Mr Harry Evans Clerk of the Senate Parliament House Canberra, ACT

Dear Sir,

I am writing in relation to evidence tendered at Senate Estimates Committee hearing on 23rd May last in Canberra.

My complaint relates to statements made by Senator Kim Carr during discussions related to the Department of Rural and Regional Affairs and Transport in which Senator Carr made certain allegations against myself and also one of my daughters.

Whilst I understand that the proceedings of the Senate Estimates Committee are recorded in Hansard, a public document that was available on the Australian Parliament web site within days of the sitting, the proceedings are conducted with all those protections for members including Parliamentary privilege.

It appears my and my daughter's sole process of obtaining some apology and withdrawal for what was a scurrilous attack by Senator Carr is through the Senate Standing Committee of Privilege.

As a consequence I understand my sole right of reply in relation to committee evidence is contained in Senate Privilege Resolution 1(13), which states: -

"Where evidence is given which reflects adversely on a person and action of the kind referred to in paragraph (12) is not taken in respect of the evidence, the committee shall provide reasonable opportunity for that person to have access to that evidence and respond to that evidence by written submission and appearance before the committee."

When I was made aware of the attack by Senator Carr I immediately contacted Senator Carr's office at Parliament House. As Senator Carr was not available, I left advice of my concern, that I wished to speak to him and of my request for both a public apology and advice from the Senator as to whether he made up the evidence or from whom did he receive detail on which he based his allegations. I left details of my Australian contact, as I was in Australia at the time and requested Senator Carr contact me.

I also spoke by phone to the Chair of the Senate Committee (Senator Heffernan) and advised him of my concern in relation to Senator Carr's statements and also my request for an apology etc.

On returning to Norfolk Island, as I had not heard from Senator Carr, I again contacted Senator Carr's office but was unable to speak with Senator Carr however, left a message as previously, that I wished to speak to him and I was seeking apology etc etc.

I am yet to hear from Senator Carr.

The concerns in the Committee Hansard are attached at appendix 1 and are taken from page 96 and 97 of the Committee Hansard.

Senator Carr, in a public forum, contends that I as the Minister for Finance had organised for my daughter, who is a chartered accountant, to collect moneys raised from the Norfolk Island Sustainability Levy, a 1% tax introduced by the Norfolk Island Government on the sale of goods and provision of services on Norfolk Island.

This contention by Senator Carr in relation to my action and the reputed role of my daughter is based on a blatant lie.

Senator Carr also contends that my daughter who is principle of the company Senator Carr referred to as Norfolk Island Business Solutions is undertaking accountancy practice work for the Commonwealth Grants Commission.

This contention by Senator Carr in relation to the role of my daughter is completely unfounded and not supported by any factual evidence.

It is unclear if such contentions are that of Senator Carr or were based on the advice of some other. On either count Senator Carr did not have the common decency to check the facts before making such allegations and his inability to contact me subsequent to the event shows a marked lack of integrity and as some may put it intestinal fortitude.

The facts are fairly simple: -

- I was the Minister for Finance with the Norfolk Island Government responsible for the introduction of the Norfolk Island Sustainability Levy Act, which provides for a new taxation arrangement.
- The Norfolk Sustainability Levy (NSL) is to commence on 1 July next at only 1% as there is a need to gather basic information on the islands economy prior to introduction of a more appropriate levy accompanied by an intended adjustment including possible removal of inappropriate existing taxation measures.
- It was always proposed and stated publicly that the NSL was to be accounted for under a normal Norfolk Island Government accounting arrangements and administered by staff from the Norfolk Island Governments administrative arm.
- There is opposition to the NSL from particularly some within the business community and includes some who have successfully evaded other taxing regimes and thus a number of measures have been instituted in an attempt to derail the NSL proposal.

I would appreciate your passing this to the Senate Committee of Privilege as I and my daughter are particularly concerned at the personal attack made under parliamentary privilege by Senator Carr.

We are looking at a personal apology and the source of the allegations – did he make it up and if not, who provided him with the bases for his attack.

The Senators action is even more reprehensible in that he has refused to return my calls to his office.

Yours sincerely,

Ron Nobbs

Appendix 1

<u>Senate</u> <u>Rural and Regional Affairs and Transport Legislation Committee</u> <u>Hansard – Tuesday 23 May 2006</u>

Extract – Pages 96 and 97

Senator CARR -is this one per cent GST levy that Senator Heffernan has referred to to be collected privately on Norfolk Island?

Ms Clendinning-That is a Norfolk Island government-

Senator CARR-Are you aware of who is collecting the money?

Ms Clendinning-No. I do not have the details of that.

Senator CARR-So you were not consulted about the tendering of that contract?

Ms Clendinning-Sorry, the tendering of the contract for?

Senator CARR-The contract to collect the money. It is a government tax.

Senator Ian Campbell-It is a tax of the Norfolk Island government.

Senator CARR-I understand that. I do not think I have said anything that is inaccurate. I am not saying that it is this government's tax. It is the territory government's tax. What I would like to know is, was the department consulted about the tender arrangements for the collection of that money?

Ms Clendinning-No. It is not a matter for the Commonwealth government. It is a Norfolk Island government matter.

Senator CARR-Was the Administrator consulted about the tender arrangements for the private collection of this government tax?

Ms Clendinning-Not that I am aware of. I do not think it would be appropriate if he was.

Mr Mrdak-It would be unlikely that he was, Senator.

Senator CARR-I see.

Senator Ian Campbell-He would have been told.

Senator CARR-He would be told?

Ms Clendinning-Yes.

Senator CARR-What, who had won the contract?

Ms Clendinning-The legislation he would want to know about.

Senator Ian Campbell-They have a system on the island called Demtel, and he would have heard it on the Demtel system.

Senator CARR-Right. That is what, Minister? Can you perhaps explain to us how you find out about getting a government contract on Norfolk Island.

Senator Ian Campbell-You will find out about Demtel when you get there. We call it the grapevine on the mainland; up there it is Demtel.

Senator CARR-I see.

Senator Ian Campbell-It works very well over there; far better than the telecommunications system.

Senator CARR-I am interested to know whether it is the case that a company known as Norfolk Island Business Solutions, which was owned by the minister's daughter, has secured the contract for the collection of this tax. Can you confirm that?

Ms Clendinning-No, I have no knowledge of that. That would be, again, a Norfolk Island government matter.

Senator Ian Campbell-It is a bit like the WA Labor Party, so it is quite possible.

Senator CARR-Ms Clendinning, is this the same person that is doing the accountancy practice work for the Commonwealth Grants Commission?

Ms Clendinning-I do not know.

Senator CARR-What is her relationship with the Commonwealth Grants Commission?

Ms Clendinning-I do not know who you are talking about, Senator, I am sorry.

Senator CARR-You do not know her?

Senator Ian Campbell-It could be Sharryn Jackson, the former member for Hasluck. She seems to do well.

Senator CARR-We were given assurances about the robustness of the tendering arrangements and this has happened since that time. I am wondering whether the department still wants to hold to that view.

Ms Clendinning-I am not sure what-

Senator Ian Campbell-I think, Mr Chair, the senator should get a little bit of advice from an old Norfolk Island hand. Any incoming shadow minister in this portfolio will always get a direct feed from people on the island. There are a lot of very good people on the island but you need to always check and double-check where your information is coming from.

Senator CARR-Absolutely. There is only one accountancy firm, I am told-and that is what was presented to the Grants Commission submission-and they have secured the contract for the collection of the tax. I can understand how it is happening. Or is it the case that that contract has not been let?