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Dr Sonia Palmieri
Inquiry Secretary
Joint Standing Committee on National Capital and External Territories
Parliament House, Canberra ACT 2600

Dear Dr Palmieri,

RE: Inquiry into Governance on Norfolk Island: Part 2 - Financial Sustainability of Current Governance Arrangements

Attached please find my supplementary submission to the **Inquiry into Governance on Norfolk Island**. It follows an earlier written submission in mid-2003, 'Governance on Norfolk Island: Economic, Social and Environmental Challenges' and a commentary paper on *Quis custodiet ipsos custodes? Inquiry into Governance on Norfolk Island*, 'Improving Governance of Norfolk Island: a Continuing Process of Engagement', forwarded to the Committee in January 2004.

The additional points raised reflect information gathered, and observations made during my fourth visit to Norfolk Island from 16-27 July 2005. I was fortunate to have formal and informal discussions with the Administrator, members of the Legislative Assembly, government officials and a wide range of Norfolk islanders, permanent and short-term residents and tourists. However, the points made and the conclusions reached are mine alone. It was evident that the recent collapse of the local airline had had a serious impact upon the local economy and, although Qantas and the Norfolk Island Government had moved to take over the airline's functions, the climate of uncertainty was palpable.

Please let me know if any further comments, or the expansion of any points, would be helpful.

Yours sincerely,

Professor Maev O'Collins MBE

Improving the Governance of Norfolk Island
Economic, Service Delivery and Implementation Issues
Maev O'Collins*

The points made in this follow-up submission reflect the impressions, observations and information gathered during a further visit to Norfolk Island from 16-27 July 2005.

1.0 Introduction: Summary of main points

- 1.1 As noted in my covering letter, although I met with many Norfolk Islanders, permanent and short-term residents, officials and tourists, the opinions presented and the conclusions reached are mine alone.
- 1.2 The collapse of the local airline was the single pre-occupying economic factor, impacting on tourist numbers and the viability of various small businesses, restaurants and local tour operators. The rescue operation by the Norfolk Island Government and Qantas has been partially successful, but numerous tourist bookings have been cancelled. It is clear that older tourists felt very uneasy unless greater certainty in their travel plans could be guaranteed and that a continuing downturn in tourist numbers will have a devastating impact on the economy.
- 1.3 At the same time, I was also able to explore and observe at first hand the excellent work being undertaken by National Parks officers on the Island. In addition to restoring the viability of the eco-system, this has the potential to assist in promoting environmental tourism on the island. The opening of the road to Mount Pitt, and the establishment of attractive walking and cycling paths have created opportunities to attract more energetic tourists.
- 1.4 With regard to service delivery, although some roads have been upgraded, general road maintenance has deteriorated, particularly with regard to side roads accessing historical or scenic spots around the Island. While it was encouraging to see some improvement in waste disposal methods, further sustained action is required. The general care provided at the hospital has been maintained but work is urgently needed to replace deteriorating hospital buildings.
- 1.5 Additional concerns related to tardiness in implementing agreed upon governance and welfare reforms, and the continuation of adversarial and less open and informed contacts between the Commonwealth and Norfolk Island governments and officials. It was noted that, despite the money spent on inquiries and reports, the realities of relationships between a small, isolated dependent territory and a large metropolitan power were inescapable. For some, this suggested that nothing had really changed since Australia took over responsibility for Norfolk Island in 1914.

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2.0 Implementation of already agreed upon reforms: a climate of tardiness

- 2.1 During my visit, several informants noted that, even when agreement had been reached between the Norfolk Island and Australian governments regarding desirable reforms, no action had been taken. There seemed to be a general climate of tardiness where timetables for implementation were either not included in any agreement, or not taken very seriously.
- 2.2 For example, it had been agreed that the jurisdiction of the Commonwealth Ombudsman Commission would be extended to include Norfolk Island. However, according to my informants, the relevant Act had not yet been amended to include the words "and Norfolk Island".
- 2.3 However, it is important not to focus on claims and counter-claims but on the overall process of consultation and shared responsibility. Comments were frequently made suggesting that the Norfolk Island Government had also been dilatory in its response to problems. Some even considered that this slowness to act promptly and decisively meant that the economic consequences of the airline 'crisis' had been increased.

3.0 Creating a better process of joint consultation.

- 3.1 Some Norfolk Islanders continue to be dismayed and disheartened by the Star Chamber approach to gathering information on governance, economic and community problems. From their point of view, local opinions or reactions are often misunderstood, misinterpreted or exaggerated. This sometimes leads to rejection of very reasonable suggested courses of action which, on reflection and with more friendly interchanges, might have been accepted.
- 3.2 The validity of 'confidential' reports continued to be debated. Some argued that fears of recrimination had been greatly exaggerated and stated that they were not afraid to speak out about difficult community issues. Others were more circumspect; suggesting that problems did occur, and would continue to arise unless there was an effective locally based ombudsman-type mechanism to protect weaker members of the community, who might otherwise be intimidated.
- 3.3 It seemed nothing has changed since my January 2004 observation that: "An essential first step to getting self-government 'back on the rails' is to establish a less adversarial mechanism for on-going consultation and discussion between Commonwealth and Norfolk Island governments".

