents a kilowatt hour in peak times. The Western Australian power charges are also applied on Christmas Island.

182. The most recent year for which comparative information is available for all States is 1994-95. Charges to domestic consumers are shown in Table 6-8. The less populous States have a policy of supplying electricity at the same price across the State.

183. The Household Expenditure Survey conducted in 1995 showed that, on average, electricity costs households on Norfolk Island \$16.30 a week. On the mainland, in 1993-94, the figure was \$12.05 a week. Thus despite their lower consumption of electricity, Norfolk Islanders spend about a third more on it than mainland residents.

Table 6-8 ELECTRICITY CHARGES FOR ALL STATES, 1994-95

State	Minimum Price	Maximum Price
	Cents for each Kilowatt Hour	Cents for each Kilowatt Hour
New South Wales	8.7	12.4
Victoria	11.8	14.2
Queensland	9.6	10.2
Western Australia	14.1	14.1
South Australia	11.2	11.2
Tasmania	9.1	9.1
Australian Capital Territory	8.1	8.1
Northern Territory	13.4	13.4

Source: Electricity Supply Association of Australia, *Electricity Australia*, 1996.

184. At current rates of use, the standard of the electricity supply service is probably comparable with many mainland remote areas. However, because of the restrictions placed on the use of certain electrical appliances, the overall standard of the service is below that which applies in comparable remote centres on the mainland.

185. Further, the generators are much older than those in the Indian Ocean Territories and remote mainland communities not connected to a State grid. A planned replacement program should be developed to avoid an emergency.

186. The electricity charges on Norfolk are at least twice those charged by the States. These high charges reflect the high cost structure of the electricity service and its contributions to the Revenue Fund. If the existing generators were replaced with more efficient machines, reduced unit costs of electricity could result. This would reduce

operating costs of all businesses on the Island, which could lead to reduced charges for residents, reduced prices to tourists and increased investment in tourist and other activities.

Water Supply and Sewerage

187. On the mainland, water supply and sewerage services in small communities are generally local government responsibilities.

188. ***Existing services and infrastructure.*** There is no public water supply on Norfolk Island. Every household and tourist accommodation facility has its own rainwater storage facilities. However, hotels and motels, in particular, are unable to service all their requirements from rainfall and draw on bores tapping underground reserves. The Administration monitors the quality of the bore water but there is no charge for its extraction.

189. The fact that most water supplies on the Island are independent of each other is believed to be an advantage as it makes each household responsible for the quantity used, and the risk of water borne diseases spreading throughout the community is reduced. On the other hand, the available water supply may impose limits on the tourism industry and the economy.

190. The Norfolk Island Government asserted that the shortcomings of the water supply arrangements were well known before the devolution of power in 1979. It also said that in 1979 there were many instances where sewage systems on the Island were inadequate.

191. As an indication of the importance of these issues, sewage polluted water was a possible cause of an outbreak of viral illnesses in the summer of 1991-92. The publicity generated was said to have had an adverse effect on tourism. Following this episode, the Commonwealth provided \$2 million of the \$4.2 million total cost for the Norfolk Island Water Assurance scheme. This provides sewerage services to the high population density areas of Burnt Pine and Middlegate (about 25 per cent of the area and 50 per cent of the total population, including most of the tourist accommodation). The remainder of the population uses septic tanks and effluent trenches, which appear to be providing a satisfactory service. To sewer the whole Island would be prohibitively expensive due to the terrain and the small and relatively dispersed population. Tourist accommodation units outside the area covered by the Water Assurance Scheme are required to provide systems that produce a high quality effluent suitable for use in on site irrigation.

192. The current residential water assurance levy charges are approximately \$200 a year for each household.

193. Because of lower than average rainfall over the last five years, there are concerns about the availability of water and a lowering of the water table. This has led to the Government commissioning studies into water retention and conservation, a requirement that new buildings or extensions have adequate water storage, and a proposal for the possible construction of dams at Headstone and Cascade. Although the Bores and

Wells Act 1996 placed a moratorium on the drilling of additional bores and wells, further drilling will be considered as part of an Island wide water conservation strategy.

194. Administration employees perform daily maintenance of the water and sewerage system, but construction, major maintenance and connections are contracted to private enterprise.

195. **Comparisons.** The Christmas Island water treatment system has recently been refurbished at a cost of \$3.5 million and the Island is fully seweraged, although some of the sewerage mains are said to be in poor condition and to pose health risks. The charges on Christmas Island for water supply are \$175 a year for residential properties, \$305 a year for commercial properties, \$110 a year for vacant properties and \$440 a year for government premises. The charges for sewerage services are \$124.85 for residential properties, \$305 a year for commercial properties and \$110 for vacant properties. The Commonwealth is encouraging the Christmas Island Shire Council to introduce connection and meter reading charges. Water supply and sewerage are subsidised by the Commonwealth to about \$300 000 a year as the shire is prohibited from charging more for these services than remote shires in Western Australia.

196. On the Cocos (Keeling) Islands, the sewerage services consist of septic systems. While sludge is retained in the tanks, some treated effluent is piped to ocean outfalls. Studies of these systems have found that, in general, their standard would be equal to that of similar mainland communities, if some work were done to replace older pipes and ensure that outfalls were below the low water mark.

197. Norfolk Island's approach to water supply is much the same as that in country areas on the mainland that have similar sources of supply. However, small country towns usually have a public water supply although water quality does not always meet World Health Organisation standards. When allowance is made for the terrain and dispersed nature of settlement on Norfolk, the sewerage system on Norfolk Island is broadly comparable with those in rural areas on the mainland and those in the Indian Ocean Territories.

198. If water storage systems were upgraded on the Island, especially in the tourist accommodation areas, it would have benefits for the tourism industry. The likelihood of restrictions on water use would be much reduced and some uncertainty about the viable operation of such businesses could be removed.

Postal Services

199. On the mainland, postal services are a Commonwealth responsibility.

200. **Existing services.** The *Australian Postal Corporation Act 1989* does not apply to Norfolk Island and the Norfolk Island Government has power in respect of postal services under Schedule 2 of the *Norfolk Island Act 1979*. The Norfolk Island Postal service operates under the *Norfolk Island Postal Service Act 1983*. It is made up of two departments — the postal operation and the philatelic bureau.

201. The postal operation is seen more as a service than a revenue earner, although recently it has shown a profit, mostly due to increased mail order activity. The cost of a local mail delivery is just five cents compared to 45 cents for a letter on the mainland. There is no mail delivery to houses or businesses. Mail is delivered only to post office boxes that are leased to members of the community for rates comparable with the mainland.

202. The philatelic bureau raises revenues from philatelic sales through its mail order service and commissioned agents. Over 95 per cent of its stamps are sold on the mainland or internationally. The Norfolk Island Government recently released a strategic plan for the future development of philatelic products.

203. It is Australia Post's responsibility to deliver mail to Norfolk Island and Norfolk Post's responsibility to deliver mail to Sydney. Under an MOU signed in October 1994, Australia Post pays compensation — similar to the compensation charges negotiated under Universal Postal Union agreements — to the Norfolk Island Government for the imbalance in handling the incoming and outgoing mail of the Island.

204. The Norfolk Island Government officially objected to Australia Post's 1994 proposal for a steep increase in parcel post rates between Norfolk Island and the mainland. As a concession, Australia Post undertook to phase in the increases over a 12 month period beginning on 1 January 1996. Sections of the community are still concerned about the increase in charges for parcels sent by air.

205. Previous Norfolk Island Governments have argued that the Island community has a right to postal services delivered at rates that apply to other rural and remote Australian communities. They did not accept that the scale of the increased charges was equitable or justifiable by reference solely to cost recovery considerations. Australia Post argues that the costs of sending mail to Norfolk Island have always exceeded the postal charges and that the new charges are a true reflection of those costs. The new charges for parcels over 500 grams from Sydney to Norfolk are the same as those for sending the same parcel from Sydney to Perth, and are considerably less than the cost of sending that same article to country areas of Western Australia and the Northern Territory.

