

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Department of Regional Australia, Local Government, Arts and Sport

Additional Estimates 12 February 2013

Question: 92

Topic: Economic Situation on Norfolk Island

Asked By: Senator BACK

Type of Question: RRA&T 123

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 1

Senator BACK: I would be appreciative if you could take it on notice; thank you. I think in 2008 in a submission to the federal parliament, am I correct in my question that the Norfolk Island government showed that in their view the extension of Commonwealth taxation and laws to Norfolk Island would cause substantial economic detriment to Norfolk Island? Is that accurate?

Ms Fleming: I would have to take that on notice.

Senator BACK: Would you?

Ms Beauchamp: I think you would have to look at it in terms of what has changed since 2008 obviously in terms of population, revenue raising capacity, expenditure—Commonwealth Grants Commission-type methodology there. I am not too sure of the application of that report that was done in 2008 to now, but we will certainly take that on notice.

Answer:

In response to the then Minister for Home Affairs' statement concerning the future of Norfolk Island on 23 October 2008, the then Norfolk Island Chief Minister, the Hon Andre Nobbs MLA, provided a submission to the Speaker of the House of Representatives that was tabled in that chamber on 27 November 2008.

In the submission Mr Nobbs did not offer a view about the effect on the local economy of extending Commonwealth taxation and laws to Norfolk Island.

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Question: 93

Topic: Comparison of equivalent services on Norfolk Island to mainland Australia and Tasmania

Asked By: Senator BACK

Type of Question: RRA&T 123

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 2

Senator BACK: We asked a question on notice—it was question 30—at the last estimates, and thank you for getting the answer back, to do with some comparison of equivalent services on Norfolk Island to what Australians would expect on the mainland and in Tasmania. It was fairly general, the response, but it said, "The report includes tables of comparison on state and local government average expense per capita for state and local government services." So that would be in the report. But it did go on to say that comparable services include but are not limited to education, health expenses, health user charges, welfare, public housing, law and order. Do you believe it to be the case that those services are comparable for citizens living on Norfolk Island to their family members who might be living on the mainland?

Ms Fleming: I think it would depend on which community was taken as the comparator base. I am just not quite familiar with the details of that analysis. I would have to take that on notice. I think for some communities of a similar size it probably is comparable; in other areas it is probably not comparable. So it depends on what the base community is. I know for Christmas Island a number of identifier communities have been identified for grant commission comparisons. I am just not clear whether that is the case for the Norfolk study. I would have to take that on notice.

Answer:

The Commonwealth Grants Commission (CGC) findings of 2 December 2011 do not suggest that services on Norfolk Island are the same as those on the mainland.

Some services were comparable with other areas of Australia while other services were not of the same standard and overall there was a gap between Norfolk Island and the rest of Australia. In making these comparisons the CGC did not use overall averages of Australia but instead looked at other regional communities making appropriate adjustments.

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The communities considered included King Island, the Northern Territory and regional New South Wales. The complete report can be found at the Commonwealth Grants Commission website www.cgc.gov.au.

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Question: 94

Topic: Commonwealth Funding Agreements for Norfolk Island

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 2

1. Have the Commonwealth funding agreements required Commonwealth approval of Norfolk Island Government budgets?
2. Do the Commonwealth funding agreements require the Norfolk Island Government to obtain prior Commonwealth approval before spending or committing any Territory funds over a specified amount? If so, what is the specified amount and what is the justification for this restriction?
3. Does the Commonwealth impose similar requirements under funding arrangements with other States and Territories?
4. How are such restrictions and requirements consistent with self-government for Norfolk Island, which presumably remains Commonwealth Government policy?
5. Who in the Commonwealth vets Territory expenditure proposals and decides whether the proposed expenditure should be allowed? What criteria do they use in assessing such proposals?
6. What measures apply to ensure that Commonwealth decisions under these arrangements are transparent and accountable?
7. How many Norfolk Island expenditure proposals have been refused by the Commonwealth under such arrangements and what were the grounds for each refusal?
8. What were the consequences for the Territory government and community of each refusal?
9. How long does it take the Commonwealth on average to approve or refuse Territory expenditure proposals?
10. Have Norfolk Island ministers or officials expressed concern over delays in Commonwealth decision-making in this regard?
11. Did the Commonwealth approve the extension of the Norfolk Island Government fuel contract under the Funding Agreement? If so, did the Commonwealth take into account the concerns reportedly raised over this contract on Norfolk Island, including in the Norfolk Island Legislative Assembly?

