



**GOVERNMENT RESPONSE TO THE JOINT STANDING COMMITTEE ON
THE NATIONAL CAPITAL AND EXTERNAL TERRITORIES' REPORT
*QUIS CUSTODIET IPSOS CUSTODES?: INQUIRY INTO GOVERNANCE ON
NORFOLK ISLAND***

October 2005

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COMMITTEE ON THE NATIONAL CAPITAL AND EXTERNAL
TERRITORIES: *QUIS CUSTODIET IPSOS CUSTODES? INQUIRY INTO
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Introduction

In March 2003 the Joint Standing Committee on the National Capital and External Territories ('the Committee') accepted a reference to examine "measures to improve the operations and organisation of the Territory Ministry and Legislature on Norfolk Island, with particular emphasis on the need for a financially sustainable and accountable system of representative self-government in the Territory".

The Committee tabled its report *Quis custodiet ipsos custodes? Inquiry into Governance on Norfolk Island* ('the governance report') in December 2003. This report was the first of two reports and considers the accountability and governance aspects of the reference.

The Committee is currently considering the financial sustainability of Norfolk Island's governance arrangements and will present its findings in a separate report later this year.

A more comprehensive Government response will be provided once the Australian Government has considered both reports associated with this inquiry.

Improving the quality of governance

The governance report recommended that the Norfolk Island Government implement changes to improve the quality of governance on Norfolk Island. The Norfolk Island Government has responded to a number of the Committee's recommendations. While the Australian Government welcomes the response to date by the Norfolk Island Government, it also recognises that much remains to be done.

The Norfolk Island Government has introduced a Code of Conduct for Members of the Legislative Assembly, with penalties ranging from reprimand to suspension, removal from executive office to a fine. The legislation also sets up a register of pecuniary and non-pecuniary interests, and establishes a Privileges Committee to investigate and enforce breaches of provisions of the legislation.

To better align Norfolk Island's legal system with the Model Criminal Code, several pieces of Norfolk Island legislation have been introduced into the Legislative Assembly. These include the Summary Offences Bill 2005 and the Bail Bill 2005 (both introduced at the 21 September 2005 Legislative Assembly Meeting).

The Norfolk Island Government has held discussions with the Commonwealth Ombudsman concerning the extension of the Ombudsman's jurisdiction to Norfolk Island. This would require amendment of the *Ombudsman Act 1976* (Cth).

The Norfolk Island Government has passed the Annual Reports Act 2004 (NI) requiring annual reports to be tabled in the Norfolk Island Legislative Assembly within 4 months of the end of the Financial Year, although it is noted that detailed financial reporting still needs further development.

The Norfolk Island Government has introduced legislation to the Legislative Assembly to amend the *Social Services Act 1980* (NI) in order to change the eligibility criteria for pensions and to confer jurisdiction on the Norfolk Island Administrative Review Tribunal to hear appeals against decisions regarding eligibility and level of payment.

Reforming the structure of government

The Committee's report also recommends a number of changes to the structure of Norfolk Island's government, designed to improve the operation of the Norfolk Island Government and Legislative Assembly. The Norfolk Island Government has introduced, or has indicated its intention to introduce, some of these changes.

The Norfolk Island Government amended the *Legislative Assembly Act 1979* (NI) to reflect the amendments made to the *Norfolk Island Act 1979* (Cth) in March 2004 in relation to electoral matters. This amendment included making Australian citizenship a requirement to vote in Norfolk Island Legislative Assembly elections and provided that the period for which an Australian citizen must reside on Norfolk Island before being eligible to vote in Norfolk Island elections and referenda be reduced to a minimum of six months.

The Norfolk Island Government has indicated that it does not support a change to 4-year Legislative Assembly terms. However, it has advised that it proposes to change its voting system to a first-past-the post system, but has yet to introduce legislation to implement this change.

Sustainability

The Committee's report recommends that the Australian Government reassess its current policies with respect to Norfolk Island and the basis for Norfolk Island's exclusion from Commonwealth programmes and services. The Australian Government wishes to be quite clear that it will indeed consider these and other matters as part of its consideration of the Committee's forthcoming report on Norfolk Island's financial sustainability, and is prepared to re-examine aspects of current arrangements.