206. A major problem with parcel deliveries to Norfolk Island is that there are only two options — Express Post or Surface Mail. Express Post is charged at a rate for 'next day deliveries', which is not always possible with the current aircraft schedules. If Express Post is not used, the other option, Surface Mail, can take up to six weeks, depending on shipping schedules. Mainland communities are usually serviced with more regular rail and road transport services, making surface mail a more acceptable and affordable option.

207. Some members of the community also objected to the use of the 2899 postcode for Norfolk Island. They argued that some international firms have declined to enter agency arrangements with Norfolk businesses because the postcode was interpreted as implying that their Australian agents covered Norfolk Island. We are unable to comment on this argument. However, we note that the postcode is intended to increase the efficiency of the mail sorting process and we received evidence that omission of the postcode often results in much increased delivery times.

208. **Comparisons.** The Norfolk Island Postal Service provides a local postal service that is comparable with the service provided on Christmas Island where all mail is also delivered to post office boxes. Offsetting the disadvantage of not having home delivery, the cost of local mail on Norfolk is lower than on the mainland.

Telecommunications

209. On the mainland, telecommunications are a Commonwealth responsibility.

210. **Existing services and infrastructure.** The Norfolk Island Government, through Norfolk Telecom, is responsible for providing domestic telecommunication services on the Island. There is a five year agreement (which commenced in May 1994) between the Norfolk Island Government and Telstra, under which Telstra provides international telecommunications services (of high quality and adequate capacity, but of any mode Telstra chooses) between Norfolk Island and the Australian mainland, and between the Island and other countries.

211. More particularly, under the Norfolk Island Telecommunications Act 1992, the Norfolk Island Administration has reserved rights to provide:

- central switching for the Island's public network and the links between that network and other networks;
- line links;
- public payphones;
- public mobile telecommunications services; and
- PABXs.

212. Norfolk Telecom employs 12 staff and supports more than 1 200 local and International Direct Dialling (IDD) subscribers.

213. The Norfolk Island Government and Norfolk Telecom are not parties to the ANZCAN Construction and Maintenance Agreement. This agreement sets out ownership arrangements and responsibilities for the cable system linking Sydney and Vancouver via Norfolk Island, Fiji and Hawaii, with an extra segment linking Auckland with Norfolk Island. To meet its obligations under the ANZCAN Agreement, Telstra owns property and telecommunications equipment on Norfolk Island.

214. The Norfolk Island Government owns and operates the technical infrastructure necessary to provide domestic telecommunications services on Norfolk Island, as well as linkages with the ANZCAN cable station. The exchange has recently been upgraded at a cost of \$1.3 million. Norfolk Telecom is looking into satellite IDD calls, but enhanced services (using ISDN) will require upgrading software at a cost of about \$200 000.

215. There is a limited trunking phone service on the Island. Its extension is waiting on the mainland's decision between analogue and digital systems for its future services. However, Norfolk Telecom has recently installed a trunking radio system for emergency services and the general public, and has introduced EFTPOS facilities. This trunking service has been described as unsatisfactory, being unreliable in low lying areas of the Island, susceptible to crashes if overloaded, and insecure. It was claimed that the Police refuse to use the service because it can be monitored.

216. We were told that access to telephone and facsimile lines is good and investigations are underway into more economical access to E-mail, Internet and other electronic media. The Norfolk Island Government is considering several proposals for businesses based on the use of the Telecom services. There may be a need for further investment in Telecom equipment if these proposals are accepted.

217. ***Fees and charges.*** Local calls on Norfolk are free but IDD calls to the east coast of Australia cost \$1.50 a minute. The normal line and equipment rental for private subscribers is \$25 a quarter. Information seemingly necessary for management purposes was not made available to us to measure the Norfolk Island Government's capacity to raise revenue from either IDD calls or local calls, although we have estimated this in Chapter 7. Most of the revenue comes from IDD calls made by residents, mainly for business purposes, indicating that the revenue is raised from locals rather than tourists.

218. On the mainland, charges for local calls are set at \$0.25 a call from a private connection. Handsets obtained from Telstra are either purchased or leased. Charges for long distance calls vary in accordance with the distance of the call and its duration. The cost of a Telstra call from the east coast of Australia to Norfolk in peak periods is \$0.90 a minute. Optus charge \$0.84 a minute for a similar call during peak periods (Monday to Friday 9am to 6pm) and \$0.77 a minute for off peak periods.

219. ***Comparisons.*** The services provided on Norfolk appear to be generally comparable with those available on the mainland. However, there are large differences in the charging policies. Local calls are cheaper on Norfolk, but calls from Norfolk to the mainland are about 60 per cent more expensive than those in the opposite direction. Whether these differences result in individual Norfolk residents or businesses being better or worse off than their mainland counterparts would depend on their pattern of calls.

Broadcasting

220. Control of broadcasting is a Commonwealth responsibility on the mainland, but services are provided by both the private and public sectors.

221. ***Existing services and infrastructure.*** The Norfolk Island Government provides the Norfolk Island Broadcasting Service, the operations of which are managed by a full time staff member, supported by casual and voluntary labour.

222. Radio services on both the AM and FM bands are provided and include about 30 hours live local radio a week. Re-broadcasts of ABC radio, Radio Australia and ABC and SBS television programs are also provided by the Norfolk Island Broadcasting

Service. A small private television service provides tourist information and local advertising. The live local radio services have been supported by a sponsorship scheme since July 1991 but, following a recent decision that the sponsorship revenue is to be paid into the Revenue Fund, such revenue has halved.

223. The radio equipment was purchased 10 to 15 years ago. Some is now out of date. Most repairs are done on the Island but there are continuing problems with one machine and technical parts need to be supplied from the USA. The Commission observed that the building is very small and crowded. It was said to be badly situated and too hot in summer.

224. *Comparisons.* The Norfolk Island Government is providing broadcasting services comparable to those provided by the Commonwealth Government in rural areas of the mainland and better than those in the Indian Ocean Territories (where there are community radio services and free to air television consists of week old replays of ABC programs). Even though most of mainland Australia is covered by at least one commercial television station, we conclude that Norfolk's radio and television services are adequate.

Recreation and Sport

225. On the mainland, recreation and sporting facilities are State and local government responsibilities.

226. *Existing services and infrastructure.* Recreation and sporting facilities on the Island include:

- three ovals;
- two netball courts;
- squash courts;
- a tennis club;
- a golf club;
- a skateboard ramp;
- a gym;
- a racecourse;
- a bowling club;
- a gun club;
- a pistol club;
- an archery club; and

- a clay pigeon club.

227. The Norfolk Island Government operates the netball courts and the sporting ovals at Kingston and at the school. Where possible, charges are imposed for the use of the facilities. The Government also supports sporting activities by subsidising airfares and making grants to individual sportsmen and women or to sporting bodies. The Parents and Citizens Association largely funds facilities at the school.

228. One submission raised the point that, on the mainland, a wide range of sporting facilities receives support from either the local or State government, and that not all sports on Norfolk Island receive funding of this kind.

229. There is no coach/referee/umpire accreditation scheme on the Island. Previously, coaching accreditation was available under the Australian National Coaching Accreditation Scheme. Tightening of regulations on the number of hours of training an accredited coach must do, and the introduction of a number of compulsory workshops on the mainland, meant that many coaches on Norfolk Island have lost their accreditation.

230. *Comparisons.* Sports provide an essential social outlet in remote communities. The sporting facilities on Norfolk Island are comparable with those on the Christmas and Cocos Islands and in many remote communities on the mainland.

Culture

231. On the mainland, cultural activities are generally State and local government responsibilities.

232. *Existing services and infrastructure.* Cultural facilities on the Island include:

- a public hall which has a stage, a large supper room and a (rarely used) facility for screening films;
- a public library;
- a museum;
- an amateur theatrical society (the Norfolk Amateur Theatrical Society); and
- a Community Arts Society.

233. The Norfolk Island Government runs the library, the museum and the public hall. It also provides some cultural activities, including Bounty Day or Foundation Day, and meets some of the costs of Norfolk Island representatives at the South Pacific Festival of Arts.

