

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October/November 2005

Transport and Regional Services

Question no: TLG 01

Division/Agency: Territories and Local Government

Topic: Norfolk Island consultancies

Hansard page: 4 (1/11/05)

Senator Carr asked:

Will you be able to give me a detailed breakdown of where that \$4 million is spent?
You have indicated a number of areas.

Is there a consolidated table you could provide?

Answer:

No, the \$4m is a broad estimate of recurrent Commonwealth expenditure by various Government agencies. The composition of this estimated expenditure varies from year-to-year.

No, there is no consolidated table

Question no: TLG 02

Division/Agency: Territories and Local Government

Topic: Territories staff

Hansard page: 5 (1/11/05)

Senator Carr asked:

Are you able to tell me what the levels of seniority of those staff are?
Have you got a table there? Could you table the table? I would like a table showing the number of staff, their levels of seniority and the total budget for the Section, including the administrative items for the past three financial years. Is that possible to provide?

Answer:

The following tables show total budget and staff by level for the Territories Branch:

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TERRITORIES BRANCH BUDGET FOR THE PAST THREE YEARS

	Budgeted Departmental Expenses	Appropriated Administered Expenses
2003-04 *	\$107.7m	\$30.9m - Payments to the ACT \$1.0m ACT Softwood Sawmills
2004-05	\$13.9m	\$55.4m - IOTs \$3.0 m – Kingston Pier, NI \$31.6m Payments to the ACT
2005-06	\$13.7m	\$58.8m – IOTs \$0.4m – NI Memorial \$2.6m – Kingston Pier, NI \$32.3m - Payments to the ACT

* 2003-04 departmental figures include Indian Ocean Territories' budget. From 2004-05 onwards, Indian Ocean Territories became an administered item.

Total departmental revenue for Norfolk Island for 2005-06 is estimated to be \$45,000.

**TERRITORIES AND LOCAL GOVERNMENT DIVISION:
TERRITORIES BRANCH
AS AT 1 NOVEMBER 2005 (ONGOING STAFF)**

Business Unit Reform and Oversight		
EL 2	2	1
EL 1	1	2
APS 5	3.6	4
Total	6.6	7
Indian Ocean Territories National Projects		
EL 2	2	1
EL 1	3	4
APS 5	1	1
Total	6	6
ACT Section		
EL 2	1	1
EL 1	1.84	2
Total	2.84	3
Norfolk Island and Northern Territory		
EL 2	1	1
EL 1	2	2
APS 6	1	1
APS 5	1	1
Total	5	5
JBT, APSC and Environmental Policy		
EL 2	1	1
EL 1	2	2
APS 6	1	1
APS 5	1	1
APS 3	1	1
Total	6	6

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Jervis Bay Administration		
APS 6	1	1
APS 5	1	1
APS 3	1	1
APS 2	1	1
Total	4	4
Territories Office Perth		
EL 2	1	1
EL 1	2	2
APS 6	3	3
APS 4	1	1
APS 3	1	2
APS 2	1	1
Total	9	10
Norfolk Island Administration		
EL 1	1	1
APS 6	1	1
Total	2	2
Christmas Island Administration		
EL 2	1	1
EL 1	1	1
Total	2	2
Northern Territory Administrator		
Holder Public Office	1	1
Total	1	1
Norfolk Island Administrator		
Holder Public Office	1	1
Total	1	1
TOTAL	FTE 45.44	Head Count 47

In addition, there are 7 non-ongoing staff in the Territories Branch.

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Question no: TLG 03

Division/Agency: Territories and Local Government

Topic: Norfolk Island consultancies

Hansard page: 6 (1/11/05)

Senator Carr asked:

If you are relying on consultants, can I get a list of the consultants and the consultancies that have been issued in the last three years that relate to work on Norfolk Island?

And I obviously want the amounts paid. Where Reports have been presented, could we have copies of them?

Answer:

The **attached** table lists consultancies over \$10,000 – this information was published in the Department's *Annual Reports* or their supplements in 2004-05, 2003-04 and 2002-03.

[TLG 03 attachment]

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Question no: TLG 04

Division/Agency: Territories and Local Government

Topic: Norfolk Island health care

Hansard page: 7 (1/11/05)

Senator Carr asked:

Senator CARR—In fact, the Department's Annual Report identifies that residents of Norfolk Island should enjoy the same opportunities and responsibilities as other Australians, and the Department in its submission to an Inquiry of the Joint Standing Committee on the National Capital and External Territories recently said: "... *people living in rural, regional and remote communities in Australia have a right of access to a level of primary and secondary health care and health insurance equal to those of their fellow Australians*". I am just wondering: how does that apply to Norfolk Island?

