NORFOLK ISLAND ANNUAL REPORT

2007 – 2008

Period: 1 July 2007 to 30 June 2008
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15 October 2008

The Hon Andre Nobbs, MLA
Chief Minister
Norfolk Island Legislative Assembly Offices
Old Military Barracks
Kingston
NORFOLK ISLAND 2899

Dear Chief Minister

It gives me great pleasure to submit the 2007/2008 Annual Report of the Administration of Norfolk Island for presentation to the Norfolk Island Legislative Assembly.

The report has been prepared in accordance with the Annual Reports Act 2004, the Public Sector Management Act 2000 and Public Moneys Act 1979.

The Administration continues to deliver services and perform well despite changes and vacancies within the Corporate Management Group. Recruitment for a new Chief Executive Officer is currently well underway, which will provide stability and some certainty to the Executive levels within the service.

During the financial year under review among other things the Administration and its staff:-
- agreed to purchase arrangements for two new aviation fire and rescue vehicles for the Airport.
- agreed on tenders and process for a new Fire Station and Emergency Services building
- commenced an Asset Revaluation Process as part of IFRS implementation
- purchased and installed new fuel storage tanks and distribution pumps for Norfolk Energy
- agreed to the purchase of a new x-ray machine for the Airport
- agreed to the purchase of Bobcats for Roads and Waste Management
- agreed to the purchase and implementation of equipment for digital television broadcast
- migrated International connectivity for Telecommunications to a new carrier
- installed and implemented a second earth station for communications redundancy
- introduced wireless hotspots for Internet usage at various café's
- undertook training in implementing solar systems into the electricity grid
- began on forming a plan for argentine ants control and eradication
- undertook sealing works at Captain Cook in conjunction with National Parks
- upgraded and maintained Country Road
- received a CASA award for Excellence (Best Island Airport)
- commenced approval process for RESA works

I extend my thanks to the staff of the Administration and Government Statutory organisations for their support, commitment, professionalism and achievements throughout 2007/2008.

I present the report for tabling in the Legislative Assembly, following which it will be made available to the public.

Steve Mathews
Acting Chief Executive Officer
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<td>Minister for Commerce &amp; Industry</td>
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<td>Disaster Management</td>
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Administration of Norfolk Island Organisation Structure
As At 30 June 2008

Chief Executive Officer
Human Resources
Legal Services Unit
Internal Audit
Police
KAVBA
GST Office
Norfolk Air
Policy & Projects Office

Executive Director
Corporate & Community Services
Finance
Information Technology
Customs & Immigration
Community Services
Business Services
School
Public Works
Roads, Building Maintenance, Grounds
Norfolk Island Central School
Post Office
Philatelic
Courts inc. A.R.T.
Companies
Liquor Bond
Social Services
Healthcare & Workers Compensation
Tourism Accommodation
Museums
Library

Executive Director
Environment & Infrastructure
Land Use & Environment
Airport
Telecom
Electrity
Emergency Services
Environment
Airport
Telecom
Electricity
Fire Services
Mechanical
Gaming
Planning
Waste Management
Mechanical
Broadcasting

Environment
Building
Quarantine & Water Assurance
Health

Waste Management
Park & Forestry
Stock Health & Animal Registration
Fisheries
Norfolk Island Climate

Norfolk Island is characterised by a pleasant maritime climate. Daily and annual temperature ranges are small, particularly compared with the continental climate of the Australian mainland. Humidity is generally high, although it can occasionally drop to reasonably low levels when winds turn southerly. A belt of high-pressure systems that move north and south over the Island annually, are what generally affect the climate of the Island. The majority of cold fronts affect the Island during the winter.

The average maximum temperatures range from 24° in February to 18°C in the winter months of July and August. The daily range of temperature is generally about 6°C throughout the whole year.

Rainfall is usually greatest during the four months from May to August, with monthly averages of about 130mm to 150mm. Minimum monthly rainfalls, averaging about 70mm to 90mm, occur from November to January. The annual mean rainfall is 1297 mm.

Prevailing winds show a general swing from directions between north and southwest in summer to the southerly quarter in winter and early spring. The wind shift from summer to winter occurs in a clockwise direction, and the return to summer conditions is anticlockwise. Westerlies also occur from June to October. February and March are the windiest months and August to November the calmest. The Island landmass affects winds locally, with eddies and turbulence experienced due to the effects of Mt Pitt and Mt Bates. The wind often drops after sunset with near calm conditions until after sunrise. This lull occurs mainly in the spring and summer and on clear nights. The best rains are usually preceded with winds from the northern quarter, before winds turn to the south or southwest.

Tropical cyclones generally approach from the north on a track directed to the southwest. They are most frequent in the early months of the year. Mid latitude cyclones move in from the Australian continent or southwest Tasman Sea. These depressions affect the Island mostly from February to August. The last quarter of the year is generally the least affected by these influences.

Fog is often reported during periods of persistent drizzle or rain, due mainly to topography. Sea fog is prevalent during the late part and early part of the year and reduces visibility significantly.

Moderate seas are a feature of all seasons at Norfolk Island, tending to slight during the summer months. Rough to high seas accompany cyclonic disturbances and those periods of strong south westerly winds associated with the passage of cold fronts. Thunderstorms are most prevalent during the winter and spring. Hail occasionally accompanies thunderstorms in winter, with the highest occurrence of hail being three in any one month.

Conditions for last 12 months to July 2008

Norfolk Island’s annual rainfall to the end of June 2008 was 1517mm, 220mm above the long-term annual average of 1297mm. December 2007 and April 2008 were the wettest months with 320.6mm in December (110mm over average), and 323.8mm in April (131.8mm over average).
Temperatures were near normal throughout the year. No months had any maximum and minimum variation from the mean by more than one degree. Sunshine averaged 6.6 hours per day for the year - slightly less than the long-term average of 6.8 hours. October 2007 was a very sunny month, 8.9 hours (7.3 hours average). January and February 2008 were very low in sunshine with 5.4 hours and 4.9 hours (7.5 and 7.1 hours average).

Maximum monthly wind gusts were typically 35-47 knots. The highest months were January and May 2008 with gusts SW at 47 knots on 20 January and WSW at 47 knots on 8 May.
Norfolk Island Meteorological Office Statistics July 2007 to June 2008

<table>
<thead>
<tr>
<th></th>
<th>TEMPERATURE</th>
<th>RAINFALL</th>
<th>SUNSHINE</th>
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<tr>
<td></td>
<td>Mean Daily Maximum (°C)</td>
<td>Actual Daily Maximum (°C)</td>
<td>Mean Monthly Rainfall (mm)</td>
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<tr>
<td>July</td>
<td>18.3</td>
<td>18.8</td>
<td>13.5</td>
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<tr>
<td>August</td>
<td>18.3</td>
<td>18.7</td>
<td>13.1</td>
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<tr>
<td>September</td>
<td>19.0</td>
<td>19.6</td>
<td>13.7</td>
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<tr>
<td>October</td>
<td>20.2</td>
<td>21.1</td>
<td>14.7</td>
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<tr>
<td>November</td>
<td>21.7</td>
<td>22.0</td>
<td>16.1</td>
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<tr>
<td>December</td>
<td>23.4</td>
<td>23.5</td>
<td>17.7</td>
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<tr>
<td>January</td>
<td>24.5</td>
<td>23.9</td>
<td>19.1</td>
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<tr>
<td>February</td>
<td>24.9</td>
<td>24.4</td>
<td>19.6</td>
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<tr>
<td>March</td>
<td>24.2</td>
<td>24.2</td>
<td>19.2</td>
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<tr>
<td>April</td>
<td>22.7</td>
<td>23.0</td>
<td>17.7</td>
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<tr>
<td>May</td>
<td>20.9</td>
<td>20.1</td>
<td>16.1</td>
</tr>
<tr>
<td>June</td>
<td>19.3</td>
<td>19.3</td>
<td>14.7</td>
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<tr>
<td><strong>Yearly Average</strong></td>
<td><strong>21.4°C</strong></td>
<td><strong>21.5°C</strong></td>
<td><strong>16.3°C</strong></td>
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Statutory Bodies

Norfolk Island Gaming Authority

The Norfolk Island Gaming Authority is an independent statutory body that operates in accordance with the Gaming Supervision Act 1998. The principal function of the Authority is to assess applications and issue Interactive Home Gaming Licences, Online Lottery Licences and Bookmaking Licences. The Authority is empowered to implement and enforce a strict regulatory regime to provide high standards of gaming administration and control.

The Authority insists on the highest levels of integrity and security for all gaming operations that emanate from the Island by overseeing the proper operation of gaming systems and structures, supervising and inspecting all licensed gaming operations under the prescribed Acts; Gaming Supervision Act 1998, Gaming Act 1998 and Bookmakers Act 1998.