234. One submission said that the library has a very limited collection, and that there is little promotion of fine arts on the Island. At the July conference, it was suggested

that a cultural officer could help develop local crafts and exhibitions, and promote the cultural side of Norfolk Island to tourists.

235. The Community Arts Society has recently approached the Norfolk Island Government for the funding of a cultural officer and the establishment of guidelines for cultural promotion and protection. The theatre society, which recently lost the use of its theatre, has applied to the Norfolk Island Government for a grant of crown land and other financial assistance.

236. *Comparisons.* Some small remote communities on the mainland probably have a better level of access to the fine arts. The library does not have the same access to books as remote communities on the mainland, which can share books with other remote libraries, or have a mobile library visit from larger towns.

237. The hall is probably at about the standard of halls in many remote areas of the mainland.

238. Given the emphasis placed on culture by some sections of the community, it is surprising that there is little government assistance for the promotion of Pitcairn culture and the provision of cultural services. We understand that this issue is under consideration by the Norfolk Island Government.

Promotion of Tourism

239. Tourism promotion on the mainland is a State Government responsibility with some Commonwealth input.

240. *Existing services.* Tourism is the main industry on Norfolk Island. The Norfolk Island Government Tourist Bureau promotes the Island in both New Zealand and mainland Australia. The bureau is a statutory body of community members working on a voluntary basis.

241. Most visitors to the Island are aged over 50, but there has been a recent move towards marketing for backpackers, a younger age group, and executives. A new destination brochure for the Island has been developed, targeted at eco-tourism and younger people. The Tourist Bureau also has an Internet site for marketing the Island, and has permanent agents (consultants) in Sydney and Auckland.

242. Expenditure by the tourist bureau is currently about \$640 000 a year including the cost of consultants. It is funded through a five per cent commission on departure fee collections and a \$605 000 subsidy from the Norfolk Island Government.

243. The announcement by Ansett that they would cease services to Norfolk Island in July 1997 initially led to a fall in tourist numbers, but there are now two operators to Norfolk Island, with another one proposing to start in September or October. There has been a large promotion push, including cheap deals offered on the mainland, and it is hoped that tourist numbers will recover.

244. **Comparisons.** The number of tourist nights a year spent on Norfolk Island is about 240 000, hence the subsidy to the Tourist Bureau represents a cost to the Norfolk Island Government of about \$2.50 for each visitor night. It is difficult to compare this cost with other tourist destinations since not all tourists are a direct result of tourist promotion expenditure, but the Tasmanian tourist board spends about \$1.99 on tourism promotion for each visitor night. Compared to Tasmania at least, expenditure on Tourism promotion on Norfolk Island seems to be high.

Services to Industry other than Tourism

245. On the mainland, State Governments spend about \$95 per capita on services to industry, other than tourism. A large part of this is directed towards regulatory, research, administrative and promotional support of the agriculture, fishing and manufacturing industries.

246. **Existing services.** The Norfolk Island Government has a 'Stock Inspector and Noxious Weeds' officer who provides some regulatory support and advice for the agriculture industry. In addition, it was said that minor amounts of government money assist in the control of weeds and soil erosion, and in the construction of private landowner fencing.

247. Investigations into some possible economic developments have been conducted by or for the Administration for industries other than tourism — for example the Offshore Finance Centre, and the telecommunications/high technology industry. The low tax status of the Island could also be viewed as providing an incentive for some types of industrial development.

248. However, other than tourism, there does not appear to be an overall strategy for industry on the Island. In particular, no policy direction has been set down which might improve productivity of the agriculture, forestry, fishing or other industries, or which might encourage import replacement or support the establishment of manufacturing enterprises.

249. **Comparisons.** The range and level of services to industry provided on Norfolk are below those provided on the mainland.

Waste Disposal

250. Waste disposal is a local government responsibility on the mainland.

251. **Existing services and infrastructure.** The Norfolk Island Government is responsible for waste management. However, residents and businesses are responsible for the removal of their own waste. While there are some private services that can be contracted to do this, we understand most residents prefer to take the rubbish to the tip themselves.

252. The Island has two tips at Headstone which are maintained by the Norfolk Island Administration. The bottom tip consists of a burning cage that reduces combustible material to ash, and a sea dump chute to dispose of non-combustible material into the ocean.

The top tip consists of a burning pit for combustible matter. Ash from this pit is transferred to a landfill located near the airport runway. Tyres are burnt only when the wind is blowing offshore.

253. Since the practice of dumping them into the sea ceased in 1996, batteries have been stored at the works depot. To minimise environmental problems, a scheme has recently been introduced under which the batteries are exported to the mainland to remove the lead, acid and plastic.

254. The waste management procedures used on the Island were said to be an example of neglect of the environment. Although publicity brochures for the Island claim that a 'specially designed waste disposal area on the Island ensures no harm is done to the ecosystem'⁶, the dumping of waste into the sea at Headstone is believed to be inconsistent with Commonwealth Government undertakings to the United Nations Conference on Environment and Development. Other practices, apparently left over from the days of Commonwealth responsibility, such as the burning of tyres, the dropping of car bodies over Headstone cliff, and the outflow pipe dropping treated sewage into the sea, were also claimed to be detrimental to the environment. Moreover, the sea dumping process could harm the Island's tourist potential since, as we observed, rubbish is often washed up on a nearby beach.

255. Waste management has been a concern on Norfolk Island for a long time and Unimelb Ltd was contracted in 1993 to conduct a study aimed at developing a Norfolk Island Waste Minimisation Strategy. Proposed reforms and services mentioned in the report include waste reduction; recycling; composting; and burning and dumping of waste generated on the Island. The Norfolk Island Government has yet to decide on its course of action, but said that this matter will receive a high priority.

256. Another report submitted to the Seventh Assembly recommended the purchase of a 'Pactherm Pit Burner' which is more efficient than a batch incinerator but requires considerably more electricity to operate. There is no plan, however, to cease using the Headstone bottom tip chute for the disposal of large metal waste, including car bodies, roofing iron, fencing wire and burnt out whitegoods.

257. One suggestion made to us was for a waste disposal levy to be imposed immediately on the adult population so that action can be taken on the waste disposal problem in the near future.

258. **Comparisons.** The waste collection services on Norfolk Island are not up to the standard of those applying on Christmas Island, where contractors collect rubbish from domestic properties twice a week. The Cocos (Keeling) Islands and small remote communities in Queensland (such as Thursday Island and Weipa) also have at least weekly waste collections.

259. Since the Norfolk community appears to be largely satisfied with the existing arrangements for garbage collection, there is no strong reason for the Government to take on that task. However, given the importance of the environment to the Island's future,

⁶ *Norfolk Island – Be tempted by the Bounteous Isle*, Norfolk Island Government Tourist Bureau, p9.

especially the tourist industry, and the failure to meet national and international standards, there is an urgent need to improve the processes for the disposal of waste.

260. Moreover, there is a potential public safety problem, particularly from the inhalation of poisonous smoke produced by burning plastics and partially full pesticide and herbicide containers that can escape the sorting process. We have been informed that, for the same reason, treated timber is no longer burnt but no plan is in place for its disposal.

261. We conclude that the procedures for the disposal of waste are below standard.

Street Lighting

262. On the mainland, street lighting is primarily a local government responsibility and is generally provided for safety and security reasons. In commercial areas it is sometimes funded by a special levy on businesses.

263. ***Existing service and infrastructure.*** There is only one street light on Norfolk Island and it was installed as a traffic safety measure. It is not located in the main commercial area where the businesses leave internal lights on to provide some service. We were told that the shopkeepers are generally in favour of having streetlights and had offered to contribute towards the cost.

264. During the July conference, Government representatives said that street lighting would be installed as part of the Burnt Pine development and beautification project. That project was expected to proceed in the near future as preparatory works were completed during 1996-97.

265. ***Comparisons.*** This service is below that in similar sized population centres in rural areas of the mainland and in the Indian Ocean Territories. However, this deficiency should be at least partly overcome when the Burnt Pine project is completed.

Public Transport

266. On the mainland, public transport is primarily a State Government responsibility.

267. ***Existing services.*** There are no public transport services provided on the Island, but there is one privately owned taxi. Most residents drive motor vehicles and there are over 1 600 privately owned motor vehicles and motor cycles in use. If people without private transport need to travel on the Island, informal transport arrangements are made through the community.