Ms Varova—Norfolk Island is responsible for delivering its own health care services.

Senator CARR—So, if there is a deficiency in services, it is the responsibility of the Norfolk Island government, not the Australian government?

Senator CARR—Ministers have no trouble pointing out the deficiencies in state administrations. They do it almost on a weekly basis. Why is the government of Norfolk Island any different?

Answer:

As stated at the 1 November 2005 Supplementary Budget Estimates Hearings, Norfolk Island is responsible for delivering its own health care services. The Commonwealth *National Health Act 1953*, the *Health Insurance Act 1973* and the *Aged Care Act 1997* do not apply to Norfolk Island.

Question no: TLG 05

Division/Agency: Territories and Local Government

Topic: Norfolk Island – contract with Acumen

Hansard page: 8 (1/11/05)

Senator Carr asked:

When was the Contract let?

Answer:

The work order for this standing offer (Panel Contract) was signed on 4 October 2005.

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Question no: TLG 06

Division/Agency: Territories and Local Government

Topic: Government response to Norfolk Island reports

Hansard page: 10 (1/11/05)

Senator Carr asked:

Minister, if that is the case, could I put that question to you? The Committee has a view that there are two independent Reports. The first Report on the Inquiry into Governance on Norfolk Island was published in December 2003 and there has been no response from the Government to date. It is an extremely hard-hitting Report and it makes a number of quite serious allegations. I am wondering when the Government will reply to that Report.

Answer:

The Government's response to the Committee's Report *Quis custodiet ipsos custodes?: Inquiry into Governance on Norfolk Island* was presented to the President of the Senate out-of-session on 27 October 2005. The Department was unaware that the response had been tabled at the time of the Hearing on 1 November 2005.

Question no: TLG 07

Division/Agency: Territories and Local Government

Topic: Patterson Britton and Partners Address

Hansard page: 12–13 (1/11/05)

Senator Carr asked:

Senator CARR—Who discovered that there was an engineering problem?

Mr Magor—An engineering company who are not actually doing the works; they look at the technical requirements. They are Patterson Britton and Partners.

CHAIR—Is that an Australian company?

Mr Magor—I believe they are based in New South Wales.

Senator CARR—Where about in New South Wales?

Mr Magor—In Sydney I think, but I would have to check.

Senator CARR—Can you give me the address, please.

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Answer:

Patterson Britton & Partners
Consulting Engineers & Scientists

North Sydney Office

Level 4 - 104 Mount Street
NORTH SYDNEY NSW 2060
Tel: + 61 2 9957 1619

Newcastle Office

14 Telford Street
NEWCASTLE EAST NSW 2300
Tel: + 61 2 4928 7777

Question no: TLG 08

Division/Agency: Territories and Local Government

Topic: Norfolk Island tender process

Hansard page: 14 (1/11/05)

Senator Heffernan asked:

CHAIR—I have very scant knowledge of Norfolk Island, but one of the curiosities I noticed over there was that at one stage a contract for refurbishment of the airstrip was won by a company that had a direct connection to a member of the Government. I presume they have learnt from that lesson. I took the view at the time that, if it had happened on the mainland, they would be in jail. Do they have propriety so that members of the Government cannot tender for this work?

Ms Varova—We would have to check whether there is any particular legislation.

CHAIR—Go back and have a look at the refurbishment of the airstrip.

Ms Varova—I know that they have a very robust tendering process. It is a quality tendering process, but whether they have specifically articulated in any policy—

CHAIR—Do they understand conflict of interest?

Ms Varova—Could I take that on notice?

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Answer:

The Department is advised that the procurement policy of the Administration of Norfolk Island requires that an independent probity auditor be engaged to independently review the tender process for any tender over \$1M (or lesser amount if deemed appropriate).

A number of referrals for advice/comment have been made to the probity auditor during the tendering process for the Airport Runway and Kingston Pier projects.

In addition, the *Legislative Assembly (Register of Members Interests) Act 2004* was commenced in full on 1st July 2005 (**copy attached**). It includes a Code of Conduct for all Members of the Legislative Assembly (MLA) and a mandatory register of pecuniary interests. Any member of the public or MLA may make a complaint to the Assembly Committee of Privileges in relation to any alleged breach of the Act.