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Answer:

1. No
2. Yes. Under the current funding agreement the Norfolk Island Administration must not enter into any new arrangement under which public money is payable or may become payable, over \$50,000, without prior approval from the Commonwealth.

Justification for the restriction is to ensure the Norfolk Island Administration complies with Part 5 of the Commonwealth Finance Minister's (Norfolk Island) Orders 2011, the Public Moneys Act 1979 (Norfolk Island) and does not commit expenditure beyond its current available appropriation.

3. It is common for a funding agreement to impose conditions. Conditions are agreed by each party before the agreements are signed. The Australian government provides tied grants to states where conditions apply.
4. See answer to question 3.
5. Under the current funding agreement the Department's First Assistant Secretary, Local Government, Territories and Regional Programs Division, informed by advice from the Administrator and Commonwealth Financial Officer, decides whether the Norfolk Island Administration is able to enter into a new arrangement under which public money may become payable over \$50,000.

Criteria for assessing such proposals are:

- compliance with Part 5 of the Commonwealth Finance Minister's (Norfolk Island) Orders 2011;
 - compliance with the *Public Moneys Act 1979 (Norfolk Island)*; and
 - ensuring sufficient appropriation is available within the Norfolk Island budget to enter into the new arrangement.
6. The Department's delegate is informed by advice from the Norfolk Island Administrator and the Commonwealth Financial Officer. Records are maintained justifying the decision by the Department's delegate.
 7. Under the current funding agreement: None.
 8. See answer to question 7.
 9. Under the current funding agreement: 2 business days.
 10. Under the current funding agreement: No.
 11. The Commonwealth approved the extension of the Norfolk Island Government fuel contract in consultation with the Norfolk Island Administration.

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Question: 95

Topic: Norfolk Island MOU with New South Wales

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 2

1. Is it correct that the Commonwealth Government used its veto under a Funding Agreement with Norfolk Island to prevent the Norfolk Island Government from signing a MOU with NSW needed to guarantee and expedite access by Norfolk Island residents to medical treatment available in NSW but not in Norfolk Island? If so, who in the Commonwealth made that decision?
2. Is it correct that the Commonwealth vetoed the MOU on the grounds that the Commonwealth did not consider that improving access to medical treatment off-island represented value for money?
3. Is it correct that the Commonwealth's own procurement guidelines exempt measures intended to save lives or health from value for money considerations? If so, why did the Commonwealth not apply the same test and rules to Norfolk Island?
4. To what extent was the Commonwealth's veto of the MOU motivated by concerns that improved access to health services by residents may mean a greater need for Commonwealth financial assistance for health services in Norfolk Island?
5. Is it correct that one purpose of the MOU was to reduce cost to the Norfolk Island Government and residents, as was reportedly stated by a Norfolk Island Government Minister in the Legislative Assembly in May 2012?
6. Is it correct that Minister Crean has given permission for Norfolk Island to enter into a health services MOU with NSW that is the same or similar to the one that the Commonwealth rejected 12 months ago? What conditions did Minister Crean impose in granting approval?
7. Is the Department aware of how many Norfolk Island residents require medical treatment off-island each year and the nature of their illnesses?

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8. Is the Department aware of how many residents were affected by the Commonwealth's veto of the MOU? Is the Department aware of the cost caused to residents and the Norfolk Island Government by the Commonwealth veto?