268. School children walk to school, ride bicycles or small motorcycles, or are driven to and from school by their parents. (Senior students aged 15 and 16 are permitted, under special licensing arrangements, to ride motorcycles of engine size less than 125cc during daylight hours.) Sixteen year olds can obtain a driver's licence, so senior students can drive cars to school. This creates problems with parking in the vicinity of the school.

269. **Comparisons.** In mainland communities of similar size and remoteness, most people rely on their own vehicles for transportation and governments provide very little (if any) public transport services. However, some transport for aged and disabled people is provided under community care programs. On Christmas Island, there is a school bus service provided, and another provided by the Women's Association to take children to and from the playgroup service. On the Cocos (Keeling) Islands, the Shire Council provides a public bus service on West Island because the residential area and the jetty used by the inter-island ferry are at opposite ends of the island.

270. In the light of these comparisons and the transport arrangements that currently exist on Norfolk Island, including the plentiful supply of inexpensive rental vehicles, we consider that there is little need for a public transport service on the Island. However, there may be a case for some assistance to service clubs or community organisations to enable them to assist aged people without access to a private vehicle.

Quarantine Services

271. On the mainland, quarantine services are a Commonwealth responsibility.

272. **Existing services.** The Norfolk Island Government can legislate on human, animal and plant quarantine under the *Norfolk Island Act 1979*. Quarantine officers are employed in the Health and Building section of the Administration to oversee imports and exports of plants and animals, and to monitor arrivals of aircraft and ships.

273. The general inspection and quarantine rules used by the Australian Quarantine and Inspection Service (AQIS) apply to the importation of animals to the Island. However, the Norfolk Island Government has developed its own legislation and regulations for the importation of plants. Of fruit and vegetables, only onions, potatoes and garlic are allowed in. Specific rules have been established to prevent fruit fly, fire blight and other diseases from being introduced to the Island, but some pests have gained entry (for example, the paper wasp and the redback spider).

274. Interiors of aircraft are disinfected with aerosol sprays on arrival. The service also treats the holds of ships with insecticides after checking shipping manifests. We were told that the service is fortunate in that essentially all goods imported to the Island originate from three air or sea ports (Sydney, Brisbane and Auckland) and that this makes the inspection and quarantine tasks easier.

275. **Comparisons.** We conclude that the Norfolk Island Government is providing an adequate ongoing inspection and quarantine service.

Shipping, Harbour and Lighterage Services

276. On the mainland these are mainly State responsibilities.

277. **Existing services and infrastructure.** Norfolk Island relies on sea transport for the importation of most foodstuffs and all gas, fuel and general cargo. A number of shipping companies currently service the Island. Due to the lighterage fee structure, which

imposes a minimum charge equivalent to the fee for 300 tonnes of freight, each ship brings a minimum of that amount.

278. The lighterage service is a business enterprise of the Norfolk Island Government. It employs one permanent officer as the Manager who, among other things, maintains the gear and equipment. Lighterage crews are called up when ships arrive and are paid according to the freight tonnage brought ashore.

279. Because of outlying reefs and the lack of harbour facilities, all general cargo ships (and any visiting passenger liners) anchor up to one kilometre off the Island. Lighters are then used to transport the goods (or people) from the ships to one of two small jetties at Kingston and Cascade Bay, weather and sea conditions determining which is used. It was estimated that 16 ship working days were lost in 1993 due to unfavourable weather. Ball Bay is used to land fuel and gas — it allows ships to reverse in close enough for a floating pipe to be attached to the fixed inlet in the Bay.

280. Because of the inability to get standard shipping containers onto the Island, the current sea freight arrangements entail added costs through delays and handling inefficiencies. In particular, a ship's cargo has to be unloaded in pieces weighing a maximum of seven tonnes, the most that the crane can lift when transferring freight from the lighters to the piers. Large pieces of equipment are 'broken down' so that individual components weigh no more than the seven tonne limit. However, it was said that there is some cultural attachment to the current lighterage arrangements, since the lighters are similar to the whaling boats used in the past.

281. In 1993, PPK Consultants Pty Ltd estimated the minimum costs of construction of a deepwater harbour at \$27.8 million, and recommended Cascade as the preferred site for harbour facilities.⁷ If the development of a harbour was unattainable, the contingency option suggested by PPK Consultants was an extension of the pier at Cascade Bay to provide for larger ships. No cost was estimated for this option. There has also been a proposal by a Norfolk Island company for the construction of jetty facilities at Ball Bay to enable a containerised shipping service using a stern loading vessel.

282. In the 1995 report *Delivering the Goods*, the Joint Parliamentary Standing Committee on the National Capital and External Territories was 'of the view that the existing lighterage service is inadequate for Norfolk Island's future freight handling requirements...'⁸.

283. The Committee found that the need for action on Norfolk Island's freight handling facilities was urgent. Five ways of improving the freight handling infrastructure were suggested to the Committee. These were:

- upgrading the existing jetties and lighterage system;
- installation of a land based derrick;

⁷ Report on a Preliminary Investigation for the Provision of Harbour Facilities for Norfolk Island, PPK Consultants Pty. Ltd., 1993.

⁸ Report of the Joint Standing Committee on the National Capital and External Territories, *Delivering the Goods*, AGPS, 1995, p. 168.

- use of motorised barges for ship to shore transport of containers;
- construction of a deep water harbour; and
- use of a stern loading vessel requiring minimal infrastructure.

284. The Committee favoured the stern loading vessel proposal because it offered the greatest potential efficiencies in freight handling on Norfolk Island.

285. Several submissions to this inquiry commented on the lack of a safe harbour. For example, one submission suggested that it could be technically feasible to use rock from Cascade Cliff to form breakwaters at Ball Bay. Such an option was said to solve several problems at once — it would make Cascade Cliff safe, provide a safe harbour and provide smaller rock for crushing and subsequent use as road aggregate.

286. It is understood that alternatives for improving the harbour facilities are being considered by the Norfolk Island Government in an attempt to find one that is more economically viable than the PPK recommendation.

287. *Comparisons.* The level and frequency of shipping services provided to Norfolk Island are of a reasonable standard at present levels of demand for sea freighted goods.

288. As for infrastructure, the most suitable basis of comparison is the Indian Ocean Territories. Christmas Island has a deep water port although it is not an all weather facility — it was closed for a total of 24 days in 1994-95. As well as handling general cargo, it is used to export phosphate and to import equipment for the mine and materials for the Christmas Island Rebuilding Program and other construction activity. The harbour has a 34 tonne crane and employs 18 people. The jetty area and associated buildings and amenities were refurbished in 1993-94 at a cost to the Commonwealth of \$11 million.

289. At the Cocos (Keeling) Islands, ships anchor in the lagoon and freight is off-loaded in containers onto barges for transport to a jetty on Home Island, or to West Island where it is dragged up onto the beach by tractors. These operations are very labour intensive. The level of shipping activity is low at one ship approximately every six weeks.

290. Norfolk Island's port facilities are well below the standard of those on Christmas Island but so are the volume of trade and the number of days lost due to sea conditions. Christmas Island is also more dependent on its harbour for trade, with much of the industry on Christmas Island relying on the export of phosphate. The lighterage operations on Norfolk have some similarities to the freight handling arrangements on the Cocos (Keeling) Islands, but the volume of freight is greater.

291. Taking account of the differences between Norfolk, Christmas and the Cocos (Keeling) Islands, and the lack of facilities on Norfolk Island to unload containerised vessels, we think that the infrastructure available to the Norfolk Island Government to provide these services is less than satisfactory.

292. This conclusion is similar to the one reached in *Delivering the Goods*, which was that freight handling on Norfolk Island is not in line with freight handling operations in

the Indian Ocean Territories.⁹ That report also noted that the inability to handle containerised cargo is the main relative deficiency.