[TLG 08 attachment]

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Question no: TLG 09

Division/Agency: Territories and Local Government

Topic: Norfolk Island crown leases

Hansard page: 16 (1/11/05)

Senator Carr asked:

How many Crown Leases are there on the Island?

Can you give me a breakdown of what they are, please, on notice?

Answer:

The type and number of Crown leases on Norfolk Island are as follows:

Type of Crown Lease	Number
Residential	45
Rural	29
Rural/Residential	59
Special Purpose	16
Total Number of Crown Leases	149

Of the 129 Crown Leases offered for transfer from leasehold title to freehold, 16 have been registered as freehold titles by the Norfolk Island Land Titles Office as at the end of October 2005. These 16 former leases have not been included in the table above.

Question no: TLG 10

Division/Agency: Territories and Local Government

Topic: Norfolk Island crown leases

Hansard page: 17 (1/11/05)

Senator Heffernan asked:

CHAIR—So, with the system of title over there – this is just a curious mind at work here—do some individuals own many of these leases? In other words, do they sub-lease them to the people who are in the houses?

Mr Magor—I am not sure.

CHAIR—That would be an interesting question for you to get the answer to.

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Answer:

This information is not maintained by the Department. It can be accessed through the Norfolk Island Land Titles Office by a manual search.

Question no: TLG 11

Division/Agency: Territories and Local Government

Topic: Norfolk Island freehold land

Hansard page: 17 (1/11/05)

Senator Carr asked:

What is the average price of freehold land at the moment?

Answer:

The Commonwealth does not maintain this information.

Question no: TLG 12

Division/Agency: Territories and Local Government

Topic: Christmas Island Integrated Plan

Hansard page: 18 (1/11/05)

Senator Milne asked:

First, I want to ask whether the integrated plan for Christmas Island was ever completed. Also what consultation was there around the plan, has it been released, and are there any details about the plan?

Answer:

There is no separate plan beyond the articulated Australian Government policy of delivering services to comparable mainland standards.

An Indian Ocean Territories Economic Development Plan is also in the process of being developed.

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Question no: TLG 13

Division/Agency: Territories and Local Government

Topic: Christmas Island mining leases

Hansard page: 18 (1/11/05)

Senator Milne asked:

1. Can you tell me whether any land swaps have occurred with the national park to exchange land inside a national park for phosphate leases in the last couple of years, or at least the last 12 months?
2. Would you mind also checking to see whether any new mining leases have been granted in the last year?

Answer:

1. No land swaps within the national park in exchange for phosphate leases have occurred within the last two years.
2. No new mine leases have been granted in the last year.

Question no: TLG 14

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

- (i) When the last time property on Norfolk Island was valued?
- (ii) Did this include Crown leasehold property?
- (iii) If the dates are different, when was the last time Crown leasehold and freehold properties were valued?
- (iv) How often do valuations take place?
- (v) Did this also include freehold property?

Answer:

- (i) The last Australian Government valuation report on some Norfolk Island property was conducted in November 2004.
- (ii) Yes.
- (iii) Not applicable.
- (iv) Commonwealth assets, including Crown Land, are generally valued every three years.
- (v) Freehold properties are not generally included in valuation of Commonwealth assets.

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Question no: TLG 15

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

What Commonwealth guidelines relating to the disposal of property have been adopted for this process on Norfolk Island?

Answer:

The Commonwealth's offer was subject to the following terms and conditions:

TERMS AND CONDITIONS OF OFFER SCHEDULE

1.	Consideration for Grant of Freehold and other Amounts Payable	The amount of the consideration for the grant of freehold is \$«Consideration» (Consideration). The Consideration is payable either as: <ol style="list-style-type: none">1. one lump sum payment of \$«Discount» to the Commonwealth of Australia when you accept the Offer, which incorporates a 10% discount for paying the Consideration in a lump sum payment; or2. by «Number_of_Instalments» instalment payments of \$«Amount_of_Instalments» to the Commonwealth of Australia (this option is only available if the total consideration payable is more than \$1000). The first instalment is due when you accept this Offer. The following instalments must be paid by 31 March each year until the total consideration has been paid.3. In addition to the Consideration, you will also be required to pay the sum of \$260.00 on acceptance of the Offer. The fees apply whether you are paying by lump sum or by instalments and must be paid when you accept the offer. The fees consist of:<ol style="list-style-type: none">(a) \$200.00, as an instrument fee; and(b) \$60.00 as registration fees for the registration of the Merger Application. No registration fee is payable for the registration of the Deed. Please note that the registration fees are current as at the date of this offer, however they may be subject to change. Accordingly,
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		<p>you will be advised if any further amount is required for registration fees in addition to the \$60 once you have made your final instalment payment. The registration fees are set by the Norfolk Island Administration.</p> <p>Accordingly, if you decide to accept this Offer, the amount that you will need to pay on acceptance will be:</p> <p>(a) \$«Discount», plus \$260, if you elect to pay the Consideration in one lump sum payment (Lump Sum Payment); or</p> <p>(b) \$«Amount_of_Instalments», being the first of «Number_of_Instalments» instalments, plus \$260, if you elect to pay the Consideration by instalment payments (Instalment Payment). Instalment payments are only available where the total Consideration is more than \$1000.</p>
2.	Default of Crown Lease Obligations	If you accept this Offer the Commonwealth must grant the Deed to you provided that you are not in default of your obligations under the Crown lease at the date you pay either the Lump Sum Payment or the last instalment payment.
3.	Rent Payable under the Crown Lease	Your rent must be fully paid as at the date that you accept the offer. You will <u>not</u> be required to make any further rent payments after you have accepted the Offer.
4.	Registered Interests	The Deed is granted subject to any registered interests lawfully created prior to registration of the Deed, including but not limited to any easements or mortgages or any other dealings validly registered.
5.	Mineral Rights	The Deed is granted subject to the reservation to the Commonwealth of all minerals and mineral substances in or on the Land, including gold, silver, copper, tin, metals, ores and substances containing metals, gems, precious stones, coal, shale and mineral oils, natural gas and valuable earths and substances together with the right for the Commonwealth to authorise any person or persons to enter upon the Land to mine, work for, win or recover and remove them or any of them and to do all things necessary or convenient for those purposes.
6.	Form of Deed and Merger Application	The form of the Deed and Merger Application are enclosed for your consideration.
7.	<i>Environment Protection and Biodiversity Conservation Act 1999 (Cth) (EPBC Act) Requirements</i>	The EPBC Act protects matters of national environmental significance on Norfolk Island. Matters of national environmental significance of relevance on Norfolk Island are listed threatened species and ecological communities, listed migratory species, National Heritage places and the

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		<p>Commonwealth marine area.</p> <p>Any person proposing to take action that is likely to have a significant impact on a matter of national environmental significance is required to seek approval for the action from the Australian Government Minister for the Environment and Heritage under the EPBC Act prior to taking the action.</p> <p>The enclosed EPBC Act Booklet provides more detailed information about the EPBC Act. It is in your interest to ensure you are fully aware of the requirements of the EPBC Act.</p>
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Question no: TLG 16

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

Please provide a list of the 129 leases currently up for transfer, together with the names of the leaseholders for each of the 129 leases.

Please also advise how long each lease has been in the hands of the current lessee.

Answer:

Please refer to the **attached** table.

[TLG 16 attachment]

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Question no: TLG 17

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

- (i) How many of these 129 leases have houses on them currently?
- (ii) How many multiple leaseholders are involved? In other words, are there 129 lessees or do some have multiple interests in these 129 leases?
- (iii) Is there a requirement for those acquiring these leaseholds to erect houses on them?
- (iv) Is there any requirement that the purchaser live on the particular lease that they acquire?
- (v) Is there any restraint on the re-sale of this land: for example, a mandatory period of occupancy?

Answer:

- (i) 108.
- (ii) 17 lessees have an interest in more than one lease.
- (iii) No.
- (iv) No.
- (v) No.

Question no: TLG 18

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

- (i) Who originally suggested that the 1996 valuations be the basis for the transfer or sale of this land?
- (ii) Was it a departmental officer or someone else?
- (iii) If someone else, then who? In what capacity were they providing advice?
- (iv) Who suggested that the "consideration" be limited to 10% of this 1996 valuation?
- (v) Was it a departmental officer, or someone else?
- (vi) If someone else, then who? In what capacity were they providing advice?

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Answer:

- (i) The Department recommended this amount following advice from the Australian Valuation Office (AVO).
- (ii) See (i).
- (iii) See (i).
- (iv) See (i).
- (v) See (i).
- (vi) The AVO provided this advice in its capacity as a contracted valuer.