Answer:

1. No. Approval to enter into a Memorandum of Understanding was made by the former Minister for Regional Australia, Regional Development and Local Government. The approval was conditional on:
- A legal agreement be entered into that includes provisions regarding the services to be performed, terms and conditions with regard to the provision of services, warranties, indemnities, key performance indicators, insurance provisions, costs and charges and invoicing procedures;
 - To satisfy s42 of the Commonwealth Finance Minister's (Norfolk Island) Orders 2011, the market must be tested in twelve months to provide evidence that the arrangement satisfies the value for money principle; and
 - South East Sydney Local Hospital District (SESLHD) must have the discretion to appoint a Director to the Norfolk Island Hospital Enterprise for the interim while a recruitment process is being undertaken and finalised.
2. See answer to question 1.
3. See answer to question 1.
4. See answer to question 1
5. The MOU is between SESLHD and the Norfolk Island Government and the purpose of the MOU is a matter for the Norfolk Island Government.
6. No. See answer to question 1.
7. No.
8. See answer to question 1.

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Question: 96

Topic: Commonwealth contract with Air New Zealand for services to Norfolk Island

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 3

1. When will the present Commonwealth contract with Air New Zealand for the provision of air services to Norfolk Island expire?
2. Has the Commonwealth given any commitment to continue to underwrite airline services to Norfolk Island?
3. Does the Commonwealth contract require minimum standards or levels of service for Norfolk Island businesses and residents, for example, in relation to freight?
4. How much does the Air New Zealand contract cost the Commonwealth? How much Commonwealth money has been provided to Air New Zealand for each financial year that contract has been in place?
5. What action has or is the Commonwealth taking to help build Norfolk Island tourist and passenger numbers in order to minimize the Commonwealth costs under the Air New Zealand contract? For example, is any Commonwealth assistance being given to marketing and promotion of Norfolk Island as a tourist destination?
6. Can the Department advise what action has been taken by Air New Zealand to promote the sale of Norfolk Island holidays since March 2012?
7. Is the Commonwealth aware that Air New Zealand has not continued to charge for air freight on a weight basis only, and that they are now charging on the greater of weight or volume, with the result that many Norfolk Island businesses and residents have found that their freight bills have increased very significantly? What options does the Commonwealth have under the Air New Zealand contract in relation to the freight and passenger fares being charged by Air New Zealand?
8. Has the Commonwealth looked at the possibility of a freight subsidy for air freight and sea freight to and from Norfolk Island? If not, why not?

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9. Are Air New Zealand tickets purchased on the Australian mainland for travel to and from Norfolk Island subject to the Australian GST?
10. Would Air New Zealand be able to continue to operate the air services to Norfolk Island if they depart from Australian domestic terminals?
11. Has any investigation been made as to the benefits and costs of flights to Norfolk Island departing from domestic terminals? Would any savings be lost through by the extension of Australian GST to the airfares?

Answer:

1. The contract with Air New Zealand expires on 28 February 2015. The contract provides for two further options of up to two years each by mutual agreement.
2. Yes. The former Minister for Regional Australia, Regional Development and Local Government's media release of 21 December 2011 states that the Commonwealth will underwrite the air service.
3. The contract requires Air New Zealand to run the service in a commercial manner to the standards and level of services that they provide on their other routes.
4. Not for publication for commercial reasons.
5. Promoting Norfolk Island as a tourism destination is a matter for the Norfolk Island Government. The Norfolk Island Tourism Bureau has an arrangement with the Air New Zealand to ensure both organisations work collaboratively to jointly and strategically promote Norfolk Island as a tourism destination. The Commonwealth does not provide resources for marketing and promotion of Norfolk Island as a tourism destination.
6. Air New Zealand has provided tactical sales of seats and holiday packages on six occasions since March 2012 to attract tourists. In conjunction with the Norfolk Island Tourism Bureau, Air New Zealand has provided free flights for travel writers to provide articles about the tourism experience on Norfolk Island. This working relationship has also resulted in live weather crosses by Channel 9's Weekend Today program on the weekend of 17-18 November 2012, which resulted in a spike in booking numbers on the following Monday. There have been a series of segments for Channel Seven's Better Homes and Garden's program that have been filmed on Norfolk Island in late 2012. These segments will be televised on the mainland in the first half of 2013.

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Air New Zealand and Norfolk Island Tourism Bureau are continuing to work together to provide targeted retail advertising during this program to attract tourists to Norfolk Island.

