



# NORTHERN BAY PTY. LTD.

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Joint Standing Committee on the  
National Capital and External Territories

Submission No: ..... 17 .....

Date Received: 20 Feb 2006 .....

Secretary: ..... *[Signature]* .....

Mr Bill Pender  
Inquiry Secretary  
Joint Standing Committee on National Capital and External Territories

17. February 2006

Dear Mr Pender,

## INQUIRY INTO CURRENT AND FUTURE GOVERNANCE ARRANGEMENTS FOR THE INDIAN OCEAN TERRITORIES

We wish to tender following additional documentation / statements relevant to the inquiry in relation to our submission lodged.

### REF. LOCATION 448 "CHRISTMAS HIGHLAND ESTATE"

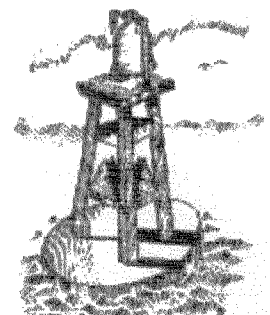
**ZONING:** Our pre purchase plans (and timing of such) were thrown into disarray within two weeks of having purchased the abovementioned property at Government Auction when we were informed by Mr. Scott McGufficke, Manager Planning Building and Health, Shire of Christmas Island that location 448 was not zoned "Commercial / Residential mix" as advertised and sold to us by the Commonwealth Government but rather "Public purpose / Hospital". – This ofcourse rendered the property useless to us and we immediately lodged an application to change the zoning. Following regulatory process this took over 12 months and in addition we were encumbered by a very lengthy subdivision process.

We raised these issues at a personally arranged meeting with Minister Ian McDonald and Administrator Bill Taylor. – At this meeting the Administrator was asked by the Minister "who is at fault here" – to which the Administrator replied "we are" (meaning the Commonwealth)..... the stern response is etched in my soul ... "sort it out then" .... Replied Minister McDonald.

A lengthy correspondance combined lodgement by us of Request for an Act of Grace Payment in compensation resulted in rejection by the Commonwealth denying any responsibility ( Moral or Legal).

### FUTURE REQUIREMENT OF HOUSING BY COMMONWEALTH ON CHRISTMAS ISLAND

Mr. Mike Sullivan, Project Director IRPC Christmas Island outlined in telephone conversation 21 December 05 the estimated future housing requirement in connection with the IRPC project to be an additional 150 accommodation units.



Mr. Sullivan explained that preliminary planning was to utilise vacant Crown Land (once again) for construction of the housing needed.

Mr Sullivan offered kindly to look at our proposal for the Commonwealth to utilise the fully serviced land in our subdivision "Christmas Highland Estate" and all relevant background information, plans, prices etc. was forwarded to him.

With the "history" of location 448 in mind we feel the Commonwealth has an obligation to utilise our land. – It represents value for money,- also from the point of view "spending taxpayers money".

Raising these issues in our submission, it is our hope that you the Senators will help prevent that the Commonwealth (once again) offer FREE LAND in direct competition with our land. Land developed "to cater for the need of the Commonwealth".

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#### **REFUND OF DEPOSIT ON PROPERTY PURCHASE FROM THE COMMONWEALTH (1998)**

The deposit paid by our company was confiscated by the Administrator due to us being unable to meet the full payment at Settlement date.

We had naturally finance put in place prior to bidding for the property. However, the Bank offering the finance withdrew it's offer following negative events on Christmas Island which they considered would contribute to the viability of the project. – Christmas Island became (the Bank's view) "Risky Business".

The Administrator refused to refund our deposit and the contract was cancelled.

We lodged in February 2004 Request for an Act of Grace Payment under section 33 Financial Management and Accountability Act 1977 in the hope that the Commonwealth would recognise it's moral obligation if not legal.

During investigations by the Department of Finance (DOFA) we were asked to submit further evidence in support of our request.

DOFA stated that:

1. the Administrator made his decision to confiscate our deposit based on his judgement that we "*made a commercial decision not to proceed with the purchase*". – We have provided plenty of evidence that this was not the case. A major statement of evidence is presented in form of a letter from Mr Warren Hogan (Bard Member of Westpac Banking Corporation) to DOFA. This letter fully confirmed our earlier information and evidence that we *did* want to continue and proceed to settlement.
2. DOFA had no evidence that refunds in relation to property purchases on Christmas Island were ever issued. — On request, we provided DOFA with evidence of two cases where refunds were issued.
3. DOFA was satisfied that the Administrator acted within the scope of his authority when he confiscated our deposit . —We have requested (four months ago) our entitlement to be informed the jurisdiction under which Act the Administrator was authorised to make his decision to issue refunds to some and confiscate from others. – To date we have not received this information.

**We thank you for considering this additional information in the context of our submission and it is our hope that this combined our evidence as a witness at the hearing will result in financial justice to our small company and individuals in that company.**

**Long live Freedom of Expression and Democracy.**

**Yours sincerely**

**John Sorensen**