Question no: TLG 19

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

- (i) On what date did the Department formally make this decision, or make the recommendation to the Minister?
- (ii) On how many occasions did the Department discuss this matter with the Norfolk Island Government?
- (iii) On what dates?
- (iv) Were these all formal discussions, or were some informal? With which representatives of the Norfolk Island Government were discussions held? Please provide all memos, notes, minutes or any other papers from these discussions.

Answer:

- (i) The Department sought the Minister's approval on 19 May 2000.
- (ii) There has been ongoing consultation with the Norfolk Island Government since 2000.
- (iii) See (ii).
- (iv) Both formal and informal discussions were held with different members of the Norfolk Island Administration (Public Service) on a continuing basis. The resource implications in locating evidence of all forms of contact would be significant.

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Question no: TLG 20

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

- (i) Has the Norfolk Island Government or any of its representatives ever made any suggestions relating to the organisational arrangements for this transfer of leases?
- (ii) If so, what were these?
- (iii) Were any of them adopted?
- (iv) Who made the decision to adopt them?

Answer:

- (i) Yes.
- (ii) A joint DOTARS and Norfolk Island Administration Land Initiative Task Force was established to progress the land initiative.
- (iii) Yes.
- (iv) The Minister for Local Government, Territories and Roads.

Question no: TLG 21

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

You have advised that the Commonwealth anticipates receiving approximately \$386,000 from these transfers.

When do you expect to receive this revenue?

When will this particular process be completed?

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Answer:

The amount of \$386,000 is based on two assumptions: (i) 100% acceptance of the offers for the 129 leases of which 80% will be upfront payments; and (ii) upfront payments will attract a 10% discount on the consideration.

Acceptances for the offer to transfer Crown Leases to freehold title must be submitted by 30 June 2006.

Depending on the quantum of the consideration for the transfer, lessees may choose the instalment payment option that (again depending on the quantum of the consideration) spans between two to five years. Therefore, it is possible that the transfer process may continue until 30 June 2010.

Question no: TLG 22

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

You also advised that a departmental officer is currently “on-island” dealing with these transfers. How long will that officer be there?

Answer:

The posting of the officer assisting with the Crown Lease transfer process will end in December 2005.

Question no: TLG 23

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

What has been the total cost to date (1 November 2005) to the Department of this process in terms of staffing, travel, allowances, consultation and any other costs?

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Answer:

It is not possible to disaggregate departmental spending on this specific project to allow a meaningful answer.

Question no: TLG 24

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

What is the anticipated total cost (all expenses and expenditure) to the Department in managing this process?

Answer:

It is not possible to disaggregate departmental spending on this specific project to allow a meaningful answer.

Question no: TLG 25

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

Will these costs be deducted from the revenue before the balance is placed in the Trust Fund that you foreshadow? If not, why does the Department not seek to recover its costs from a commercial transaction?

Answer:

An instrument fee of \$200 and a transfer fee of \$60 are charged as part of the cost for transfer of each lease to freehold title. These fees are separate from the consideration for the land. They cover the costs of legal advice and registration of freehold title, respectively. Only the consideration for the land will be placed in the Trust Fund.

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Question no: TLG 26

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

Did the Department ever seek to have these leasehold properties valued? If not, why not?

Answer:

Yes.

Question no: TLG 27

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

Did the Department ever seek advice on the commercial value of these leasehold properties if they became private property?

Answer:

Such advice was not sought as the leases are already private property. The 129 Crown Leases are not being sold by the Commonwealth. The offer to existing Crown lessees is to transfer leasehold title to freehold title.

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Question no: TLG 28

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

Did the Department analyse or examine current values for equivalent properties in private hands and offered for sale in the past two years?

Answer:

No.

Question no: TLG 29

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

Did the Department ever do anything as simple as looking at Norfolk Island properties for sale on Google?

Answer:

No, as the 129 Crown Leases are not for sale.

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Question no: TLG 30

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

The average “consideration” for the 129 leaseholds being privatised appears to be in the region of \$3000. The price for blocks of land currently offered for sale range between \$90,000 and \$500,000.

Why is the Department advising the Government to dispose of valuable property at a small fraction of its commercial value?

Is this in accordance with current guidelines on the disposal of Commonwealth property?

Answer:

The 129 Crown Leases are not offered for sale but rather, the offer relates to the transfer of leasehold title to freehold title. According to the Australian Valuation Office (AVO), the 1996 un-improved land values of the 129 Crown Leases ranged from \$5,500 to \$105,000.