293. If the infrastructure at Cascade Bay or Kingston were upgraded, then more efficient landing of goods should result which, in theory, would lead to reductions in handling costs for the benefit of all people on the Island. The tourist industry could benefit not only from these freight cost reductions, but also from a possible small increase in tourist numbers if the infrastructure upgrade allowed ocean going yachts to moor at the Island with comparative ease.

Airport Services

294. On the mainland, airports are generally the responsibility of the Commonwealth, although it has started a process of selling its assets (excluding land) at many of them.

295. ***Existing services and infrastructure.*** Norfolk Island's economy relies heavily on tourism, which in turn relies heavily on air services.

296. The airport covers 120 hectares and operates two runways — one can support a Boeing 737-300 and the other a Fokker 27. Because the main runway is only 1 950 metres long, the maximum take off weight for a Boeing 737-300 is restricted to 56 tonnes (on a runway of 2 750 metres, the take off weight can be 62.8 tonnes). The runway cannot be lengthened because of the Island's topography.

297. There is no flight control at the Airport, but a mandatory broadcasting zone exists below 9 500 feet for 30 nautical miles. As a result of bad weather and poor visibility, commercial flights are turned back about six times a year.

298. In February 1991, under the Airport Local Ownership Plan, the Commonwealth transferred to the Norfolk Island Government freehold title to the airport, including residences, plant, vehicles, equipment and spare parts. As part of the transfer arrangements, the Commonwealth also made a one off grant of \$2.5 million to the Norfolk Island Government to overlay the landing strips. In October 1991, those runway reconstruction works were completed at a cost of \$3 million. Airport management, run by the Norfolk Island Government, is now responsible for everything located at the airport except the Meteorological Office.

299. Runway maintenance costs are much higher than at most mainland facilities. Ongoing runway inspections reveal loosening of the tarmac surface, resulting from weathering and aircraft use. Pave coating is used to bind the surface. This inspection process and the resulting preventative maintenance are currently planned until the year 2003 (based on an assumed number of movements of Boeing 737 aircraft, loaded to 56 tonnes), when both runways are to be overlaid completely. An average of about \$127 000 is budgeted for preventative maintenance and pave coating in each of the next five years and \$2.93 million is budgeted for an asphalt overlay in 2003.

⁹ Report of the Joint Standing Committee on the National Capital and External Territories, *Delivering the Goods*, AGPS, 1995, p. 187.

300. The current terminal is too small and there are too few seats for departing passengers. Consequently, an upgrade of the airport terminal at an expected cost of \$2.2 million is planned to commence shortly. About \$700 000 has already been spent on the planning and design of this facility, although \$267 000 of that amount was written off in 1995-96 after a community referendum rejected the initial plan.

301. The Norfolk Island Airport Act 1991 generally applies to the administration of the airport but is mainly concerned with the imposition of landing charges. The revenues so derived remain in trust for the operation, upkeep and development of the airport. The Norfolk Island Government charges:

- (i) landing fees of \$18.30 for each paying passenger for both landing and taking off; or
- (ii) \$8 for each 1 000 kilogram of maximum take off weight of aircraft for landing and take off.

Generally, these charges influence ticket prices. Some airlines show the charges separately, and some have absorbed them into their prices. The charges would also affect the number of tourists visiting Norfolk Island.

302. Flights to Norfolk Island generally originate either on the mainland or in New Zealand. Those from the mainland are classified as 'domestic' and no fire tender is required or provided during their arrival and departure. The New Zealand flights, however, are international and such services are required.

303. *Comparisons.* Table 6-9 compares the movements and landing charges at a number of airports on the mainland. There is no international airport on the mainland catering for only 60 000 passenger movements a year. The two smaller international airports on the mainland have a lot more traffic than Norfolk Island airport, and do not have a landing charge. Airports with a similar number of movements to Norfolk Island charge from \$5 a person, and other airports with more movements than Norfolk Island can charge up to \$18. The fees charged at Norfolk Island Airport for landing and take off are higher than all local government owned airports on the mainland. There does not seem to be any consistency in the way fees are determined on the mainland.

304. The runways and aircraft handling facilities on Norfolk provide a service comparable to that on the mainland. There are, however, aspects of the airport service that compare less favourably. In particular, the relatively high tourist demand means the level of service provided within the airport terminal is below general mainland standards for an airport servicing more than 60 000 passenger movements a year. We understand that the Norfolk Island Government is addressing this situation. There is also the issue of the Norfolk Island landing charges imposed on passenger movements, which are higher than the mainland landing fees, and among the highest in the Pacific.

Table 6-9 PASSENGER CHARGES AND MOVEMENTS AT AUSTRALIAN AIRPORTS, JULY 1997

Airport	Total Revenue Passengers ^(a) 1993-94	Landing Charge ^(b) 18 July 1997	International
	Movements	\$	Y/N
Norfolk Island	55 550	18.30	Y
Port Hedland	149 326	-	Y
Townsville	520 367	-	Y
Mount Gambier	57 282	5.00	N
King Island	36 389	-	N
Kalgoorlie	113 403	15.80	N
Albany	16 961	17.00	N
Yulara	249 983	18.00	N

(a) Passengers paying 25 per cent or more of the normal applicable fare and all domestic passengers paying any portion of a fare.

(b) Payable on each landing and each takeoff.

Sources: Department of Transport and Communications, *Airport Traffic Data 1983-84 – 1993-94*, July 1996; Ansett Australia, *Passenger Head Tax details effective 18 July 1997*.

Immigration

305. Immigration services are exclusively the responsibility of the Commonwealth in mainland Australia. On Norfolk, however, immigration is a Schedule 3 item under the *Norfolk Island Act 1979*.

306. ***Existing services.*** Entry to and residence on Norfolk Island are controlled by the Norfolk Island Immigration Act 1980, which provides for four categories of persons who are allowed entry to the Island (as outlined in Chapter 3).

307. There are MOUs between the Norfolk Island Government and the Commonwealth concerning the granting of permits to Commonwealth employees, and General Entry Permits and declarations of residency to persons who are not Australian or New Zealand citizens. A further MOU is under negotiation to enable Norfolk Island to implement the *Immigration (Visa) Act 1995* which will require persons who travel to Norfolk Island (other than Australian and New Zealand citizens) to hold a valid Australian visa.

308. Norfolk Island Customs officers perform border control procedures at the Norfolk Island airport. The Administrator's Office provides immigration advisory services, passports and visas for the purpose of Commonwealth immigration.

309. Submissions have suggested that limiting the stay for professionals (for example, teachers, bank managers, senior management and hospital staff) through the immigration policies means that these people do not have sufficient commitment to the community. It was also said to increase labour costs as the employer bears the costs of

advertising, interviewing, removals and temporary accommodation every time a new person is employed. One estimate of this cost was \$4 500 for qualified tradespeople and middle management, and \$500 - \$800 for casual employees (waitress, bar person, shop assistant).

310. Some other representations questioned the seeming anomaly that a passport or other travel document is required for travel by Australians from one part of Australia (Norfolk) to another (the mainland). However, we understand that this is due to the provisions of Commonwealth legislation.

311. **Comparisons.** Norfolk Island has special immigration laws designed to keep population in line with the Island's physical and economic capacity. This seems a reasonable policy objective.

312. As regards processing documents of travellers, the Norfolk Island Government is providing a satisfactory level of immigration services at current levels of demand. Were demand at the Island's airport to increase, it is likely that greater resources would be required to ensure that the service continued to operate effectively.

Police Services

313. On the mainland, Police services are mainly a State Government responsibility. The Australian Federal Police (AFP) look after Commonwealth facilities and are concerned with the maintenance of Commonwealth law.

314. **Existing services and infrastructure.** AFP officers provide police services on Norfolk. The costs are funded 70 per cent by the Norfolk Island Government and 30 per cent by the Commonwealth. The Commonwealth contribution reflects the costs of Commonwealth responsibilities carried out by the local police which would normally be conducted by the AFP in States with their own police forces. These funding arrangements have some similarities to those in the ACT, where the AFP also provides community policing.