4.0 Tourism promotion - specific concerns which emerged during my visit.

- 4.1 There is an urgent need to ensure that the reliability of airline bookings is improved and maintained, as uncertainty in travel arrangements will be fatal to the tourist industry. The Norfolk Island Government's rescue operation has been a very costly

exercise and the financial consequences of the redirection of funds needs to be fully assessed to avoid a further collapse.

- 4.2 Tourism promotion needs to be widened and Norfolk Island marketed more vigorously to promote its environmental, cultural and historical features. This needs to look beyond tightly controlled group tours to more independent tourism, which will attract all ages. In order to improve access to this wider audience, continuing consultation and cooperation between government, special interest groups, and commercial tourist agencies are essential.
- 4.3 Promotion and marketing of Norfolk Island as a safe and desirable tourist destination also needs to address the extremely negative publicity engendered by media interest in the unsolved murder of Janelle Patton and other violent incidents. For example, a less sensation seeking journalist might be encouraged to visit Norfolk Island and report on its environmental, cultural and historical features, and on the many warm and friendly locals who live there.

5.0 Improving welfare services

- 5.1 Recommendation 32 of the Committee's 2003 Report called on the Federal Government to assist the Norfolk Island Government in the review and reform of child welfare law: "to ensure that it conform with the Convention on the Rights of the Child and best practice in Australia and other criminal justice legislation".
- 5.2 Although it was difficult to accurately determine just what has been done to implement this recommendation, credible reports suggested that further legislative and administrative steps need to be taken to strengthen child welfare provisions and more fully protect vulnerable members of the community from physical and sexual violence.
- 5.3 Legislation is clearly not enough. As in any community, steps to improve individual and community accountability will only be successful if church, youth, and community leaders work with police and welfare agencies in a coordinated educative and protective program.

6.0 Improving hospital infrastructure and health services

- 6.1 The deteriorating state of hospital buildings and the presence of asbestos in building materials suggests that the replacement of these buildings is an urgent priority.
- 6.2 Nonetheless, it was reported that basic health services are caring and adequate, particularly when measured against the overall requirements and capabilities of a small community. It is often more cost-effective to arrange specialist treatment in Australia or New Zealand and a schedule of visiting specialists already exists. However, this may need to be reviewed and upgraded.

- 6.3 Debate has arisen as to whether particular diagnostic health facilities need to be provided on Norfolk Island. For example, funds are being raised for a Breast Screening Unit. Yet, there is some question as to whether the ongoing expense involved in regularly updating this equipment means that it would be more cost-effective to cover the expenses involved for Norfolk Island women to receive periodic screening in Brisbane or Sydney.
- 7.0 **Conclusion: working together to identify and implement necessary reforms**
- 7.1 While preparing this submission, it was extremely concerning to read a sensational article in the *Good Weekend Magazine*, included in both the *Sydney Morning Herald* and the *Melbourne Age* on 6 August 2005. Written by Frank Robson, who had spent some days on the Island, it reported that Norfolk Island's image had been irrevocably damaged by "a culture of revenge, intimidation and excess".
- 7.2 I had heard similar stories to those highlighted in this article, but several visits and the experience of conducting research into Norfolk Island's history, suggests that the story is far more complex. As noted in earlier comments on the Committee's interim report, this is because 'Norfolk Island in neither an Island of Saints nor of Sinners'. Yet, potential tourists will read the more sensational coverage and some may well have second thoughts about making Norfolk Island a preferred destination. This could have devastating economic consequences.
- 7.3 This makes it even more imperative that reports and recommendations regarding Norfolk Island governance are balanced and sensitive, and that a sense of engagement and empowerment is promoted.
- 7.4 During my recent visit, debate on Norfolk Island also centered around whether, after nearly 25 years since the 1979 Norfolk Island Act granted a degree of self-government, this should now be abandoned. It was noteworthy that the proponents of such a move emphasized the possible economic advantages, rather than cultural or social identity disadvantages, that would be gained from such a move.
- 7.5 By way of contrast, it was heartening to read the submission of 6 June 2005, from Roger Wettenhall and Philip Grundy, Centre for Research in Public Sector Management, University of Canberra. While supporting those recommendations which would strengthen accountability and due process on Norfolk Island, they cautioned that: "relevant policy-makers should be more prepared to consider Norfolk as a governmental and social unit which bears significant similarities to other small states and quasi-states around the world".

I can only reiterate and endorse these sentiments.

Canberra
17 August 2005