2007/2008 Achievements

The Norfolk Island Gaming Authority currently has applications from companies seeking to obtain a Betting Exchange Licence, and an application from a company seeking to obtain an Online Lottery Licence. Legislation to allow for Online Lottery type operations was assented to by the Norfolk Island Legislative Assembly in early 2006 and was incorporated into the Gaming Act 1998.

Applicant companies have commenced preliminary compliance examinations to ensure their software systems comply with Norfolk Island Gaming Authority’s regulatory framework. The Compliance Evaluation Audit is performed by an approved Evaluator experienced and qualified in the field of testing interactive systems. The Evaluation Audit encompasses a comprehensive regulatory compliance of the design and software implementation, betting systems and procedures, surveillance and security, administrative procedures for internal management and control as well as a series of operational trials to ensure systems comply with the Authority’s stringent regulatory framework. The Authority’s regulatory framework consists of the Technical Functionality Requirement Standards document (TFRS) and the Internal Controls System document (ICS). These documents set out the minimum standards for compliance on an interactive or wagering system. The evaluation process on an Internet Gambling System (IGS) is a significant undertaking and can be a rather lengthy and expensive process for the Licensee.

During the course of the Compliance Evaluation Audit, the Evaluator is required to bring any substantial matter or issue that might arise to the immediate attention of the Authority. The Evaluator is also required to submit a comprehensive report on the finality of the compliance audit to the Authority. The Licensee is required to deal effectively with all issues and recommendations raised by the Evaluator in the Compliance Evaluation Report and provide documentary evidence to the Authority that these issues have been dealt with in a competent and acceptable manner.

The Authority membership comprised The Hon. John Clarke QC as presiding Member and Mr Jock Irvine, with one vacancy in the membership. The Authority’s Director is Mr Rod McAlpine and the Secretary is Joanne Adams.
The two Licensees that are fully operational on the Island contribute substantially to the finances on the Island via the way of bookmaking duty, with the total amount of revenue received in this financial year ending 30/6/2008 being $590,336.00. The revenue received from Bookmaking operations has increased over the past twelve months delivering vital revenue to the Government and the community on Norfolk Island.

Detailed information by the way of the Applicants Package of Documents is distributed to interested parties via email and the Internet and where possible by direct presentation to those parties specialising in gaming related fields. Pertinent information relating to the Norfolk Island Gaming Authority is incorporated into the Applicants Package of Documents and the Authority’s Website www.gamingauthority.nlk.nf as well as Internet gambling publications around the world that publicise internet gaming jurisdictions.

2008/2009 Directions
As the Authority’s target audience is the international market, the Authority will concentrate their efforts throughout the year on raising Norfolk’s profile in order to obtain further applications from overseas applicants. This is the main focus for the Director in the forthcoming year.

The Authority will endeavour to keep their Licensees fully informed on any new developments within the gaming arena, especially in regards to telecommunications and issues pertaining to Norfolk Island.

Norfolk Island Government Tourist Bureau
The Norfolk Island Government Tourist Bureau (Bureau) is regulated by the Norfolk Island Government Tourist Bureau Act 1980. The Bureau is a body corporate with perpetual succession and its prime functions are:

- To encourage travel to and travel within Norfolk Island;
- To seek and receive views, comments, suggestions and complaints concerning Norfolk Island Tourism; and
- To offer advice to the Norfolk Island Government on any matters concerning Norfolk Island Tourism.

Board Members
Board members during 2007/2008 were:

- Wallace Beadman, Chairman
- Morgan Evans, Deputy Chairman
- Marion Janet Christian
- Mathew Charles Christian-Bailey
- Nadia Cuthbertson
- Ian Anderson, MLA

Wallace Beadman and Ian Anderson were reappointed in March 2007. The remaining Board members were reappointed in June 2007.

Bureau Finance
The Bureau received funding from the Norfolk Island Government of $1,139,000. An additional $83,500 was raised by the Norfolk Island tourism industry to match the Australian Government funding through Regional Partnerships of $300,000. Revenue from retail sales and commissions at the Visitors Information Centre, plus revenue from hosting events, provided additional funding for the Bureau, bringing total revenue to $1,851,465.71.

Total expenditure of $1,877,982 left an operating deficit of -$26,516.

Visitors Information Centre
The Visitors Information Centre (VIC) on Taylors Road is open 7 days a week
to service the needs of visitors to Norfolk Island. Key functions include providing information and advice to visitors and prospective visitors, booking and recommending tours and attractions, providing information on shopping and dining, and retail sales of souvenirs and local crafts. Other functions performed by the VIC include meeting and greeting passengers off all inbound flights, collection of departure tax, collating arrival statistics and recording visitor surveys, and assisting with visits from travel agents and media.

**Restructure**
The need for improved financial management at the Bureau that was highlighted in several audit reports, a lack of timely financial reporting to the Board and government, and the requirement for the Bureau to be a leader in customer service, has led to a restructure of the Visitors Information Centre. The coming months will see a recreation of the way that visitor experiences and information are developed and delivered to island visitors.

**BookEasy**
The last financial year saw a debate among island stakeholders about online reservations system. With a clear mandate from the industry, Norfolk Island Tourism has purchased the BookEasy Online Reservations system. Initial work on the implementation of the system has begun and the system is expected to be fully operational by the end of November 2008.

**Visitor Arrivals**
A total of 35,399 visitors arrived in 2007/2008, a 3% increase over the previous 12 months. Overall Australian arrivals (27,717) increased by just under 9% on the previous year whereas the New Zealand arrivals (7,025) declined by just under 15% on the previous year. The Australian market showed mixed results for the financial year with an 11% increase from New South Wales, 3% decrease from Queensland and a 43% increase from Victoria.

**Source of Visitors**
The previous graph shows longer-term trends for major source markets with trendlines over the past four financial years. The graph shows reasonable long-term growth from all markets except New Zealand which has reduced by 29% since 2004/2005.

A significant increase in funds has been allocated to the New Zealand market for the 2008/09 financial year to address the long term decline.

**Visitors by Month**
Long Term Trend
The long-term visitor trend continues to climb out of the decline caused by the collapse of Norfolk Jet. It should be of significant concern that Norfolk Island has not achieved similar growth rates to short term outbound holiday traffic from both Australia and New Zealand. Between 2002 and 2008 Australian short haul outbound holiday traffic has grown by 36% from 3.5 million to 5.5 million.

The relatively static visitor number to Norfolk Island during the same period represents a significant loss of market share for Norfolk Island and should be seen as both an opportunity and further evidence of the need to ensure the implementation of the Norfolk Island Strategic Tourism Plan in order to address both supply side and demand side issues affecting visitation to the Island.
Sales and Marketing

One of the main functions of the Bureau is to promote Norfolk Island as a desirable, safe and affordable holiday destination. The majority of the marketing effort is concentrated on Australia and New Zealand being key source markets. Approximately 81.5% of the Bureau’s funding was spent on sales and marketing activities. In 2007/08 a total of $1,509,844 was spent on marketing activity. Significant activity included advertising, public relations and promotions such as travel shows, road shows and launches. The main geographic target markets were broadly East Coast Australia and New Zealand targeting the 45+ age groups. Significant television and print campaigns were undertaken throughout the regional areas of eastern Australia including the $500,000 Regional Partnerships Destination Norfolk advertising campaign conducted between November 2007 and March 2008. This program was a partnership between Norfolk Island Tourism, the island’s tourism industry which contributed $83,500, and the Australian Government with a contribution of $300,000. Co-operative marketing campaigns with airlines and key wholesalers and agency groups provided regular newspaper advertising for Norfolk Island throughout the year. Several major magazines were also used as part of the marketing effort particularly where editorial could be leveraged off the placement of a paid advertisement. Public relations activities in both Australia and New Zealand focused on attracting journalists and film crews from key publications and TV shows. Numerous media familiarisation tours were run throughout the year including visits by film crews such as Tim Bailey from Channel 10 doing live weather reports and Sydney Weekender as well as visits from most major print publications in Australia. The majority of events on Norfolk Island are promoted by regular media releases and substantial PR activity was generated through these. Significant other activities were undertaken during the period. Creatively the ‘Norfolk Island....be surprised’ tag line was introduced, a high quality destination brochure was
produced and a substantial high quality addition has been made to the Bureau’s image library.
The Norfolk Island website has become a key part of the marketing strategy given the global reach of the internet and the increasing propensity of our target market to use the internet to research and book travel. The Norfolk Island website (www.norfolkisland.com) has been developed and upgraded throughout the year to improve navigation, provide greater functionality (links to wholesalers and airlines) and provide more visual stimulation. The imminent addition of the BookEasy reservations system will substantially increase functionality.