7. The Commonwealth is aware that Air New Zealand charges freight on this route in the same way as its other routes. The contract provides for the air service to be conducted by Air New Zealand on a commercial basis. Any reduction on freight charges and fare prices is likely to result in increased underwriting costs for the Commonwealth Government.
8. The Commonwealth has not examined a freight subsidy for Norfolk Island. There is no freight subsidy being considered for Norfolk Island.
9. The Australian Tax Office is best placed to answer this question.
10. Yes.
11. Opening up Norfolk Island to domestic flights requires a number of pre-conditions to be met. The Department has commissioned a Pest and Disease Survey over two years to understand the quarantine risks to both governments as a first step. This report is scheduled to be received in early 2015.

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Question: 97

Topic: Customs, Quarantine and Immigration presence on Norfolk Island

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 1

Has there been any investigation of stationing Australian Customs, Immigration and Quarantine Officer on Norfolk Island, such that departure from Australia and arrival in Australia would be processed at the Norfolk Island Airport, in a similar way to what is done between New York and Toronto?

Answer:

Any consideration of providing quarantine clearance on Norfolk Island would depend on the outcome of the pest and disease survey presently underway.

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Question: 98

Topic: Commonwealth Review of Norfolk Island's Child and Family Health Services

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 2

1. When did the Commonwealth funded review of Norfolk Island's Child and Family Health Services provide its report to the Commonwealth? When will this report be released? Why has the release been delayed for so long?
2. Why has the Commonwealth felt required to verify the findings of the review with the Norfolk Island Government as stated by the Department in a previous estimates hearing? Doesn't the Commonwealth trust the findings of its own experts?
3. What are the Report's findings and recommendations?
4. Has the Norfolk Island Government advised the Commonwealth of its views about the Report's findings and recommendations? What was its view?
5. Has the Commonwealth Government accepted any of the Report's findings and recommendations?
6. Are any of the report's findings or recommendations relevant to the terms of reference for Royal Commission recently established by the Prime Minister? Will the Commonwealth be referring that report to the Royal Commission?

Answer:

1. The final draft of the *Review of Existing Child and Family Services on Norfolk Island* (the Review) was provided to the Department of Regional Australia, Local Government, Arts and Sport (DRALGAS) by the authors on 5 September 2012. DRALGAS anticipates releasing the Review later in 2013. Since receiving the Review, DRALGAS has been working with relevant Commonwealth agencies and the consultants to finalise the report.
2. The Review focuses on social security, education, child and family welfare and health care. The findings therefore required engagement across a number of agencies. Additionally, under the *Norfolk Island Act 1979* responsibility for these rest with the Norfolk Island Government.

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It is therefore appropriate that the Norfolk Island Government was given the opportunity to comment on the Review during its development.

3. The Review makes seven recommendations, with responsibility for implementing these across both the Commonwealth and Norfolk Island Governments. Recommendations include: that within three years Norfolk Island should become part of the same income security, employment, taxation, child support scheme and benefit systems as other Australians; the incorporation of Norfolk Island into Australian data collection activities; and the outsourcing of the health care system and the establishment of a community services hub.
4. In June 2012, the Norfolk Island Government was provided with a copy of the draft Review. They advised they were generally pleased and supportive of the findings and that the recommendations would be relevant to the future delivery of services to the Norfolk Island community.
5. The Commonwealth is considering the findings and recommendations of the Review in the context of broader work on Norfolk Island's governance, service delivery and taxation arrangements. Further, the Commonwealth has provided \$4.5 million through the 2012 Mid Year Economic and Fiscal Outlook to ensure the continued delivery of essential services. This funding has been tied to a range of reforms to be undertaken by the Norfolk Island Government, including improvements to the health care system – a key part of the Island's child and family services.
6. The Review does not identify specific issues of child abuse on Island or make specific comment on the extent of child abuse on Island.