315. There are three police officers on the Island, with locally engaged special constables to support them on Friday and Saturday nights. The special constables have no training but have the same powers as police and are paid \$15 an hour. The police officers work in two shifts during the week (8 am to 4 pm and 3 pm to 11 pm), and extended shifts on Friday and Saturday nights (9 am to 5 pm and 5 pm to 1 am). The special constables are employed from 8 pm to 1 am on Friday and Saturday nights. As is the case in many small communities, much of the time of the Norfolk Island police is taken up in talking to people and sorting out problems without laying charges. Much time is also spent in pro-active policing. Officers meet all planes and regularly patrol the school zone to minimise speeding.

316. Norfolk Island experiences little of the social tensions often evident in small towns on the mainland. There were no groups identified as requiring more police input than others.

317. The police station on the Island was built in 1993. The vehicle (a four wheel drive) is part funded by the AFP and maintained by the Norfolk Island works depot. It is replaced every three or four years.

318. **Comparison.** There are 1.7 police for every thousand people on Norfolk Island. Police to population ratios are shown in Table 6-10. The police to population ratio on Norfolk Island is below all the mainland States. On the mainland, stations serving a population of between 1500 and 2500 people have an average of 2.6 police. However, more than half those stations have one police officer, and only 33 per cent have three or more police. Special constables have not been considered in this analysis.

Table 6-10 POLICE TO POPULATION RATIOS, 30 JUNE 1996

	Norfolk Island	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
Police for each 1000 Population	1.7	2.1	2.4	1.9	2.6	2.4	2.2	1.8	4.5

Source: Commonwealth Grants Commission, Police Special Data Collection, 1996.

319. The number of police on Norfolk is influenced in part by its isolation. There are often long periods when the number of officers on the Island is reduced to two — the minimum number considered necessary to provide a service in an isolated locality. Moreover, if there were ever a situation on Norfolk Island which required specialist police support, the isolation of Norfolk Island would mean that it could take a long time for that assistance to arrive. On the other hand, the reported crime rate is relatively low, which would suggest a lower need for police.

320. Even allowing for Norfolk's isolation, we think the police service is above mainland standards.

Corrective Services

321. On the mainland, corrective services are a State Government responsibility.

322. **Existing services.** The police station has two lockups, built to the standards recommended by the Royal Commission into Aboriginal Deaths in Custody. These cells can also be used for detention under the Mental Health Act and the Periodic Detention Act 1996. They are rarely used except for those serving periodic detention orders and the logistical time limit for holding a prisoner was said to be two weeks. If an offender is sentenced to a term in prison, the New South Wales prison system is used, though the transfer procedures are cumbersome and slow. Prisoner transfer to the mainland is a problem for all external Territories. At mid 1997, there were no prisoners in the New South Wales prison system from Norfolk.

323. **Comparisons.** The lockups on Norfolk Island are equivalent to new lock ups in mainland communities.

Court Services

324. Court services are a State Government responsibility except where the offence falls under Commonwealth legislation.

325. **Existing services.** Norfolk Island is serviced by a court of petty sessions, a Family Court and the Supreme Court. The court of petty sessions can sit with either one magistrate of the Australian Capital Territory or three local magistrates appointed by the Administrator. It can hear civil claims of less than \$10 000 and summary criminal offences. This court generally sits once a month. Family Court matters are dealt with by the Parramatta or Brisbane registries, and the Supreme Court may sit — in civil matters only — in New South Wales, Victoria or the ACT. Criminal matters must be heard on the Island. Because the Family Court rarely sits on Norfolk Island, it is necessary for complainants to travel to Sydney or Brisbane, making proceedings very expensive. There has been a suggestion that uncontested divorce cases could be handled by the court of petty sessions.

326. Although its availability does not seem to be generally known to members of the community, legal aid is available on Norfolk Island, with conditions the same as the ACT Legal Aid scheme. Funding is 80 per cent Commonwealth and 20 per cent Norfolk Island Government. The Norfolk Island Government collects interest on trust accounts operated by real estate agents, accountants and solicitors on the Island to fund Legal Aid. There have been eight applications for Legal Aid. All have been denied, mainly because they were for traffic offences for which Legal Aid is not available.

327. **Comparisons.** Country towns on the mainland also have limited access to courts. Generally, country Magistrates courts are on a circuit from a major centre, and sit once a month. Higher courts are in major towns, and offenders are transported to these courts.

328. Access to courts and the availability of legal aid on Norfolk Island are equivalent to mainland standards.

Fire Services.

329. On the mainland, fire services are a State or local government responsibility.

330. **Existing services and infrastructure.** There are two fire services on the Island, one for domestic calls and one for the airport. The domestic voluntary association has nine volunteer firefighters and uses three domestic fire vehicles maintained by the works depot. This can be expensive, as some of the vehicles are old (the oldest was built in 1962) and parts need to be shipped from the United Kingdom. Some of the old fire engines will need to be upgraded in the near future.

331. The airport fire service has two full time officers and three auxiliary firefighters and uses three airport fire vehicles. This service provides coverage for all international flights to and from the Island. The Airport vehicles need to be available for international flights, but are available at other times for firefighting elsewhere on the Island.

The Airport staff are trained to Australian competency standards in Melbourne, and then train the local volunteers.

332. Due to the lack of reticulated water on the Island (except in the KAVHA district), all fire vehicles carry their own water supplies. This leads to problems with rust in the containers. There is also the problem of having to refill vehicles when a fire is burning.

333. **Comparison.** The Western Australia Fire Brigades Board runs Christmas Island's fire service under a Service Delivery Agreement with the Commonwealth. Since the SDA commenced in 1993, the fire service has been improved to a level consistent with that provided to a Western Australia rural community. This includes new equipment, cellular communication equipment and training for the volunteer brigade. A new fire station is in the current capital works program for Christmas Island.

334. The Norfolk Island Fire Service does not have the support and training of a State fire body which all mainland services and Christmas Island do. Some staff are trained to Australian standards, but there is not the access to training that mainland firefighters have. For this reason, and the age and unreliability of the fire fighting vehicles, the level of service on Norfolk Island is lower than on the mainland.

Emergency Management

335. On the mainland, this is generally a State Government responsibility but often involves local government.

336. **Existing services.** There is an Emergency Management Committee on the Island, which is a co-ordinating body for dealing with natural and man made disasters. The committee receives some training support and small ad hoc grants from Emergency Management Australia, a Commonwealth agency.

337. There is also a Volunteer Rescue Squad on the Island with ten members. This squad was formed in 1985 and in 1986 the Norfolk Island Government provided funding for three members to receive training in cliff rescue and recovery from the AFP Rescue Squad in Canberra. The squad was formed to assist the Norfolk Island Police in the areas of search, rescue and recovery and has been trained for those tasks.

338. The squad is financed solely by fund raising and donations. It does not receive grants from the New South Wales Volunteer Rescue Association, with which it is affiliated, because the Norfolk Island squad is not accredited, due to the high cost of bringing a six member accreditation team to the Island. It operates a covered rescue trailer with a range of emergency equipment, including communications radios, ropes, a variety of stretchers and hydraulic rescue tools. All the costs of wet weather gear, vehicle running and first aid certification are paid for by the volunteers.

339. A number of emergencies have occurred on the Island, including cars driving off cliffs, wrecked yachts, and bushwalkers falling off cliffs.

340. **Comparisons.** Overall, the Island has an adequate emergency management procedure, comparable with those in mainland centres of 2000 people. Access to training

for emergency management staff is easier on the mainland, but Norfolk Island does have links with Emergency Management Australia and the AFP for training on an ad hoc basis.

Heritage Areas

341. On the mainland, heritage areas are the responsibility of different levels of Government depending on the importance of the site.

342. ***Current situation.*** The main heritage area on Norfolk Island is the KAVHA, which is a larger 'penal era' historic site than those on the mainland. This area is listed on the Register of the National Estate and, in 1995, the question of assessment for World Heritage listing was raised by the Commonwealth. The Norfolk Island Government has said that it wants to quantify the benefits of world heritage listing, including possible increases in tourism, before deciding whether it supports formal nomination.

343. Before 1958 and since 1973 the Commonwealth has had the main responsibility for the national heritage buildings in KAVHA. Most of the buildings have been restored and interpretive work performed on them. Since 1962 the Commonwealth has provided funds for the restoration of the buildings at Kingston.