**Key Achievements**
- 3% growth in visitor numbers in a very competitive and softening market;
- Significant increase in advertising and promotions;
- Assistance with Norfolk Air establishment, branding and launch;
- Appointment of new General Manager;
- Bright Ideas competition for generating concepts for new events;
- Appointment of Events Coordinator;
- Gaining industry support for implementation of an online reservation system;
- Website improvements and increased use of website;
- Photo shoot producing 48 new very high quality images;
- Production and release of new Norfolk Island brochure;
- Increased free to air coverage resulting from media visits;
- Travel shows attended in Sydney, Brisbane, Gold Coast, Melbourne, Auckland, Wellington and Christchurch;
- Retirement and Lifestyle Expo attended in Sydney and Melbourne;
- PAICE (NZ) trade show attended – targeting conference market;
- Bula Fiji Tourism Exchange attended – rest of world markets;
- Numerous Travel Agent famil conducted;
- Major Wholesaler Famil conducted in November 2007;
- Rewriting public relations kit;
- Jazz in the Pines and Opera in the Ruins Festivals successfully run by the Bureau;
- Establishment of Ambassadors Group;
- Establishment of the Norfolk Island Tourism Awards;
- Development of the Norfolk Island Tourism Education program in conjunction with the Norfolk Island Central School.

**Challenges and Priorities for the Next 12 Months**
The next 12 months will see consolidation of a number of existing projects as well as the ongoing implementation of the Norfolk Island Strategic Tourism Plan. Specific projects being undertaken are:
- The development and implementation of the **Marketing Partnership Program** between Norfolk Island Tourism, Norfolk Air and the Australian Wholesalers. This program leverages the $500,000 contribution of the island’s marketing budgets into a $1 million marketing campaign spread across the 2008/09 financial year. The project will provide greater measurement capability of marketing activity as well as providing greater marketing focus.
• The systems and processes for providing information, booking and visitor services will undergo a major overhaul. This project includes:
  • Appointment of a new Manager – Visitor Experiences
  • Substantial overhaul of financial management systems, policies and procedures
  • Physical overhaul of the Visitor Information Centre to provide better customer service and improved information quality and delivery
  • Greater focus on meet and greet processes and procedures
  • The implementation of the Bookeasy online reservations system to provide increased booking capability leading to increased visitation.

• The appointment of a new Events Co-ordinator will see the development of a comprehensive calendar of events and increased yield and visitation from existing events. The objective of the program is to have 25% of visitation to Norfolk Island events related within 3 years.

• Ongoing implementation of the Strategic Plan. Specific initiatives to be undertaken over the next 12 months include:
  • The project to develop a new Norfolk Island Brand has commenced. A working group has been assembled and substantial market analysis work has been undertaken as the lead in for this project;
  • Retail project to follow up on James Cook University research;
  • The start of the implementation of a ‘Better Business’ Accreditation program that will incorporate the NIT Awards;
  • Ongoing industry training including the introduction of customer service training;
  • Product development initiatives to assist the industry in developing higher quality visitor experiences.

Norfolk Island Hospital Enterprise
The Norfolk Island Hospital Enterprise is established under the Norfolk Island Hospital Act 1985 and is a body corporate with perpetual succession. The function of the Enterprise is:
  • To control, administer and manage the hospital;
  • To ensure the efficient and effective delivery of health services to the Norfolk Island community;
  • To strive to maintain and improve the health of persons in the Norfolk Island community;
  • To plan for the long term development of the delivery of health services to the Norfolk Island community.

The Hon Geoff Gardner MLA holds the portfolio of Minister for Tourism and Health and is the responsible member for the Norfolk Island Hospital Enterprise. Our thanks to the Minister for his support and assistance to the Enterprise over the past twelve months.

Norfolk Island Hospital Enterprise Advisory Board
The current Advisory Board consists of the following members:
  • Mrs Val Martinez (Chairperson)
  • Mrs Candice Snell
  • Mr Shane McCoy
  • Mr David McCowan (Director)

The Enterprise wishes to thank the board members for their service and dedication to the Enterprise.

One of the key focuses of the current Advisory Board is the planning and assistance with fund raising for a new Norfolk Island Hospital.

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hospital. Sketch plans have been undertaken and provided to staff for comment. The next stage is to draw up more comprehensive plans to enable the committee to undertake fund raising. Mrs Johanna Lisner has kindly donated a 1979 Mercedes Benz to raffle as part of this fund raising effort.

Staff
Ms Geraldine Hall left the employ of the Hospital Enterprise and Ms Clare McPherson has been appointed to the position of Pharmacist.
Dr Gary Mitchell resigned as Medical Superintendent and takes up a medical position on Christmas Island in July 2008. Recruitment for Dr Mitchell’s replacement has taken place and Dr Dave Robbins will be commencing as Medical Officer in January 2009. Efforts to fill this position in the interim have occurred and several doctors have been identified who can fill in for different periods over the next six months. Dr McNamara and Dr Sexton remain on the staff.

Education continues to be a priority for staff. Inservice education has been provided by several visiting specialists. Several staff members continue to undertake external studies to increase their skills and several staff have attended conferences and courses in both Australia and New Zealand. In an effort to encourage young people on Norfolk Island to take up careers in the health care field, the Enterprise is offering scholarships to students to undertake undergraduate studies leading to health qualifications. Scholarships have been offered in Nursing again this year.

Aged Care
The Aged Care section of the hospital continues to provide high quality care to the elderly. Activities continue to increase to provide quality lifestyle to the residents of this area. Exercise activities have been provided by the physiotherapist to both the residents and members of the community to increase range of movement and general fitness. Volunteers and staff must be commended for their ongoing dedication to the aged.

Haemodialysis
The Haemodialysis unit continues to provide a valuable service to the community with three machines able to provide a service for an increasing number of residents requiring this treatment. This service ensures that patients with renal failure are able to remain on Norfolk and receive treatment.

Telemedicine
The Telemedicine equipment continues to be utilised. A number of patients have been able to receive treatment on Island instead of being transferred to the mainland through the use of this equipment. The installation of the Digital x-ray processor has also assisted in this area as x-rays are now able to be sent electronically to specialists for consultation. Negotiations with a Radiologist in Newcastle have been commenced who will be able to read and report on our x-rays. Our medical officers have been utilising Skype to confer with specialists in Australia and New Zealand which has significantly decreased phone charges.

Hospital Services
The Norfolk Island Hospital Enterprise has an ongoing commitment to provide a wide range of services to the community. Increased health promotion strategies have been developed and are in place. The Visiting Specialist program continues to be a valuable adjunct to the services provided and the
Enterprise continues to review these services.

**Dental**
The Dental Clinic continues to provide the community with extensive dental care. This has provided the hospital with ongoing dental services. Orthodontic services continue with our regular visiting orthodontists.

**Counselling**
The counselling service continues to be very busy with the Counsellor seeing a significant number of clients. In addition, Awaus Health via the Norfolk Islander has provided the community with valuable health related information. Suicide intervention skills training has been provided to members of the community and another training session was held in late 2007.

**Donations**
The Norfolk Island Hospital Enterprise continues to receive a great deal of support from the community. This support assists the Enterprise in providing a high quality of care to the community. In particular, the Enterprise would like to thank community members and organisations for the ongoing donations of fruit, vegetables, eggs and other produce. The Hospital Auxiliary continues to work hard to provide the hospital with items for patient care. Over the past twelve months, the Auxiliary has donated a Dynamap machine, tape recorder/radio, renovation of the public toilet, a hospital bed for the aged care unit and funds for outings for the aged residents.

The Hospital Enterprise received a grant of $20,000 from the Eldon and Annie Foot Trust which enabled the hospital to purchase a new Pan Sanitiser/Steriliser and a Defibrillator for Accident and Emergency.

With great assistance from Graeme Westlake and several other persons, Phillips donated a colour Ultrasound Machine which replaces the black and white machine that was in use. Individual community members must also be thanked for their various generous donations to the hospital. The service and other clubs also provide valuable support to the Hospital through donations, subsidies and labour.

**Major Expenditure**
Major expenditure for the 2007/2008 year consisted of:
- Automated Haematology Analyser
- Renovations to all bathrooms
- Column Agglutination Microtyping System
- Office and Aged Care Computers and Printers
- Fire Safety Upgrades
- Haemodialysis Machine

**Performance Against Budget, Strategic and Business Plan**
The 2007/2008 year was a difficult year financially for the Enterprise as a result in the decrease in activity through the aged care section (22%), pharmacy (22%) and hospital services. These factors led to reduced cash flows to the Enterprise which resulted in difficulties paying creditors in a timely fashion. The initial budget request was reduced as part of the normal budget negotiation process by $172,500.00. This required supplementation to the Budget of $252,350.00 to enable the Enterprise to meet its financial obligations. As well, a sum of $75,596.72 was provided for settlement of a court judgement against the Enterprise. This supplementation enabled the Enterprise to fully meet all of its financial obligations for the 2007/2008 financial year. Our sincere thanks go to the Minister for Tourism and Health and the Norfolk Island Legislative Assembly for this
assistance.
The follow up of Debtors remains a priority with all debtors over 60 days being sent reminders and those over 90 days who have not made contact with the Enterprise being summonsed through the Court of Petty Sessions. 90 day debtors amounts to $207,784.00 of which approximately 90% have payment agreements in place. Overall debtors are $278,784.00 when regular payees including the Administration, Department of Veterans Affairs, Southern Cross and MBF are taken into account.