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Question: 99

Topic: Departmental cars purchased for use on Norfolk Island

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 2

1. How many cars has the Department purchased since 1 July 2011 for use on Norfolk Island? What was the model and cost of each car purchased? What was the reason for each purchase?
2. Has the Minister or Department authorised the personal or private use of the Commonwealth owned or leased motor vehicles currently on Norfolk Island, including use by family members of Commonwealth representatives and officers, including the capacity building team? If so, which cars and when was the personal or private use of each car authorised? Is the personal or private use covered by Commonwealth funded insurance arrangements? Is the personal or private use consistent with Commonwealth policies on private use of Commonwealth motor vehicles?

Answer:

1. The Department has purchased 5 cars since 1 July 2011 for use on Norfolk Island.

Car Model	Cost	Purpose
Toyota Hilux 4x2 Workmate	\$43,909.59	KAVHA Vehicle
Fuso Canter 715 Tipper	\$80,128.03	KAVHA Vehicle
Suzuki Carry	\$26,992.16	KAVHA Vehicle
Hyundai i30 SLX Wagon	\$39,524.91	Government House fleet car.
Hyundai i45 Premium Sedan	\$47,019.97	Replacement Vehicle for Administrator
Total	\$237,574.66	

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2. See table below for Departmental cars on Norfolk Island and the approved use. The three members of the Capacity Building Team each hired their own vehicles in accordance with arrangements with their home departments, and did not use Commonwealth owned vehicles.

Reg'n No.	Vehicle	Assigned to	Use	Use by family members
ZNI001	Hyundai Sonata	Administrator	Official and private	No
ZNI002	Hyundai Sonata	Official Secretary	Official and private	Exceptional use only. The Official Secretary's wife has purchased and maintains her own private vehicle.
ZNI003	Hyundai Sonata	Commonwealth Financial Officer	Official and private	Yes. Compliant with Remuneration Tribunal determination 2012/24 that provides vehicle can be used for private use.
ZNI004	Toyota 1 Tonne Ute	KAVHA Works Manager	Official	No
ZNI005	Hyundai Sonata	KAVHA Site Manager	Official and private	No. The Site Manager's wife has purchased and maintains her own private vehicle.
ZNI006	Bongo small truck	Gov House (Gardeners)	Official	No
ZNI007	Toyota 1 Tonne Ute	KAVHA Works	Official	No
ZNI008	Fuso 3 Tonne Truck	KAVHA Works	Official	No
2060	Hyundai	Government House fleet car	Official and private	Exceptional use only.

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Department of Regional Australia, Local Government, Arts and Sport

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Question: 100

Topic: Government House on Norfolk Island

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 4

1. What is the current financial value of Government House's contents?
2. Is there a heritage management and conservation plan for Norfolk Island's Government House's interiors and contents? Are these plans consistent with the Commonwealth's obligations as owner under federal environmental laws? How long have these plans been in place? Does the Department consider these plans to be adequate given the national and international heritage significance of Government House? When were these plans last reviewed and by whom? Are these plans available to the public?
3. Who is responsible for approval, oversight and management of proposals to refurbish, replace or redecorate Government House's interiors and contents or to landscape Government House's gardens? What is their expertise in terms of heritage management and conservation?
4. Are these arrangements the same for other Commonwealth owned official residences?
5. Have any proposals to refurbish, replace or redecorate on Government House's interiors been refused permission since 1 July 2011?
6. Are all proposals to refurbish, replace or redecorate Government House's interiors and contents or to landscape Government House's gardens subject to an independent heritage impact assessment?
7. Who approves the disposal or sale of Government House furnishings, plant and equipment? What heritage assessment is undertaken before an item is sold? In light of recent concerns raised over sale of heritage items by Parliament House Canberra, has the Department reviewed the arrangements for the sale of items by Government House Norfolk Island?
8. Norfolk Island Government gazettes in 2012 referred to the sale by Government House of items of furniture made of mahogany. Who authorised this sale? Who were the items sold to and for how much?

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9. What responsibility does the Commonwealth's Establishments Trust have in relation to Government House Norfolk Island? If none, why do its responsibilities not extend to Government House? Has or will the Commonwealth consider a role for the Trust in relation to Government House Norfolk Island? If not, why not?
10. It was reported in the Norfolk Island Legislative Assembly that the Commonwealth commissioned a report on water quality at Government House. Is that correct and, if so, what were its findings and have its recommendation been actioned?