344. In 1988, the Norfolk Island Government agreed to share funding of the works in KAVHA with the Commonwealth and to manage the site by a joint board established under a MOU. The Commonwealth contribution to this board in 1995-96 was \$392 000 and that by the Norfolk Island Government was \$247 500.

345. The site has significance for the whole of Australia and the Commonwealth has no current plans to divest more power over the area to the Norfolk Island Government, which would like it to do so.

346. Many other areas on Norfolk Island are also included in the Register of the National Estate, including:

- Longridge Agricultural Settlement Site;
- St. Barnabas Chapel;
- Anson Bay Reserve;
- Buck's Point Reserve;
- Crystal Pool Reserve (Point Ross Reserve);
- Bumboras Reserve;
- Nepean Island; and
- Phillip Island.

347. **Comparisons.** All parties agree that the current management of KAVHA is working well, and that the buildings at the site are up to standard for World Heritage assessment. The management and condition of the KAVHA historic site compares well with important historic sites on the mainland (Port Arthur, Hyde Park Barracks and Fremantle Prison).

348. However, it is not clear that the other sites listed on the National Estate receive the same comprehensive management.

Environmental Issues

349. On the mainland, all three levels of government have responsibilities in this area.

350. **Existing services.** On Norfolk, responsibility for environmental protection services is split between the Commonwealth and Island governments. Parks Australia, which had a budget on Norfolk Island in 1995-96 of about \$659 000, is responsible for the maintenance and operation of the National Park as well as representing other Commonwealth Government authorities such as the Australian Heritage Commission and the Environmental Protection Agency.

351. The Norfolk Island Government said that environmental assessments and issues are dealt with as they arise. Advice, evaluation and other related services are obtained on a consultancy basis. The Commonwealth Environment Protection Agency was consulted on the Norfolk Island Airport Upgrade (1991), the Stern Loading Vessel Port Proposal at Ball Bay (1995) and the Cascade cliff face and quarry (1997).

352. The forestry section of the Norfolk Island Administration administers, *inter alia*, a 120 hectare site on the western boundary of the Mt Pitt section of the National Park. Its task is to convert the woody weed forest into native pine plantations. In 1996 the forestry section planted four hectares of Norfolk Island pine in the forestry zone. A nursery produces native plants for forestry plantations, the National Park and public sale. The section is also responsible for control of noxious weeds on the Island. As well as fulfilling those purposes, the expenditure by this section, which was \$290 000 in 1995-96, was said to be used as a means of maintaining employment.

353. Several submissions made points which can be summarised by the following:

The whole economic future of the Island is bound up with an overall policy of conservation – of its water, soils, and pastures, its forests, birds and plants, its fascinating landscape, its historical and architectural survivals.¹⁰

354. Those submissions generally argued that the Norfolk Island Government has neglected the environment for many years and that it has no conservation strategy, no policy on strategic planning and no management plans for the coastal reserves. They argued that such strategies and plans should be prepared and implemented.

¹⁰ Turner, Smithers and Hoogland, *The Conservation of Norfolk Island 1968*, Australian Conservation Foundation, p8.

355. A general concern in these and other submissions was that the number of residents and visitors on the Island could have adverse effects on the environment. This issue is discussed in Chapter 3.

356. The following other points relating to environmental and conservation matters were also made in submissions.

- The Island should have a Conservation Trust, among other things, to assist in the protection of areas and acquire valuable conservation sites.
- Special consideration by the Commonwealth is required to rescue endangered species, control weeds and rehabilitate critical areas. In particular, Phillip Island has been stripped of up to 20 metres of topsoil by bad management, and an extra \$80 000 to \$100 000 is required to implement a specially designed plan of management.
- More effort should be made to promote eco-tourism as that could have the dual benefits of diversifying the tourist market and reducing the environmental impact of tourists. However, it was also noted that the development of eco-tourism projects would require additional planning to avoid adverse effects on the environment.

357. The environmental dangers associated with Norfolk's methods of waste disposal were discussed earlier in the chapter.

358. A long standing concern on the Island is the danger posed by the Cascade Cliff. This cliff is unstable and rocks fall on the road near the jetty. The road is closed to normal traffic. Attempts have been made to stabilise the cliff but the danger has not been removed. Submissions have said that the cliff face could be progressively benched and the rock used in a crushing plant. This would also require costly landscaping of the area once the benching is completed. The latest estimate of costs to stabilise the cliff is \$3.1 million, an amount the Norfolk Island Government cannot afford, but this appears to be a gross figure before sales of rock are considered. In any case, the more dangerous part of the cliff is on a Commonwealth reserve. We are unsure what contribution the nearby quarry has made to the instability of Cascade cliff, although an assertion was made that the Army was largely responsible for any damage to the cliff as it had used the wrong blasting material in the quarry.

359. *Comparisons.* Most rural communities elsewhere on the mainland are covered by comprehensive building, planning and environmental protection legislation. There is severe land degradation on Phillip Island and in some areas of the cliffs on Norfolk Island, although there has been much good work done on rehabilitating the cliffs in the last ten years. The adverse environmental impact of the waste management procedures is greater than in mainland rural areas.

360. We had no indication that people on Norfolk Island have been injured from rocks falling at Cascade Cliff. Christmas Island also has an unstable cliff face. In that case, a full scale study was commissioned by the Commonwealth to provide information on the

probability of a rock fall in different areas and to give recommendations on what should be done to ensure protection of those living and working below. Unstable cliff faces on the mainland (for example, the coast road from Wollongong to the Royal National Park) are regularly reinforced, although the amount of traffic on these roads is also much higher.

361. Given these points and the importance of the natural and built environment to the future of Norfolk, we conclude that the standard of general conservation and environment protection services on Norfolk is below that on the mainland. We also note that Cascade Cliff is a safety problem.

Land Administration and Planning

362. On the mainland, land administration is primarily a State responsibility.

363. ***Existing services.*** Norfolk Island has an area of 3327 hectares. About 770 hectares are Crown leasehold, 1697 hectares are freehold and the rest (860 hectares) is Crown land and includes the National Park. The Commonwealth has responsibility for land administration on the Island but the Norfolk Island Government has executive and legislative control over various land administration components such as building control, roads, recreational areas and coastlines. The Norfolk Island Government is seeking full responsibility for the administration of all land on the Island.

364. Crown leasehold land may be held by people with resident or GEP status. Freehold land is held under common law title. It is not subject to the same constraints on transfer as Crown leasehold land, and holdings of freehold land convey no residency status.

365. The Registrar of Lands Office is staffed, funded and managed by the Norfolk Island Administration. Expenditure on the office far exceeds revenue from land related functions.

366. A joint Commonwealth/Norfolk Island Review of Land Administration Working Group was established in 1994 to address longstanding problems with land administration on Norfolk Island. Some of the problems were:

- difficulties with Crown lease conditions and duration;
- no statutory land use or development zoning and zoning controls;
- no guaranteed land title system;
- no administrative review of decisions;
- no effective environmental assessment or controls; and
- leasehold problems.

367. The Working Group's May 1995 report recommended the introduction of a comprehensive land administration scheme, including a statutory land use and planning scheme, enactment of guaranteed land titles legislation and new Crown lands legislation.

Chapter 6

Both Governments endorsed the report and it was agreed that the cost of implementing the program would be shared Commonwealth two thirds and Norfolk Island one third. Over \$500 000 has been spent on the land review process.

368. On 29 June 1996, the Norfolk Island Legislative Assembly introduced a land administration package. The legislation passed through the Assembly and received the Governor-General's assent. A number of elements of the land legislation package were reliant on administrative and planning processes being in place.

369. The Norfolk Island plan came into effect on 1 June 1997 and, on 23 June 1997, the Administrator approved the majority of the remaining elements of the land package. The Norfolk Island Government will consider when to introduce revised rents for Crown lease land.

370. The Working Group also recommended that the Norfolk Island Government satisfy the Commonwealth that sufficient resources are available for effective operation of the plan before responsibility for land administration was handed over.