Budgets were submitted to the Minister for Tourism and Health to provide for subsidisation of childhood immunisations and for the provision of immunisation against cervical cancer for all 12 to 18 year old girls. This will commence in the 2008/2009 financial year. The Enterprise also provided subsidised programs for the reduction of smoking in the community. This included discounted consultations and hypnotherapy as well as support for those who wished to cease smoking.

Programs were also continued in the screening of blood glucose and cholesterol levels and as well as continuing the bowel screening in conjunction with the Rotary Club of Norfolk Island. Another public health initiative was the skin cancer-screening program held twice in the 2007/2008 year. Discounted consultations were provided to all who wished to be checked for skin cancers and this proved to be very popular in the community.

**Volunteer Organisations**
The Norfolk Island Hospital Enterprise would like to thank the St Johns Ambulance, Red Cross and White Oaks for their ongoing support and assistance to the hospital over the year. Without these volunteer groups, necessary services to the community could only be provided with great difficulty and cost.
The Norfolk Island Hospital Enterprise Advisory Board would like to take this opportunity to thank the Legislative Assembly, community, staff, community organisations, clubs and everyone else on Norfolk Island and elsewhere for their assistance and support over the past year.
General Service Delivery Statistics:

<table>
<thead>
<tr>
<th>Statistics</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
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<tr>
<td>Outpatients</td>
<td>10,345</td>
<td>10,115</td>
<td>9,818</td>
<td>9,252</td>
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<tr>
<td>Total Visitors</td>
<td>577</td>
<td>451</td>
<td>525</td>
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<td>Theatre Minor</td>
<td>70</td>
<td>54</td>
<td>24</td>
<td>28</td>
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<td>Theatre Major</td>
<td>98</td>
<td>88</td>
<td>94</td>
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<td>Pathology Patients</td>
<td>3,036</td>
<td>2,946</td>
<td>2,798</td>
<td>2,639</td>
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<td>Pathology Tests</td>
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<td>X-ray Patients</td>
<td>813</td>
<td>684</td>
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<td>1,680</td>
<td>1,228</td>
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<tr>
<td>Ultrasounds</td>
<td>166</td>
<td>144</td>
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<td>Pharmacy</td>
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<td>19,892</td>
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<td>Off Shore Referrals</td>
<td>322</td>
<td>267</td>
<td>186</td>
<td>783</td>
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<tr>
<td>Births</td>
<td>25</td>
<td>21</td>
<td>18</td>
<td>18</td>
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<tr>
<td>Deaths</td>
<td>15</td>
<td>13</td>
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<td>Daily Bed Average</td>
<td>13.05</td>
<td>15.91</td>
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<tr>
<td>Immunisations</td>
<td>131</td>
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<td>Visiting Specialists</td>
<td>516</td>
<td>558</td>
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<td>Physiotherapy</td>
<td>2,363</td>
<td>4,470</td>
<td>2,232</td>
<td>2,636</td>
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</tbody>
</table>
STATUTORY BOARDS & COMMITTEES

Administrative Review Tribunal
The Administrative Review Tribunal Act 1996 provides for the review of administrative decisions. President of the Tribunal is Mr Ron Cahill and Deputy President is Mr Michael Zande. Magistrates appointed under the Court of Petty Sessions Act 1960 are also members of the Tribunal. There were 3 applications for review filed during the year.

Employment Conciliation Board
Under the Employment Act 1988 the Employment Conciliation Board assists in the resolution of disputes between employees and employers referred to them by the Norfolk Island Administration’s Employment Liaison Officer. Whilst the Board can negotiate to resolve the differences expressed by the two parties, their powers are limited. Members of the Employment Conciliation Board are:
- Mr Michael King
- Mr Stephen Nutley
- Mr Rick Kleiner
If a dispute cannot be resolved, those aggrieved may appeal to the Employment Tribunal.

Employment Tribunal
The Employment Act 1988 provides for minimum wages and working conditions, compensation for work related accidents, establishes safe working practices and procedures for conciliation, adjudication and review and other related purposes. Members of the Employment Tribunal are:
- Chief Magistrate Mr Ron Cahill
- Magistrates of the Court of Petty Sessions
There were 7 applications filed with the Tribunal during the year.

Healthcare Claims Committee
The Healthcare Claims Committee is established under the Healthcare Act 1989. The committee determines the entitlements of a person to free medical services and assesses applications made under the Act for reimbursement of costs incurred by an applicant. There were two claims made this financial year, both of which were upheld by the committee. Current committee members of the Healthcare Committee are:
- The Director of the Norfolk Island Hospital Enterprise
- The executive member with responsibility for Health
- A member of the Legislative Assembly (chosen by resolution of the Legislative Assembly).

Immigration Committee
The Immigration Committee is a statutory body appointed under the Immigration Act 1980. The Act provides for a committee of not less than three and no more than five members, at least one and not more than two of whom shall be members of the Legislative Assembly. As required by sections 19 and 32 of the Act, the committee is required to furnish reports to the executive member on matters covered by those sections, along with any other matter which the executive member refers to it. Members of the Immigration Committee are:
- Mr Simon Bigg
- Mrs Lorraine Boudan
- Mrs Jenny Sexton
- Mr Tim Sheridan, MLA

Legal Aid Advisory Committee
The Legal Aid Advisory Committee is set up under the Legal Aid Act 1995 and establishes a committee of 3
members appointed by the executive member.
The executive member refers applications for legal aid to the committee. Responsibilities of the committee include making recommendations to the executive member in relation to financial assistance being provided on Norfolk Island.

Members of the Legal Aid Advisory Committee are:
- Mr Craig Anderson (Presiding Member)
- Mr Mike Hehir
- Ms Sam Browne
- Mrs Kim Edward (Secretary)

In the 2007/2008 year the committee met on 7 occasions and considered 3 applications. Of those applications 1 was approved and 2 were declined. A total amount of $103,818.00 was paid on behalf of legal aid recipients.

**Liquor Licensing Board**
The Liquor Act 2005 provides for the promotion and encouragement of responsibility in the sale and consumption of liquor through the establishment of a scheme of liquor licences and permits.

Members of the Liquor Licensing Board are:
- Mr Toni Dodd (Chairman)
- Mrs Tosca Quintal
- Mr Graham Ryall

Mr Dodd resigned as a member of the Board in January 2008.

During the year the Board dealt with 4 transfer applications.

At the annual sittings held on 3 June 2008 the Board dealt with the following applications:
- General Licence – Hotel 3
- General Licence – Tavern 2
- Club Licence 8
- Restaurant Licence 19
- Manufacturer’s Licence 2

**Mental Health Tribunal**
The Mental Health Tribunal Act 1996 provides for the establishment of a Tribunal to provide treatment, care, control and protection for mentally dysfunctional persons.

Members of the Mental Health Tribunal are:
- Mr Michael Zande (President)
- Dr John Duke
- Ms Samantha Browne

During the year the Tribunal sat 1 time in Norfolk Island.

**Museum Trust**
During the period 2007/08 Trust Members included Mrs Margaret Jowett, Mrs Simone James, Mr Ian McCowan, Mr Archie Bigg, Mr Ross Quintal, Mr Ron Nobbs and Mr Owen Walsh (Chair and Treasurer). Mr Allen Bataille (Community Services Manager) and Mr Brian Hubber (Museum Director) attended Trust meetings as members of the Administration of Norfolk Island, and Ms Anita French, KAVHA Secretary acted as Secretary to the Trust.

During the year 2007/08 the Norfolk Island Museum Trust facilitated a number of projects.
- A grant of $6,000 from Museum Trust funds (derived from profits from Peter Clark’s historical play *The Trial of the Fifteen*) was made available for the restoration of the Museum’s Model A Ford truck. The truck is part of the Museum’s collection and has great heritage significance for the local community. Restoration work was undertaken by Shane McCoy at the Administration’s Works Depot. The truck will be used to promote the Museum. When not in use, the truck will be stored at Cec
Barkman’s property in a specially refitted garage.

- Oral History Project interviews were completed in 2007 and early in 2008. DVD copies of interviews were sent to all participants. Negotiations continue with the National Library of Australia regarding depositing the interviews with the Library. It is also intended that summaries and perhaps transcriptions will be compiled for the use of researchers. The interviews will be presented in the Pier Store Museum in 2008/09.

- The historical play The Trial of the Fifteen performed strongly in 2007/08. Although accounts are not final, the play will realize about $15,000 in profits for the year, compared with a little over $5,000 in 2006/07 and a small loss in 2005/06.