The Commonwealth’s reversionary interest in these leases was calculated to be 10% of their 1996 un-improved capital value.

In making the offer to transfer Crown Leases on Norfolk Island to freehold title, the Minister for Local Government, Territories and Roads exercised his authority under section 62 of the *Norfolk Island Act 1979*.

Question no: TLG 31

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

Is this entire process being managed internally or is there any independent or external auditing of these arrangements?

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Answer:

The Department is managing the process and it has contracted a legal firm, Blake Dawson Waldron Lawyers, with expertise in property and conveyancing matters to assist with the land transfer process.

Question no: TLG 32

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

- (i) Do any of the leases offered for disposal have any environmental or heritage sites or significance?
- (ii) Do any contain significant remnant vegetation?
- (iii) If so, how many?
- (iv) Please provide a list of these, together with details of the significance.

Answer:

- (i) Yes.
- (ii) Yes.
- (iii) See (iv) below.
- (iv) A list of the relevant portions with descriptions including comment on remnant vegetation can be found on the EPBC database, Public Notice Search for Referral, Department of the Environment and Heritage with reference No: 2004/1745 (www.deh.gov.au/epbc/index.html).

Question no: TLG 33

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

- (i) Did the Department undertake an audit of these issues?
- (ii) If you did, please provide a copy of the audit results? If not, why did the Department decide not to do so?

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Answer:

- (i) Yes.
- (ii) The Department undertook an assessment of environmental matters which was referred under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). A copy of the referral and the decision under the EPBC Act are **attached**.

Further, 63 of the 129 leases offered for transfer were nominated by the Department of the Environment and Heritage for assessment, for inclusion on the Commonwealth Heritage List. The Minister for the Environment and Heritage decided on 6 July 2005 not to include any of these areas on the Commonwealth Heritage List.

[TLG 33 attachments A and B]

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Question no: TLG 34

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

- (i) Are there any covenants on these transfers of lease to safeguard the integrity of environmentally or historically significant sites, or to protect significant remnant vegetation?
- (ii) If there are significant sites but you are seeking no safeguards, why not?

Answer:

- (i) No. However, transfer documentation clearly specifies that the requirements of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) continue to apply. Norfolk Island planning and environment legislation also applies.
- (ii) Matters of national significance are protected by the EPBC Act. Norfolk Island planning and environment legislation also provides safeguards.

Question no: TLG 35

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

- (i) Can you please provide copies of the articles of association, the constitution and the formal aims of the Trust that you indicate is to be established with the proceeds of these transfers?
- (ii) Who will be able to access this Trust?
- (iii) What restrictions on access will be imposed?
- (iv) Who will run the Trust?
- (v) Who will be on the Trust?
- (vi) How is it intended that they be appointed?

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Answer:

- (i) The Trust will be established by the Norfolk Island Government (NIG) under its legislation, following agreement between the Commonwealth and the NIG through a Memorandum of Understanding (MOU). Funding guidelines for the Trust money will be developed by an advisory panel established under the MOU.
- (ii) Individuals or groups who have met the requirements of the funding guidelines, which have yet to be developed.
- (iii) Specific funding guidelines, including restrictions on access, are yet to be developed.
- (iv) The Trustees will be the Executive Member (Minister) of Norfolk Island who is responsible for the environment, the Chief Executive Officer of the Norfolk Island Administration (Public Service), and a person with experience in financial administration to be appointed by the NIG. There will also be an advisory panel to provide the Trustees with advice on the development of the funding guidelines, funding priorities, and assessment of applications for funding.
- (v) The Trustees, as for (iv).
- (vi) The MOU dictates the positions as outlined in (iv) above.

Question no: TLG 36

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

- (i) Has the Norfolk Island Government committed any funding to this Trust?
- (ii) Have they been asked to?

Answer:

- (i) No.
- (ii) No.

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Question no: TLG 37

Division/Agency: Territories and Local Government

Topic: Norfolk Island Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

Are any further transfers of land anticipated in the next two years?

Answer:

No. However, the Australian Government has indicated that it will consider the possible transfer of other leases on Norfolk Island to freehold title, once the first stage of land transfers is complete.

Question no: TLG 38

Division/Agency: Territories and Local Government

Topic: Norfolk Island Administrator's budget breakdown

Leasehold Transfer Program

Hansard page: Written question

Senator Carr asked:

What is the breakdown for the budget of the Office of the Administrator for the year 2005-06?