371. Part of the land administration legislation package was the introduction of an Administrative Review Tribunal (ART). A local person will be a senior member of ART. Initially, this tribunal will have the power to review administrative decisions of the Norfolk Island Government relating to land management issues. It will be available to the public (including TEPs).

372. We were told that it has been estimated that up to one third of freehold titles on the Island could be defective, largely because of inadequate survey data. It was also said that some underground cables and other services are not mapped, and there are no gazetted easements, although this has not posed a problem so far because 'people know where the cables and pipes are'.

373. **Comparisons.** Norfolk Island is more advanced in land administration than Christmas Island where a ground audit was being done for the first time in 1996. New legislation has now been implemented which seems to give Norfolk Island arrangements similar to other small rural communities on the mainland. These arrangements cover comprehensive land administration and title registration legislation and practices. However, the legislation has not been in place for sufficient time to make an assessment of its effectiveness.

Customs

374. On the mainland, Customs is a Commonwealth responsibility.

375. **Existing services.** The Norfolk Island Government has executive responsibility for customs matters, with the Commonwealth retaining power of veto over the decisions. The Norfolk Island Government has its own Customs service, governed by its own Act and it operates independently of the Australian Customs Service.

376. The Norfolk Island Customs Service carries out:

- Customs Duty assessment, processing and collection;
- prevention and detection of prohibited imports through inspection and clearance of arrivals by ship and aircraft; and
- immigration border control measures.

377. Coastwatch from the mainland provides a surveillance service in the 200 nautical mile Exclusive Economic Zone around the Island to detect illegal fishing vessels and suspicious activities.

378. The Customs service maintains co-operative relations with customs services in other jurisdictions, particularly those on the mainland and within the Pacific Area.

379. A comprehensive review of the Norfolk Island Customs legislation has been undertaken. Concerns have arisen as to the constitutional validity of Norfolk Island Customs Legislation as a result of the High Court decision in a case involving the ACT. But the Norfolk Island Government believes it has the power to collect duties of customs and excise. Advice from the Commonwealth Attorney-Generals Department supports this belief.

380. Several submissions noted that, while customs duty represents the largest single source of revenue for the Island, it is also a significant cost burden for residents and visitors.

381. **Comparison.** The standard of Customs services and the manner in which they are provided on Norfolk Island are similar to the mainland.

National Parks

382. On the mainland, National Parks are usually a State responsibility but in the other external Territories they are a Commonwealth responsibility.

383. **Existing services and infrastructure.** Parks Australia has primary responsibility for the Norfolk Island National Park (including Phillip Island) and the Norfolk Island Botanic Garden. The Norfolk Island National Park covers 12 per cent of Norfolk Island, and includes the highest peaks, Mt Pitt and Mt Bates. Parks Australia also maintains the 10 kilometres of roads and walking tracks in the park.

384. Parks Australia employs four permanent staff to maintain the park. Two are from the mainland and two from the Island. It also employs approximately twenty other locals on a temporary or casual basis and provides them with training.

385. Parks Australia operates a weed control program, three endangered species recovery programs and an endangered and threatened plant species program, with more than 40 species of native plants regarded as threatened. A rat control program is in place, despite difficulties in developing the program without jeopardising the owl recovery program.

386. Most large national parks on the mainland have information centres in the park, with information on walks, native flora and fauna, and guided tours. This function is served by the privately run Norfolk Island Museum of Natural History. Parks Australia also produces pamphlets on walking tracks on the Island, posters and other interpretive materials.

387. Proposals to transfer the Norfolk Island National Park and Botanic Garden to the Norfolk Island Government have been discussed. The Commonwealth has some concerns about whether the Norfolk Island Government has the expertise or resources at present to replace Parks Australia. The Australian Conservation Foundation and the Norfolk Island Conservation Society share these concerns and are strongly opposed to a transfer of control of the park to the Norfolk Island Government.

388. **Comparison.** Compared with Christmas Island and many national parks on the mainland, Norfolk Island National Park has more staff for each hectare and higher expenditure each hectare. However, such simple comparisons are affected by differences in access costs, visitation rates, infrastructure levels and economies of scale and thus are unlikely to reflect the comparative standards of service. Many of these factors combine to increase the costs of the Norfolk Island National Park. The high expenditure a hectare on Norfolk Island is also partly explained by the high costs of ecological rehabilitation and weed control, and the remoteness of the Island. For example, we were told that 55 per cent of expenditure on the National Park could be attributed to rehabilitation and weed control, much higher than for other national parks.

389. Overall, in comparison to other remote national parks, the resources available to manage the National Park appear above average, but are probably not far out of line given its particular environment and conservation requirements.

Foreign Affairs/Defence/International Obligations

390. On the mainland, foreign affairs, defence and international obligations are Commonwealth responsibilities.

391. **Existing situation.** The Norfolk Island Government is treated the same as State Governments when it comes to Australia's ratification of proposals to become a signatory to international treaties, conventions and protocols. The consultation is often co-ordinated through the Territories Office, but some Commonwealth Departments deal direct with the Norfolk Island Government.

392. **Comparison.** In relation to these matters, there is no difference between Commonwealth consultation with the States and Commonwealth consultation with Norfolk Island.

SERVICES NOT COVERED BY LEGISLATION

393. There are a number of services on the Island that the Norfolk Island government has powers to provide but for which it has not legislated. These are mainly regulatory and administrative tasks and include:

- quarrying;
- gases and hydrocarbon fuels (especially safety of gas installations or the qualifications of gas fitters);
- explosives and dangerous substances (except for some poisons legislation);
- archives;
- navigation, including boating;
- prices and rent control;
- printing and publishing;
- industry, including forestry and timber, pastoral, agricultural, building and manufacturing (while there is some legislation in some of these areas, there are no laws governing manufacturing or some other aspects of industry);
- provision of rural, industrial and home finance credit and assistance;
- scientific research (except for the Birds Protection Act 1913 and the Migratory Birds Act 1980);
- censorship;
- the legal profession (it was said that the Legal Profession Act 1993 is not fully effective and there are no defined disciplinary processes for legal practitioners on the Island); and
- private law (there is no legislation relating to bankruptcy or insolvency, no third party motor vehicle insurance and the Companies Act 1985 has not maintained parallel provisions with Australian Corporate Law).

394. In some other cases, such as fire prevention and control, civil defence and emergencies, garbage collection and trade waste disposal, the services are provided or supported by the Government, but there is no governing legislation.

SUMMARY

395. Table 6-11 summarises our conclusions based on the comparisons set out in this chapter. The range and level of services provided on Norfolk Island are allocated to one of three broad groups — those above, those below and those comparable with services on the mainland.

Table 6-11 SERVICES ON NORFOLK ISLAND RELATIVE TO MAINLAND STANDARD

Above mainland standard	Below mainland standard	Comparable with mainland standard
Police	Pre-school education and child care	School education
National Park	Vocational education and training	Hospital, public health and community health services
	Health insurance	Road services
	Social security	Sewerage services
	Welfare services	Postal services
	Housing assistance	Telecommunications
	Water supply	Broadcasting
	Employment conditions	Recreation and sport
	Waste Disposal	Promotion of tourism
	Culture	Quarantine services
	Environment protection	Immigration
	Land administration and planning (although the new legislation should rectify many of the shortcomings).	Corrective services
	Fire services	Court services
	Sundry regulatory and administrative services	Emergency management
		KAVHA
		Customs services

396. There are also some cases where we consider that the condition of particular items of infrastructure on the Island is below that found on the mainland or will become inadequate in the short term, even though the existing service provided may be satisfactory. These include:

- school infrastructure;
- hospital infrastructure;
- road building and maintenance equipment;
- electricity supply machinery;
- waste disposal facilities;
- street lighting infrastructure;
- harbours and lighterage equipment and infrastructure;
- airport infrastructure (especially the terminal); and
- fire services equipment (especially tenders).

However, decisions have been taken to upgrade some infrastructure in 1997-98, including an electricity generator and some hospital equipment. In addition, the streetlighting issue should be addressed as part of the Burnt Pine redevelopment and a long term plan is in place (and funds are set aside) for the work on the airport terminal and runways.