- The Museum Trust was also instrumental in the donation of a number of historical artefacts, including the Rosenthal Photograph Album (1946) which had been presented to the former Administrator at the end of his term; a superb modern miniature painting of Captain William Bligh by artist John Brooke; a very significant miniature portrait of Philip Gidley King (c1776) donated by Mrs Jennie Newland of Tauranga, New Zealand; and a 50:1 scale model of the Norfolk Island Sloop by model-maker Colin Simpson.

Norfolk Island Cultural Heritage Committee

The Protection of Movable Cultural Heritage Act 1987 protects Norfolk Island’s heritage of moveable cultural objects that are of importance to Norfolk Island for ethnological, archaeological and historical reasons. Regulations currently control the movement of:

- Objects recovered from the wreck in 1790 at Pitcairn Island of HMAV Bounty;
- Objects landed in Norfolk Island on 8 June 1856, brought from Pitcairn Island on the vessel Morayshire;
- Objects recovered from or located in the Kingston & Arthur’s Vale Historic Area and relating to convicts, free settlers, military or naval personnel associated with the penal settlement of Norfolk Island before 8 June 1856;
- Objects recovered from ships wrecked before 1 January 1938 in territorial waters within the meaning of the Territorial Waters Act 1926;

The Norfolk Island Cultural Heritage Committee is set up to furnish advice to the executive member on applications for the removal or export of cultural objects covered by these Regulations. Four members are appointed to the Norfolk Island Cultural Heritage Committee for a term of up to four years.

Members of the current Norfolk Island Cultural Heritage Committee are:

- Mr Neil Tavener (Chairperson)
- Mrs Beryl Evans
- Mrs Nancy Smith
- Ms Eve Semple.

Planning & Environment Board

The Planning & Environment Board is established under the Norfolk Island Planning and Environment Board Act 2002. The function of the Board is to give advice and make recommendations to the executive member on:

(i) matters referred to the Board by the executive member under section 99 of the Planning Act
2002 or section 32 of the *Heritage Act* 2002; and

(ii) the effectiveness or otherwise of the *Planning Act* 2002 and other Acts administered by the executive member to achieve the objects of those Acts; and

(iii) any other matters within the portfolio of the executive member referred to the Board by the executive member; and

(iv) all development applications for permissible (with consent) use or development; and

(v) all heritage proposals; and

(vi) on any matters referred to the Board by resolution of the Legislative Assembly related to planning and environment on Norfolk Island, or any other matter.

Members of the Planning and Environment Board as at 30 June 2008:

- Chloe Nicholas (Chair)
- Brendon Christian, MLA
- Peter Magri
- Steve Ford

Delegate members of the Planning and Environment Board as at 30 June 2008:

- Tim Brown
- Peter Arthur
- Melissa Ward
- Jamie Edward
- Shiralee McGrath

Specialist adviser to the Planning and Environment Board as at 30 June 2008:

- Eve Semple

The Planning and Environment Board met on 19 occasions during the 2007/08 financial year and made recommendations on 37 development applications; 2 modifications of development consent; and also discussed a proposed Development Control Plan to replace DCP No. 4 (Signs); and the review of the Norfolk Island Plan.

**Public Sector Remuneration Tribunal**

The *Public Sector Remuneration Tribunal Act* 1992 provides for the establishment of a one-member Tribunal with power to determine general adjustments to wages payable to public sector employees and the amount or basis of calculation of the general adjustment to be paid. The Hon James Burchett dealt with a general wage adjustment for the Norfolk Island Public Service at a directions hearing by video conference on 18 March 2008 and at sittings on 28 and 29 April 2008 in Norfolk Island.

**Public Service Board**

Under the *Public Sector Management Act* 2000 the Public Service Board of Norfolk Island has three major responsibilities:

- **Section 18** – Evaluating the observance of Public Service principles and employment standards implemented by management and employees and providing related advice to the Legislative Assembly or the executive member.

- **Part 5 – Sections 58, 59 & 60** – Conducting reviews of employment selection decisions if appealed and considering appeals against unfair dismissal or termination.

- **Section 65** – Investigating complaints from persons affected by actions which do not comply with the Act.

**Provisions under Section 18 of the Act**

In the course of the past year the Board was not required to comment on any matter relating to this section.

**Provisions under Part 5 of the Act**

Under this section of the Act the Board...
reviewed 5 appeals against decisions by selection committees, sustaining 1 of these appeals and rejecting the others. In the course of examining these appeals the Board noted the following:

- Due process was not followed in the recruitment stages that gave rise to one of the appeals. Further, the then Chief Executive Officer was reluctant and quite tardy in providing information requested by the Board. That information was needed to make a decision on the appeal, resulting in the matter not being finalised for many months. Which in itself constitutes something of a denial of natural justice.

- In examining another appeal the Board was surprised by the disproportionate importance given to performance in the interview stage as opposed to qualifications and relevant experience. As the Board had cause to comment on earlier occasions, performance at an interview is affected by many factors which do not necessarily indicate the applicant’s ability to perform in the actual job situation. Relevant qualifications, experience and performance on the job (or closely similar jobs) are a much more relevant indicator of the respective candidate’s eligibility.

- The Board wishes to endorse a recently received submission (also sent to the Acting Chief Executive Officer and the Staff Consultative Committee) suggesting that the four stages of the selection process be each given a score equivalent to a percentage value of the whole process. The written application would receive a proportion of the total score; desirable criteria would also receive a proportion of the total score; desirable criteria would receive perhaps a smaller proportion and, finally, performance at the interview would receive another proportion of the total score – but not a disproportionately large one.

- The Board recommends that this become standard practice in all selection processes and that all selection committees be trained appropriately.

**Provisions under Section 65 of the Act**

The Board has not dealt with any matter under this section of the Act in the past year.

**Membership of the Board**

The current members of the Public Service Board are:

- Nadia Lozzi-Cuthbertson (Presiding Member)
- Catherine O’Sullivan (Deputy Presiding Member)
- John Hughes
- John Pearson
- Gerri Downie
- Cheryl LeCren
- Shane McCoy

Mrs Leanne Schmitz’s term as Deputy Member expired in the course of this year and she did not seek reappointment. Mr John Pearson kindly agreed to fill her vacancy. Mrs Catherine O’Sullivan was also appointed in the course of this year and presided over a most difficult and protracted appeal.

The contribution of past and new members was greatly appreciated by the other members of the Board.
**Social Services Board**
The Social Services Board comprises 3 independent community members and two representatives from the Legislative Assembly. The 3 independent members hold a statutory appointment for a period of 3 years.
The functions of the Board are to consider and make recommendations to the executive member concerning claims and reviews.
The current members of the Social Services Board are:
- Mr Ian Anderson, MLA (Chairperson)
- Mr Lisle Snell, MLA
- Mrs Dale Hogden
- Mrs Patricia Anderson
- Mr Tom Lloyd
- Mrs Kim Edward (Secretary)

In addition to the above functions, the Board has the further function of furnishing to the executive member reports or recommendations concerning:
- Social welfare in Norfolk Island;
- The likely cost of any extension of benefits under the *Social Services Act 1980*;
- The priority that should be given to an extension of benefits;
- The operation generally of the *Social Services Act 1980*.

In the 2007/2008 year the Board met on 8 occasions and granted 8 benefits.
Human Resources
Core Business of Work Unit
The Human Resources section has responsibility for the development and implementation of human resources policies and procedures. Major activities in these areas include strategic advice to senior management on industrial and employment matters; recruitment planning and processing, policy and program development, advice to employees and managers on terms and conditions of employment as well as entitlements, involvement in formal and informal conflict resolution, performance, identifying and arranging training requirements, providing secretariat support to the Staff Consultative Committee, Occupational Health & Safety Committee and the Public Service Board, and processing and recording all staff entitlements. The section carries out its functions in accordance with the Public Sector Management Act 2000 and Regulations and the Human Resources Policies and Procedures Manual, which is a Determination under the Act.

2007/2008 Achievements
There were 19 resignations from established positions and 54 formal recruitment processes undertaken. Not all recruitment processes resulted in an appointment due to either no applications being received for the vacant position or it was decided to review the advertised position before anyone was appointed to the position. As at 30 June 2008 the Public Service staff establishment was comprised of the following positions:

- Full-time employees 133
- Contract employees 14
- Part-time employees 15
- Vacant positions 33
- Under recruitment 10

The Chief Executive Officer resigned in March 2008 and the employment contract for the Executive Director – Environment and Infrastructure expired in February 2008. The OH&S committee formally met on only four occasions, which was largely due to the retirement of committee representatives including the Chairperson and the deputy Chairperson. A new Administrative Officer – Risk Management was appointed in May 2008. This position, which is a combination of former positions of OH&S Officer and the Research Assistant – Insurance, provides the OH&S committee with administrative and operational support.

In September 2006 WorkCover NSW introduced photo licenses for NSW National Certificates of Competency. Under an arrangement between WorkCover Authority NSW and Australia Post licenses are initially processed by an Australia Post outlet with a Bank@Post facility. This facility does not extend to Norfolk Island. The Administration and WorkCover Authority NSW entered into a Memorandum of Understanding to enable Norfolk Island residents to commence the evidence of identity process on the island.