Answer:

The breakdown of the budget of the Office of the Administrator for the year 2005-06 is as follows:

Item	Amount (\$)
Salaries	\$306,538
Supplier Expenses	\$900,491
Total	1,207,029

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Question no: TLG 39

Division/Agency: Territories and Local Government

Topic: Norfolk Island Administrator's entertainment allowance

Hansard page: Written question

Senator Carr asked:

What is the entertainment allowance for the Administrator?

Answer:

The Administrator does not have an entertainment allowance. Expenses associated with official hospitality are part of the budget of the Office of the Administrator.

Question no: TLG 40

Division/Agency: Territories and Local Government

Topic: Norfolk Island Administrator

Hansard page: Written question

Senator Carr asked:

How often does the Department meet with the Administrator?

Answer:

The Department meets with the Administrator whenever the Administrator is in Canberra on official business or departmental officers are on Norfolk Island. Discussions are also conducted by telephone as required.

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Question no: TLG 41

Division/Agency: Territories and Local Government

Topic: Norfolk Island Administrator

Hansard page: Written question

Senator Carr asked:

- (i) Does the Department receive, or have access to, reports on Norfolk Island issues from the Administrator?
- (ii) If so, how often are these received? Are these regular reports?
- (iii) Is this a formal or an informal arrangement?
- (iv) What is the status of such reports?

Answer:

- (i) Yes.
- (ii) The Administrator submits written reports to the Minister on a monthly basis.
- (iii) This is a formal arrangement.
- (iv) The reports are considered formal advice to the Minister.

Question no: TLG 42

Division/Agency: Territories and Local Government

Topic: Norfolk Island Administrator

Hansard page: Written question

Senator Carr asked:

- (i) Does the Department consult with the Administrator on policy issues?
- (ii) Is this a regular arrangement?
- (iii) If such meetings do occur, what Departmental officers are involved?

Answer:

- (i) The Department consults the Administrator on policy issues where appropriate.
- (ii) Yes, as required.
- (iii) Those who have responsibility for the issues under discussion.

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Question no: TLG 43

Division/Agency: Territories and Local Government

Topic: Norfolk Island Administrator

Hansard page: Written question

Senator Carr asked:

- (i) Does the Department brief the Administrator on its own discussions with the Norfolk Island Government?
- (ii) What form do these briefings take?
- (iii) Which departmental officers attend such briefings?

Answer:

- (i) The Department keeps the Administrator informed of its discussions with the Norfolk Island Government as appropriate.
- (ii) Through oral discussions, although the Administrator is also copied into correspondence as appropriate.
- (iii) There is no formal arrangement for departmental staff to brief the Administrator – it depends largely on the nature of the issues.

Question no: TLG 44

Division/Agency: Territories and Local Government

Topic: Norfolk Island Administrator

Hansard page: Written question

Senator Carr asked:

- (i) How often does the Department meet with the Government of Norfolk Island?
- (ii) Are these regular meetings?
- (iii) How often do these meetings occur?

Answer:

- (i) Two departmental officers are based in the Administrator's office and have frequent contact with members of the Norfolk Island Government. Other departmental officers generally meet with members of the Norfolk Island Government when they are on Norfolk Island, as issues require.
- (ii) No.
- (iii) See above.

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Question no: TLG 45

Division/Agency: Territories and Local Government

Topic: Norfolk Island legislation

Hansard page: Written question

Senator Carr asked:

Does the Norfolk Island Government ever provide the Department with briefings on its proposed legislation? If so, how often does this occur?

Answer:

Rarely.

Question no: TLG 46

Division/Agency: Territories and Local Government

Topic: Norfolk Island legislation

Hansard page: Written question

Senator Carr asked:

On how many occasions in the past three years has the Department provided comments or advice on legislation proposed by the Norfolk Island Government?

Answer:

The Department generally does not provide comments or advice to the Norfolk Island Government on legislation which it proposes.

The Department does provide advice on proposed legislation to the Administrator and the Minister to assist them to fulfil their statutory functions in Norfolk Island law-making under the *Norfolk Island Act 1979*.

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Question no: TLG 47

Division/Agency: Territories and Local Government

Topic: Norfolk Island revenue measures

Hansard page: Written question

Senator Carr asked:

What progress has been made with the new revenue measures proposed by the Norfolk Island Government?