Answer:

1. The contents of Government House have a replacement value of \$1,549,773.49.
2. The latest Kingston and Arthurs Vale Historic Area (KAVHA) Conservation Management Plan (CMP) (December 2008) includes the management of Government House and surrounds. The CMP is consistent with Commonwealth law. A review of the CMP will commence in the context of reforms to the *Environment Protection and Biodiversity Conservation Act 1999* in particular the proposed changes to the requirements for heritage management plans. The KAVHA CMP is publically available.
3. The KAVHA Board is the body that provides advice to both governments on proposals to replace or redecorate Government House's interior, exteriors or surrounds. As the owner of the property the Commonwealth will take the advice of the KAVHA Board and undertake work on any proposal consistent with international and national requirements consistent with KAVHA's listing as a site that is of international and national heritage importance. The Board includes officers from this Department and from the Norfolk Island Government. Heritage advice is provided by Department of Sustainability, Environment, Water, Population and Communities through department representatives and contracted experts as required.
4. The Department does not manage other official residences and is not in a position to provide comprehensive advice on the comparison of management of Government House on Norfolk Island to other official residences the Commonwealth manages.

The Committee may be aware that the Commonwealth manages numerous official residences in Australia and around the world. Should the Committee require a comprehensive response to this question the Department would coordinate a whole of Commonwealth response with input from agencies including, but not limited to, the Department of Prime Minister and Cabinet, Department of Foreign Affairs and Trade and Department of Defence.

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5. The Department is not aware of proposals that have been rejected.
6. Government House is within the World and Commonwealth Heritage Listed Kingston and Arthurs Vale Historic Area (KAVHA) on Norfolk Island. Proposals to refurbish, replace or redecorate Government House's interiors and contents are assessed by the KAVHA Board and the Board advises each government accordingly. If required, an independent heritage consultant provides further advice. Relevant matters are referred to the Minister for Environment and Heritage in accordance with the requirements of the *Environment Protection and Biodiversity Conservation Act 1999*.
7. Disposal of Commonwealth assets from Government House is governed by the Commonwealth Property Disposals Policy and the Department's Chief Executive's Instructions. The Department is unaware of any items being sold that are of heritage value. See answer below for example of the sale of surplus items from Government House.
8. On 7 December 2012, by notice in the Norfolk Island Government Gazette, the Office of the Administrator invited tenders for the sale of a quantity of unwanted items from the KAVHA area. The sale was authorised by the Official Secretary to the Administrator. A copy of the Gazette notice is attached.

Although not specified in the tender notice, the items offered included six surplus items from Government House. These items are described in the following table. None of the items from Government House were of any heritage value or significance, dating from the 1980's onwards, and none were made of mahogany. The items had been stored, unused, with the exception of the brush cutter, which was unserviceable. A quotation had been received for repair but did not represent best value for money and a replacement brush cutter was purchased instead.

Two items listed in the tender notice as mahogany – a wardrobe and a chest of drawers – were not made of mahogany, but pine and plywood stained to a mahogany colour. The successful tenderers inspected the items before submitting tenders and were aware that the items were not mahogany. The items did not come from Government House but had formerly been in the Quality Row residences until transfer to storage.

The successful tenders, including amounts tendered, were announced in the Norfolk Island Government Gazette of 21 December 2012. The total value of the tenders received was \$3000. An amount of \$51.00 was subsequently refunded for the tender for the NEC television as it was found not to be in working order.