A trainer was sourced from the Hunter Plant Operator Training School to undertake a mobile crane course, which resulted in a WorkCover licence. The South Sydney Miller College of TAFE provided training in Bonded Asbestos Removal and Asbestos Supervisors. In
conjunction with Australia National Parks and Wildlife Services on Norfolk Island, there was a 4-wheel drive training course. There was also First Aid and CPR training.

An induction procedure was introduced on a trial basis for all new employees. The induction includes work area information, emergency and first aid procedures, OH&S, position requirements, terms and conditions of employment, policies and ethical responsibilities.

At the end of the financial year the two Administration apprentices had completed three and a half years of their four-year apprenticeships.

Annual medical checks were carried out on approximately 45 staff who work in the outside environment. In addition approximately 60 staff members had hearing tests.

2008/2009 Challenges/Opportunities

The Human Resources section continues to look for ways in which to improve customer service delivery to both internal and external customers. Strategically, the Human Resources function would benefit from greater use of electronic technology, particularly in the areas of entitlements processing, management reporting and statistical information. If technology were introduced, apart from the large volume of initial set-up entry data, it would result in a more efficient and effective mechanism to process and record a vast amount of the section’s day-to-day work and would provide management with up to date reports and statistics on staffing matters.

A review of the Administration’s Organisation Structure will require the examination of the various Administration sections and their reporting lines, as well as all positions in those areas. This will result in examining and amending position specifications to reflect the detailed requirements of each position, their work objectives and major responsibilities. There is also a possibility that this could include the undertaking of a full Job Evaluation process and a Salaries Relativity Review.

In conjunction with these reviews it would be necessary to update the performance management appraisal system to appropriately measure position objectives and outcomes.

To achieve corporate objectives and expected outcomes it will be necessary to, in compliance with legislation and policy, ensure the timeliness and accuracy of providing information and processing is regularly monitored and identify appropriate training opportunities to assist and enhance individual’s skills and knowledge.

Legal Services Unit

The Legal Services Unit consists of a Crown Counsel, Deputy Crown Counsel, Legal Counsel, Legislative Draftsman, Legal Clerk and a Secretary. The responsible executive member is the Hon. Geoffrey Gardner.

The function of the Unit is to act as Crown Prosecutors before the Norfolk Island Supreme Court and Court of Petty Sessions; provide legislative drafting services and legal advice to the Legislative Assembly and Executive; prosecute breaches of Government regulations; conduct civil cases involving the Administration; provide legal advice and services to Administration departments and represent statutory officers at Administrative Review Tribunal hearings.

2007/2008 Achievements

• Worldwide interest was maintained in the island’s only murder trial
since the Pitcairn settlement. A full bench of the Federal Court of Australia dismissed an appeal and upheld the conviction.

- The year also saw the introduction of the Criminal Law Reform Package, which brought Norfolk Island law into line with the model uniform laws being introduced by the States and Territories of Australia.

- Whilst a major jury trial was successfully prosecuted, Norfolk Island remains a relatively crime free and safe place to live with most matters before the courts being traffic infringements.

- Other major areas of law reform included changes to the Civil Law with the Legislative Assembly passing the Law of Negligence and the Limitation of Actions Act.

- The Legal Services Unit provides a wills and estate service for Norfolk Island residents. This was busy during the year and helped many beneficiaries who were scattered across the world.

- The Legal Services Unit continues to represent Norfolk Island at meetings of the Standing Committee of Attorneys General to keep the Administration abreast of major law reform initiatives in the Australasian region.

- The coming year presents a new set of challenges with all areas of the Administration seeking legal assistance and advice in law reform and policy initiative.

**Internal Audit**

Internal Audit is an independent tool of management. The Internal Auditor’s role is to audit the various sections, departments and entities, of the Administration and report findings back to management.

During this year the Internal Auditor has introduced internal audit programs for the GST Office, Healthcare and Workers Compensation sections, and is currently working on a program for the Airport.

Audit also has a troubleshooting role within the Administration as Audit is often called upon to assist with situations where there is limited staff to handle problems that occur, or to set up procedures where new tasks are being introduced. In this regard, the take over of supply of fuel to the island by the Administration and the introduction of the Norfolk Energy Entity is a good example.

**Norfolk Island Police**

The purpose of the Norfolk Island Police Force is to provide an effective and efficient Police Service that works with the community, the Government and Administration of Norfolk Island, and on behalf of the Australian Government, to preserve the peace, reduce the incidence of crime, protect life and property on Norfolk Island, in accordance with the Norfolk Island Policing Arrangement. This policing arrangement is entered into between the Australian Federal Police and the Norfolk Island Administration. The arrangement provides jointly funded policing for Norfolk Island with Norfolk Island paying 70% and the Australian Federal Police paying 30%. The Norfolk Island Police is made up of a team of three full time members comprising of one Sergeant and two Constables. The three full time members are deployed from the Australian Federal Police for a two year term, with a possible option of a 12-month extension. Four Special Constables recruited from the local community assist the three full time members; one of the Special Constables.
Constables is on a full time basis. During this financial year the Sergeant completed a three-year posting in November, and a Constable left the Island in November 2007 after only 7 months due to personal reasons. The Sergeant was replaced by a member from the A.C.T. and the Constable was replaced by a member from the AFP’s Perth office.

In addition to police core business, the Principal Police Officer is also responsible for duties of Bailiff, Sheriff, motor vehicle driver licence testing, liquor licensing, firearms licensing and the operation of the gaol and periodic detention centre. Commencing in November 2007 a person was under periodic detention every weekend of the year, with a subsequent increase in gaoler’s costs.

Police attended the Norfolk Island school on a number of occasions and spoke to children in relation to safety issues. The older students have also been spoken to regarding issues such as safe driving and the dangers of drug use. The Principal Police Officer attended Careers Day at the school and spoke to groups of children regarding career opportunities and prospects in the AFP.

Police continued to focus on traffic issues during the year. As a result 24 people were placed before the court on a total of 40 traffic-related charges. Many of the drivers had their licences suspended or cancelled and received significant fines. Police also concentrated on the speed limit in the school zone with many drivers cautioned for minor speed related offences.

Police also took delivery of the Drager Breath Analysis Instrument. As a result, drivers who are involved in motor vehicle accidents are now subjected to breath analysis rather than the previous slow and expensive procedure of sending blood samples to Sydney for analysis. The option of blood analysis is still available in those instances where police suspect the driver is under the influence of a substance other than alcohol. Legislation is currently being prepared for consideration by the Assembly which would allow police to subject drivers to a roadside screening test in those instances where police suspect the driver is under the influence of alcohol.

Crime figures remained constant during this financial year. 5 people were arrested on a total of 12 criminal charges and 4 people were summonsed in relation to a total of 4 criminal charges. Throughout the year police provided the public with information on ways to make property and premises more secure to alleviate the problem of minor theft and burglary.

In November 2007 a male person was sentenced to 6 months imprisonment in relation to a breach of recognisance and in March 2008 a male was tried in the Norfolk Island Supreme Court for the offence of sexual intercourse without consent. The male was found guilty and sentenced to 3 years imprisonment with a 2-year non-parole period. This was the first successful prosecution of this type of offence on Norfolk Island.

Behaviour over the Christmas/New Year period was good with no persons arrested for anti-social behaviour.

Two initiatives continue to be a great source of policing information for members of the Norfolk Island community. The weekly “Island Beat” radio show continues where listeners are invited to ask questions in relation to policing activities and the law. A weekly article also appears in the
Norfolk Island newspaper providing the community with further information about police activity and general community information. The Crimestoppers service continues to be available to members of the public. Calls to this service are strictly confidential with no tracking of calls to keep the integrity of the service intact.

**Kingston & Arthur’s Vale Historic Area (KAVHA)**
The Kingston & Arthur’s Vale Historic Area (KAVHA) is listed on the National Estate Register. On 1 August 2007 KAVHA was included on the National Heritage List which is Australia’s highest heritage honour. The legal protection of the site guarantees future generations will be able to appreciate first hand where the lives of many of their forebears began in Australia.

KAVHA has been included in the Australian Convict Sites World Heritage nomination and it has been advised that the nomination will be evaluated in 2009 with a good chance of being formally included on the World Heritage List in 2010.

Relevant legislation to the site includes:
- The Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*;
- The Norfolk Island *Heritage Act 2002*;
- *The Norfolk Island Plan 2002*.

The conservation team consisted of a Project Manager, eight Artisans, a Cemetery Sexton and three grounds maintenance staff. The site is also supported by a secretary and a museum guide.

The Conservation Management Plan guides the Management Board in its work. Other guiding management plans include:
- Landscape Management Plan
- Maintenance Manual
- Cemetery Management Plan
- Government House and Quality Row Gardens Management Plan
- Water Quality Management Plan

Work is now focused on maintenance to the historic structures, landscape works, fencing, Quality Row and Government House gardens, grounds maintenance, recreational facilities and interpretation.