Answer:

The Department understands that the Norfolk Island Government has suspended consideration of a proposed consumption tax (Norfolk Sustainability Levy) and it is currently considering other possible taxation options such as land tax and local income tax.

Question no: TLG 48

Division/Agency: Territories and Local Government

Topic: Norfolk Island revenue measures

Hansard page: Written question

Senator Carr asked:

- (i) What Commonwealth officers have provided advice or assistance on these measures?
- (ii) Have any Commonwealth officers been involved in drawing up or other wise preparing the necessary legislation?
- (iii) What has been the role of the Department in this process?

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Answer:

- (i) In response to a request from the Norfolk Island Government (NIG) in May 2003, seeking the Commonwealth's assistance in the design and implementation of a new taxation regime for Norfolk Island, officers from the Treasury developed a discussion paper on taxation options for the Norfolk Island Government's consideration. Following the announcement to introduce a consumption tax (the Norfolk Sustainability Levy), the Norfolk Island Government requested assistance on the implementation of such a tax. Officers from the Treasury, the Department of Finance and Administration and the Australian Bureau of Statistics provided a report to the NIG in June 2005.
- (ii) No.
- (iii) The Department coordinated assistance in response to the requests for advice.

Question no: TLG 49

Division/Agency: Territories and Local Government

Topic: Norfolk Island revenue measures

Hansard page: Written question

Senator Carr asked:

Is there a date by which these measures are expected to be implemented?

Answer:

No.

Question no: TLG 50

Division/Agency: Territories and Local Government

Topic: Norfolk Island revenue measures

Hansard page: Written question

Senator Carr asked:

- (i) How much revenue are these measures expected to generate?
- (ii) How has that figure been calculated?

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Answer:

- (i) The expected revenue is not known as it would depend on the type and rate of taxation as well as the size of the Norfolk Island economy and therefore, its tax-base.
- (ii) Not applicable.

Question no: TLG 51

Division/Agency: Territories and Local Government

Topic: Norfolk Island financial evaluation

Hansard page: Written question

Senator Carr asked:

In light of the review of Norfolk Island finances commissioned by the Department, what is your current evaluation of the finances of Norfolk Island?

Answer:

The financial assessment formed an input to policy advice by the Department to Government.

Question no: TLG 52

Division/Agency: Territories and Local Government

Topic: Norfolk Island financial evaluation

Hansard page: Written question

Senator Carr asked:

- (i) How was the consultancy to undertake this work let? (Three quotes, open tender...?)
- (ii) What is the value of the consultancy?
- (iii) Can you please provide the Committee with a copy of the brief for this consultancy, together with any associated briefing papers, or other information?

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Answer:

- (i) The consultant was selected from the Department's current panel of contracted providers of accountancy services.
- (ii) The value of the consultancy is \$82,274 and reimbursement of travel expenses (GST inclusive).
- (iii) A copy of the Consultancy Terms of Reference is **attached**.

[TLG 52 attachment]

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Question no: TLG 53

Division/Agency: Territories and Local Government

Topic: Norfolk Island benefits

Hansard page: Written question

Senator Carr asked:

- (i) Do you accept the claim of the Norfolk Island Government that pensions and benefits for Norfolk islanders are now equivalent to 97% of mainland payments?
- (ii) If no, what action have you taken to improve access for Norfolk islanders to these fundamental rights?
- (iii) If yes, what is the basis for your acceptance of this figure?

Answer:

- (i) The Department is not in a position to make that comparison. However, the Department is aware that eligibility requirements for Norfolk Island and Commonwealth benefits differ. Also, there are Commonwealth benefits which have no Norfolk Island equivalent.
- (ii) These are matters for the Norfolk Island Government.
- (iii) Not applicable.

Question no: TLG 54

Division/Agency: Territories and Local Government

Topic: Norfolk Island benefits

Hansard page: Written question

Senator Carr asked:

- (i) What independent analysis or other verification have you undertaken to establish the accuracy of this figure?
- (ii) What specific factors have been included in this evaluation?

Answer:

- (i) None.
- (ii) Not applicable

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Question no: TLG 55

Division/Agency: Territories and Local Government

Topic: Norfolk Island benefits

Hansard page: Written question

Senator Carr asked:

Does that figure of 97% include an allowance for:

- (i) higher costs of living on Norfolk Island?
- (ii) the shortage of aged care and health services?
- (iii) the costs of specialist medical attention not available on the Island?

Answer:

We are unaware of the basis of the Norfolk Island Government's claim.