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Items from Government House included in tender advertised 7 December 2012

Item tendered	Condition	Book value	Sale Price
1 Single bed ensemble	Poor	Nil	Did not sell
1 Refrigerator – Shacklock	Fair	Nil	\$200
1 Chest Freezer – Fisher and Paykel	Fair	Nil	\$250
1 Six drawer timber chest	Fair	Nil	\$100
1 NEC Television	Found to be not working after sale.	Nil	\$51 – Refunded to tenderer
1 Stihl brushcutter	Needed repair	Nil	\$75

9. The Commonwealth's Establishments Trusts has no responsibility or connection to Government House on Norfolk Island. The Establishments Trust has responsibility for advice to the Government on the conservation of the buildings and grounds of Government House and The Lodge in Canberra and Admiralty House and Kirribilli House in Sydney. Further questions on the role and scope of the Establishments Trust should be directed to the Department of Prime Minister and Cabinet.
10. Yes. The recommended works were:
- a. Project management and development of supporting documentation including EPBC Referral, detailed site plan, establishment of a formal record keeping system;
 - b. Replace existing aging copper piping network;
 - c. Add additional water storage; and
 - d. Repair/Upgrade existing Reservoir.
- None of the recommendations have been actioned.

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Question: 101

Topic: Support for Norfolk Island Private Sector

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 1

1. What action other than the airline arrangement with New Zealand has the Commonwealth taken to support Norfolk Island's private sector since 2010?
2. Has the Commonwealth given any consideration to providing or funding stimulus measures to generate and maintain private sector employment and commercial activity on Norfolk Island given the difficulties facing that community?
3. Given the dire state of the Norfolk Island economy and Norfolk Island's reliance on tourism, has the Commonwealth provided any financial assistance to the Norfolk Island Government or private sector since 2010 for tourism related marketing and promotion, for example such as that provided to Norfolk Island by the Howard Government under regional programs?

Answer:

1. The Australian Government has worked to protect and enhance Norfolk Island's tourism industry by ensuring continuity of air links, providing bail-out money to the Norfolk Island Government to keep functions going, including Norfolk Island Tourism, and working with the Norfolk Island Government to deregulate tourist accommodation and allow a greater range of businesses to operate on island.
2. The Australian Government is working with the Norfolk Island Government on a number of themes, including economic development. Economic development can be delivered not just by stimulus spending but in promoting competition, immigration and building capacity. All these elements should be looked at in any broad ranging reform package.
3. See answer to question 1.

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Question: 102

Topic: Consultancies on Norfolk Island

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 2

1. How many Norfolk Island related consultancies has the Commonwealth funded since 1 January 2006? What was the cost of each?
2. Given the Norfolk Island's need for funding for its essential services, how much of the Commonwealth monies allocated in relation to the Territory in FY2012-13 has been allocated to be spent on consultancies and reimbursement of Departmental expenses? Why haven't such moneys been spent on essential services or economic stimulus?

Answer:

Date	Title	Cost
June 2006	Norfolk Island Business Statistics - Australian Bureau of Statistics	\$106,700
September 2006	Review of the Financial Capacity of Norfolk Island - Commonwealth Grants Commission	\$284,528
October 2006	Economic Impact Assessment of extending Commonwealth legislation to Norfolk Island - Centre for International Economics	\$158,086.
December 2011	Update to Review of the Financial Capacity of Norfolk Island - December 2011 Commonwealth Grants Commission	\$16,024 (Travel and accommodation expenses only)
April 2011	Wellbeing Report - Norfolk Island – Deloitte Access Economics	\$191,474
July 2011	Norfolk Island Financial Sustainability Assessment - Deloitte	\$246,872
October 2011	Water Quality Management Plan for Government House, Kingston, Norfolk Island – Nicole Diatloff	\$13,470

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Department of Regional Australia, Local Government, Arts and Sport