Under the MOU funding formula the Commonwealth contributed $553,000 and the Norfolk Island Government $304,257.

**2007/2008 Achievements**
- Removal of asbestos roof from Old Military Barracks West Officers Quarters and replacement with wood shingles;
- Upgrade of KAVHA fences;
- Maintenance to No. 1 Quality Row;
- External maintenance to the Engineer's Office;
- Maintenance to No. 10 Quality Row;
- Identification of the First Settlement Burial Ground;
- Development of a KAVHA Exile Event to commemorate the departure of the First European Settlement from Norfolk Island to Tasmania on 9 November 1807. Twenty-eight visitors enjoyed the re-enactment plus a week of tours and activity in KAVHA.

**2008/2009 Directions**
The KAVHA Management Board have appointed a Site Manager for the historic site. The Site Manager is expected to commence work on site towards the end of August 2008.

The Management Board at its June 2008 meeting approved the development of a new Interpretation Plan – part of the new Site Manager’s responsibility will be the carriage of the
new Interpretation Plan.

**KAVHA Management Board**
The Kingston & Arthur’s Vale Historic Area Management Board was established in 1989 by Memorandum of Understanding (MOU) between the Norfolk Island and Australian Governments. The MOU was revised in 1994. The Norfolk Island representatives on the KAVHA Management Board are the Hon. Andre Nobbs, MLA and the Hon. Vicky Jack, MLA.

**GST Office**
The principal function of the GST Office is to administer the *Goods and Services Tax Act 2007*. The Chief Revenue Officer and a GST Officer staff the GST Office. The Minister for Finance, the Hon. Neville Christian, has been responsible for the *Goods and Services Tax Act 2007*. The GST Office is responsible for:

- The collection of all goods and services tax paid by registered businesses;
- The examination of all remittance forms;
- The issuance of receipts for such payments;
- The registration and cancellation of businesses;
- The monitoring of duty drawback;
- The preparation and issue of penalties for non-payment of GST;
- The maintenance of all records pertaining to GST;
- The random audits of monthly remittance forms of NBN holders in relation to their business records;
- The provision of advice and guidance to members of the public.

Staff of the GST Office have been members of the GST Working Committee, a group established to assist in the interpretation and enforcement of the Act. The Chief Revenue Officer was also instrumental in the revision of the Goods and Services Tax Act to come into effect in the 2008/2009 financial year.

**2007/2008 Achievements**
As GST only came into existence on 2 April 2007, achievements and figures cannot be compared realistically to the previous financial year. This is due to many reasons, firstly that large NSL prepayments were made to tour companies/accommodation houses etc prior to 1 April 2007, and secondly, in the last financial year GST was received only for the months of April and May 2007.

Major accomplishments achieved for the financial year ending 30 June 2008 include:

- A total registration of 620 businesses;
- Duty drawback claimed totalled $763,511.20 which included $52,240.13 in duty drawback rebate being paid out to NBN holders upon bona fide sale of business;
- Monies received for payment of NSL totalled $46,683.85;
- Monies received for payment of GST totalled $5,832,525.16;
- Monies received for payment of penalties totalled $13,375.00;
- Audits undertaken, both by the GST Office and externally appointed auditors, resulted in an additional $31,500 GST being received;
- Total monies received for NSL, GST and penalties for the period 1 July 2007 to 30 June 2008 was $5,892,584.01.
- Both internal and external auditors audited the GST Office and all records and finances were found to be correct.
2008/2009 Directions

One of the major focuses of the GST Office staff in 2007/2008 was to assist in the comprehensive review of the *Goods and Services Tax Act 2007*. The review encompassed the review of all aspects of the operation of the GST, with a fine-tuning of the legislation, regulations and administrative procedures.

The review has now been finalised by the GST staff and GST Working Committee, approved by the Norfolk Island Legislative Assembly and is currently with the Legal Services Unit awaiting redrafting of the Act. Once this has been completed and legislated, the staff will spend the majority of their time implementing the changes internally and externally, and educating/assisting the public in the revised procedures of the Act. Coordination between the Norfolk Island Legislative Assembly, Customs, Legal Services Unit and other areas of the Administration will be imperative.

It is still anticipated that software may be developed/purchased to streamline the GST payment process and to enable a tracking process of revenue/input tax credits/registrations etc.

Another major focus will be the issuing of summonses and appearances in court for businesses that have not lodged their GST and/or not paid the penalty for late payment.

Audits of NBN holders were undertaken in October/November 2007 (both random and voluntary) and April 2008 (random) by Australian Auditors. Audits, in particular of input tax credits, have also been undertaken by GST staff. It is envisaged that audits will occur on a regular basis, both by Australian auditors and the GST Office.

The GST Office staff are committed to providing maximum customer service whilst maintaining the integrity of the Administration of Norfolk Island.
Norfolk Air
Norfolk Air, chartering Ozjet Airlines Boeing 737-200 aircraft, currently operates the sole regular passenger traffic services between the Australian mainland and Norfolk Island. It exists for the purpose of enabling tourists, residents and freight a safe, reliable, efficient and sustainable mode of transport.

Norfolk Air is an entity within the Administration responsible for the marketing and selling of the seats on board the aircraft. The technical elements of physically operating the aircraft including regulatory compliance, crew, maintenance and insurance are the responsibility of the operator, Ozjet Airlines. Sales, marketing, development of distribution channels, customer contact service and airfare yield is controlled by Norfolk Air.

2007/2008 Achievements

- Norfolk Air’s aggressive sales and marketing activities have seen an additional 6,467 passengers carried over the 2007/2008 year despite the challenging and competitive circumstances in tourism and aviation in the region;
- Norfolk Air has invested $487,000 this financial year in its own branding, tactical and destination advertising of Norfolk Island;
- During the 2007/2008 period, Norfolk Air has maintained a reliable schedule, increased the capacity by 9,500 whilst maintaining a 74% seat load factor for the year;
- To adapt to identified market changes, point-to-point flights have been implemented with two new gateways introduced in 2007. Weekly flights, to Newcastle commencing 7 May and to Melbourne commencing 19 October, have proved successful, particularly so with Melbourne achieving excellent load factors;
- With the additional gateways, Norfolk Air now services four Australian cities with eight services per week, offering 1,678 one-way seats each week;
- In further developing the www.norfolkair.com website, a monthly newsletter is sent to registered visitors giving latest news and last-minute specials;
- Norfolk Air moved its customer service Contact Centre from Melbourne to Norfolk Island as of early December 2007 with four local employees providing a high standard of service. This has been extremely positive with extended hours and enabling improved communications with our customers and with the Norfolk Air Management Team;
- Perhaps the greatest challenge experienced during the 2007/2008 financial year was the weather which had a major impact on our operations and on the profitability of Norfolk Air. In the December/January period alone, service disruptions were more the norm than the exception and disruption costs exceeded a quarter of a million dollars;
- Fuel costs also raised another challenge and continues to obtain significant focus. Though Norfolk Air raised its fuel surcharge from January 2008, with the lag factor and so many tickets issued before the increase, the full effect of the increased surcharge was not reaped in this financial year. Thus the higher cost of fuel incurred had a significant detrimental effect on the
Notice was served on Ozjet Airlines advising of Norfolk Air’s intent to terminate the contract which will see Ozjet cease flying on Norfolk Air’s behalf from 21 May 2009. At the same time, a new contract has been signed with the Nauru Air Corporation trading as “Our Airline” to undertake the total Norfolk Air network flying using a Boeing 737-300 aircraft which is being acquired by Our Airline and will be painted with the Norfolk Air livery and will be based on Norfolk Island. The B737-300 has significantly improved fuel efficiency and longer range capability, providing greater capability of being able to land at Norfolk during periods of bad weather. Additionally, it will be able to operate the Melbourne flights direct without payload restrictions.

2008/2009 Directions

- Norfolk Air will operate within a difficult environment within the next 12 months with the main challenges stemming from the global effects of high fuel costs and an apparent economic slowdown hitting the aviation sector the hardest for many years;
- Norfolk Air will work with its partner airlines, Ozjet and Our Airline to continue to provide reliable regular passenger services to support the Norfolk Island tourism industry and the community of Norfolk Island. As mentioned previously, Our Airline will take over the flying for the full Norfolk Air network from 22 May 2009;
- An additional gateway to the Gold Coast is to commence on 2 October 2008 and a second weekly service to Melbourne on Tuesdays will begin on 2 September 2008, taking the weekly services to ten. The services from the Gold Coast will tap into a potential market of more than a million people, a high proportion being in the typical Norfolk tourism demographic of baby-boomers and active retirees;
- It is anticipated that Norfolk Air will be incorporated in the early part of the 2008/2009 financial year, with a Board of Directors being appointed to oversee the running of the business. The effect of incorporation will provide a degree of independence from the government and place greater fiscal onus on the management to ensure Norfolk Air maintains sustainable operations.

