

**1978 policy announcement on Island's future**

**Review of the Year 1977-78**

**Policy for Norfolk Island.** The Minister for Administrative Services, Senator the Rt. Hon. R.G. Withers, announced on 2 November 1977 that no major policy decision about Norfolk Island's future would be taken until 1978. Later, responsibility for the administration of Norfolk Island transferred to the Minister for Home Affairs, The Hon. R.J. Ellicott, QC, MP on 20 December 1977. Mr Ellicott visited the Island on 16 March 1978 with the Secretary of his Department, Dr. D.F. McMichael. The Minister visited again on 7 May 1978 to announce the Government's policy for Norfolk Island. The Minister announced the following decisions by the Government: -

- The Government is prepared over a period, to move towards a substantial measure of self-government for the Island, and is also of the view that, although Norfolk Island is part of Australia and will remain so, this does not require Norfolk Island to be regulated by the same laws as regulate other parts of Australia;
- The present situation under which laws of the Australian Parliament only apply to the Island if special provision is made in the particular law, would continue;
- For the present Australian taxation and Australian social security benefits would not be extended to the island;
- The Government believes that social service benefits appropriate to the conditions of the Island should be provided as of right, but does not believe that the services provided should necessarily be the same or at the same level as those available on the mainland (for instance, they need not include unemployment benefits);
- The Government would see if the Island can develop an appropriate form of Government involving its elected representatives under which the revenue necessary to sustain that Government will be raised internally under its own system of law;
- In order to make decisions about such matters as the Island's revenue potential and the nature and level of social welfare benefits it is necessary to have much more information than is presently available on the economic strengths, weaknesses and potential of the Norfolk Island economy. It is therefore proposed that there be set in train at an early date an economic feasibility study. The purpose of this study will be to assess the capacity of the Island's

economy including, but not limited to the amount of income derived by residents of the Island (including companies), the likely effect of various levels of income tax on the economy, the cost of living, appropriate levels for social service benefits and the likely effect of other forms of tax (e.g. stamp duty). The Government would hope that such a study could be completed within six months;

- When the results of this study are known, appropriate social service benefits and their levels could be determined in consultation with the Norfolk Island Council in the light of that study. Another matter that could be determined in consultation with the Council in the light of that study is the actual source of any additional revenue needed to meet the cost of the new constitutional and administrative arrangements which the Government proposes, including of course, the cost of introducing a scheme for social service benefits. The Government's view is that any such additional expenditure should, if practicable, be met from sources on Norfolk Island. The Commonwealth Government would meet the cost of maintaining the Administrator and his staff;
- The present Norfolk Island Council be abolished, and that instead there be an incorporated body to be known as the Norfolk Island Legislative Assembly, with power to pass laws for the peace, order and good government of Norfolk Island and with complete legislative power and executive control over a wide and specified list of matters, subject to a right of veto by the Administrator in respect of education, immigration, customs services and fishing, in view of their particular sensitivity and national importance. The Government has in mind that the Assembly should be in operation by 1 July 1979;
- The Assembly would have major financial powers. It would take over those operations at present yielding revenue to the Administration other than in areas where the Commonwealth retains responsibility, and it would have power to borrow subject to the approval of the Treasurer. In addition to its other powers, it would also have a broad advisory capacity. It would have the capacity to advise the Administrator on any matter relating to Norfolk Island over which the Commonwealth Government has power;
- The Government believes that if the measures outlined are taken they will be a major step towards a form of self-government for the Island. Consideration will be given to increasing the areas of the Assembly's Legislative power and executive responsibilities no later than five years after its incorporation;
- There would be no decision taken on the question of representation in the Commonwealth Parliament until after consultations have been held with the Legislative Assembly;
- Australian manufactures (sic) destined for Norfolk Island shall continue to be exempt from Australian sales tax;
- Commonwealth legislation with regard to workers' compensation should not be extended to Norfolk Island, provided that an all-embracing accident insurance scheme satisfactory to the Government and the Norfolk Island Council or Legislative Assembly is implemented;

- As regards zoning and land development, the Government is of the view that steps should be taken within twelve months to finalise and adopt by Ordinance a suitable plan for the Island, with consideration being given to the declaration of an appropriate area around Mount Pitt as a National Park and to the declaration of appropriate areas on Norfolk and Philip Island as part of the National Estate. These steps to be taken in full consultation with the Norfolk Island Council or Legislative Assembly;
- The Minister for Transport expects to bring forward recommendations on the maintenance and the upgrading of services at the Norfolk Island Airport before the end of 1978;
- In all the circumstances and having regard to the decisions it has made, a referendum should not be held.

These announcements received wide publication in the Island for the public to consider them in relation to the elections to be held on 5 July 1978, for the Ninth Norfolk Island Council.