Additional Estimates 12 February 2013

November 2011	Norfolk Island Public Service Review November 2011 - Australian Continuous Improvement Group	\$184,651
February 2011	Report on Air Services to and Tourism in Norfolk Island – etm travel consulting	\$36,050
December 2011	Advice on the tender process and contract negotiations for the new air service provider to Norfolk Island - Australian Government Solicitor	\$112,804
November 2011	Technical analysis of tenders for the new air service provider to Norfolk Island - CAPA	\$66,100
November 2011	Financial analysis of tenders for the new air service to Norfolk Island - Analytics Group	\$6,930
November 2011	Ticket price and load analysis of tenders for new air service provider to Norfolk Island - etm Consulting	\$21,126
March 2012	Norfolk Island Economic Development Report – ACIL Tasman	\$181,388
September 2012	Review of Existing Child and Family Support Services on Norfolk Island – Moreton Consulting	\$52,780
September 2012	Consultant to undertake asset valuation plan of Norfolk Island Administration’s assets to meet contemporary asset valuation and management standards.	\$65,000
December 2012	Department of Agriculture Fisheries and Forestry to manage and run the Pest and Diseases survey.	\$1,500,000 (over 2 yrs)
In progress	A Request for Quote is underway to identify consultant to develop a Divestment of Government Business Enterprises on Norfolk Island.	Approx. \$300,000

2. The Government will provide \$4.5 million in 2012-13 conditional on a number of reforms being met. The allocation of this money is a matter for the Norfolk Island Government in respect of its priorities.

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Additional Estimates 12 February 2013

Question: 103

Topic: Pest and Disease Study on Norfolk Island

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 1

Is it correct that the Commonwealth has allocated \$1.5M to spend on a Norfolk Island pest and disease study of Norfolk Island? How is this the best use of the funds available for Norfolk Island given the Island community's current needs?

Answer:

The Australian Government committed \$1.5 million over the 2012-13 and 2013-14 years to conduct a Pest and Disease Survey on Norfolk Island.

The survey will identify pests and diseases of biosecurity concern present on Norfolk Island and will inform decisions on the future quarantine status of the Island. The completion of this survey is a pre-requisite to any discussion on the possible extension of Australian customs, quarantine and immigration laws to Norfolk Island.

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Additional Estimates 12 February 2013

Question: 104

Topic: Norfolk Island Administrator Radio Interview

Asked By: Senator HUMPHRIES

Type of Question: Written

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 1

Is it the case that the Commonwealth distrusts the Norfolk Island Government, as stated in the Administrator's radio interview on 13 June 2012? If so, what is the basis for this statement and why does the Commonwealth distrust the Norfolk Island Government?

Answer:

The Norfolk Island Government has shown leadership and a willingness to work closely with the Commonwealth to address the Island's challenges in delivering appropriate levels of economic, social and environmental services for the Norfolk Island community. Both governments remain strongly committed to working in close partnership with the Norfolk Island community.

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Additional Estimates 12 February 2013

Question: 200

Topic: Centre for International Economics study into Norfolk Island

Asked By: Senator BACK

Type of Question: RRA&T 122

Date set by the committee for the return of answer: 5 April 2013

Number of pages: 2

Senator BACK: You commissioned the Centre for International Economics to undertake a study of Norfolk Island. Where are they in that process? Have they completed it and is it both economic, social, administrative; does it deal with governance? What is the scope and the current status of that report?

Ms Fleming: Is this the ACIL Tasman report in 2012 on Norfolk Island?

Senator BACK: I thought it was the Centre for International Economics.

Ms Fleming: I am not familiar with that report. The Norfolk Island economic development report by ACIL Tasman was completed in 2012 and released on our website and the Norfolk Island government website....

Senator BACK: So there has not been a Centre of International Economic study that anyone is familiar with?

Ms Fleming: Not that I am familiar with. I will take it on notice. Not that I am aware of, but I am quite new, so it might—

Senator BACK: I would be appreciative if you could take it on notice; thank you.

Answer:

The Department of Transport and Regional Services commissioned the Centre for International Economics (CIE) to undertake an economic impact assessment of extending Commonwealth legislation to Norfolk Island. CIE completed its report in October 2006. The report informed the Australian Government's considerations on future governance arrangements for Norfolk Island in December 2006.

The report is out of date. The representations of the economy in the report do not reflect current circumstances. Data used by CIE was based on 2004-05 financial position of the Norfolk Island Government.

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The report:

- does not reflect substantial changes the Norfolk Island Government made to the taxation and duties regime in 2007;
- assumed a baseline scenario that the Norfolk Island Government would increase on-island taxes to fund the works identified in the Asset Management Plan of 2006; and
- was completed prior to the impacts of the 2008 Global Financial Crisis.