Under the difficult circumstances that prevailed for much of the 2007/2008 financial year, particularly with the numerous flight disruptions and spiralling cost of fuel, it is a credit to the management of Norfolk Air, in particular the CEO, Ewan Wilson and the Finance Minister who is the Minister responsible for the airline, that the business remained profitable.

Ewan Wilson resigned as CEO in June 2008 to pursue other interests overseas and has been replaced by Jeff Murdoch, who has had a lengthy career in senior management positions in the airline industry.

Policy & Projects Office

- Administration Support for Ministerial Offices
  Ongoing Administration support for Legislative Assembly and Ministerial offices currently includes direct funding, staffing establishment and support for the following positions: Secretary to Assembly Offices; Research
Assistant/Government and Secretary to Government. From November 2007 a dedicated Policy and Projects Officer position was established within the Office of the CEO (initially located at the Administration Offices and then moved to No. 11 Quality Row, Kingston). The CEO’s intention in re-establishing this function included using the initial contracted officer to help strengthen on-Island capacity for providing executive members with research and support across a range of policy and project areas agreed to be of strategic importance to the Norfolk Island Government and community.

2007/2008 Achievements
During 2007/2008 the range of Policy and Project Officer support provided directly to Ministers of Norfolk Island Government included:

- Assisting executive members with Administration inputs in and support for Norfolk Island Government strategic planning;
- Research, development and writing of a Draft Norfolk Island Traditional Fishery Management Plan (FMP); support for discussions by key community and government stakeholders on the draft FMP, and assistance with preparations for wider community consultation on the proposed community-based management of Norfolk Island Fishery Area.
- Assistance was provided with Norfolk Island Government submissions on regional partnerships and government-to-government development assistance. Administrative support was provided towards establishment of a trial Community Information and Resources (CIR) Centre, an associated CIR email network, and organisational structure (based on Norf’k CIRCA Inc.) to support closer community and government partnerships and increased access by island residents and community-based organisations to available information, resources and funding opportunities.
- Policy and project assistance was provided to establish an accountable basis for joint government support and increased visibility of Norf’k language. This included accounting for and supporting Australian Research Council grant assistance and a range of ongoing Administration activities and official government initiatives to promote use of Norf’k language.
- Support was provided for Norfolk Island Government and Administration representation at Cultural Ministers Council meetings; and for initial establishment of a Council of Elders, to support more effective government consideration of the Norfolk Island community’s needs and views.
- Assistance was provided with Norfolk Island Government response to public information requests and for presentations to be given at community-based meetings, for example, in response to calls for establishing an Administration internal administrative review procedure and to achieve forward progress on steps towards finalisation of a Norfolk Island Ombudsman Act (first drafted in 2004).
- Support was provided for policy development on new immigration and population initiatives, to integrate with economic reform and
environmental sustainability strategies.

- Policy support was provided for Norfolk Island Government and Administration, towards achievement of agreement in principle and a draft Memorandum of Understanding between Norfolk and NSW Education Ministers to help secure Islander access to registration for mainland apprenticeships, traineeships and block training courses.

- Administrative and other support was provided for the Environment Officer, and also involved Policy and Project support for the Minister for the Environment, Education and Social Welfare, across a range of environmental planning and community consultation processes. This included assistance with finalising the island’s first ever *State of the Environment Report*, management of final consultation processes towards achieving an accredited *Norfolk Island Natural Resource Management Plan* and assistance with finalising new Natural Heritage Trust project proposals. The Policy and Projects Officer also represented Norfolk Island Government on the newly established Natural Heritage Trust Advisory Group; the PPO also researched and drafted the Norfolk Island Government submission to the Australian Government on Rodent Eradication or Control Options.

### Challenges and Future Directions

Generally speaking, significant challenges for Policy and Project work in 2007/08 have included:

- Helping to ensure that Norfolk Island Government strategic priorities are translated into action, so that taxpayer funds are targeted to achieve more effective service delivery and reform in areas and directions that have been discussed and agreed with the community.

- Establishing ways of working and communicating effectively between, while not physically located within, Administration or Legislative Assembly offices.

- Helping Administration and Government find ways of achieving steps forward in difficult and contentious areas of public policy, which often involve developing consensus across sectors and divergent interest groups.

- Two specific and as yet unmet challenges have been to secure high-level support for re-establishing on-Island capacity for Policy and Project support beyond the current limited term contract position; and helping to strengthen public sector complaint-handling procedures and related employee assistance mechanisms.

### Norfolk Island Fisheries

Australia exercises territorial control over Norfolk Island’s surrounding 200 nautical mile exclusive economic zone. The Fisheries in this area consist of an inshore shelf, an upper slope fishery, and an offshore deepwater fishery. Australian fishery licenses have previously been issued for, but at this time provide for no current commercial licensing, within the Norfolk Island Fishery Area, known locally as “the Box”. Australia is also currently reconsidering its approach to development of an exploratory fishery in the Norfolk Island Offshore Demersal Finfish Fishery.

**During 2007/2008**

- Norfolk Island’s Fishery Discussion Paper (prepared in September 2007)
was used as a basis for initial key stakeholder discussions on future management options, and was an important starting point for securing agreement to prepare a draft fishery management plan.

- Preparation of a Consultation Draft Norfolk Island Traditional Fishery Management Plan (FMP) was achieved by March 2008, to support sustainable community-based management of Norfolk Island Fishery Area (“the Box”). The draft FMP documents current practices and seeks to develop long-term, cost effective management and compliance measures which will also help to fulfil requirements of the Fisheries Management Act 1991 (Cth).

- Agreement in principle was achieved for Norfolk Island Government and Norfolk Island Fishery Association (NIFA) to be partners for future co-management of Norfolk Island Fishery Area, using the draft FMP as an agreed starting point for moving forward together.

- Preparation of draft technical Explanatory Notes was completed by mid-2008 to support future fishery management arrangements, including recommended tools for accountable and ecologically sustainable management, access to and use of Norfolk Island fishery resources.

- Support was provided for initial key stakeholder consultations on the draft FMP, to occur from March 2008. This culminated in a series of meetings to be held on Norfolk Island in August 2008 involving community and government representatives including Australian Fisheries Management Authority (AFMA) Senior Manager for Demersal and Midwater Fisheries. Important points of discussion to be covered in these meetings included: how best to strengthen the draft FMP; shared roles in fishery co-management; Islander access to fishery resources surrounding the Island; and update of the Memorandum of Understanding (MOU) on Norfolk Island Inshore Fishery data collection.

- Policy and administrative support was provided for the first ever compilation and delivery of twelve months’ catch and effort data for Norfolk Island Fishery Area (covering September 2006 – August 2007) in line with requirements of the MOU on Norfolk Island Inshore Fishery Data signed by AFMA and the Norfolk Island Administration.

- It is a significant achievement that draft fishery management planning was prepared in line with mandatory notification procedures for protected species and other requirements of the Environment Protection and Biodiversity Conservation Act 1999 (Cth).
Norfolk Island Government to secure access approval and support for Australian Museum collection of amphipods in the Norfolk Island Fishery Area during May 2008 to develop the first catalogue of Norfolk Island amphipod fauna. (The research team expected that a number of the fifty or so specimens they collected will be new to science). Australian Museum staff provided an information seminar at the Norfolk Island Central School for interested groups on the Island, to explain the project and how the information will be used to improve knowledge of local marine life. This Norfolk Island research forms part of a wider Circum-Australia Amphipod Project.

Drafting assistance was provided across a range of Ministerial correspondence tasks, for example concerning relevant legislative requirements, and most recently in response to the new strategic approach being considered by AFMA to Norfolk Island Offshore Demersal Finfish Fishery.

Challenges and Future Directions
The main challenge in 2007/08 has been to translate known research as well as best-fit public and community sector recommendations for sustainable fishery management practices into a realistic community-based approach acceptable to all stakeholders. This important challenge is basically for the Island to successfully convert planning processes into agreed action and sustainable practices.

A second important challenge has been to establish a means of managing on-Island collection and compilation of Norfolk Island Fishery Area catch and effort data, which is accepted as valid by all stakeholders, and meets AFMA requirements. At time of drafting this report, this challenge had been met to the extent that the second year of compiled data was in preparation, and meetings were scheduled to be held with an AFMA representative in August 2008 to discuss the strength of the methodology and of the data that has been provided so far. Three consecutive years of comprehensive information is required to establish valid baseline data, for comparison and analysis with future trends and to help establish sustainable management of any risks and access issues related to Norfolk Island Fishery Area.

A related challenge has been to develop data collection in such a way that Norfolk Island can then successfully use the first two years of compiled data to produce a first-ever strategic assessment of Norfolk Island Fishery Area.

A challenge that has yet to be fully explored is to develop a means of monitoring inshore shellfish collection as part of the FMP fishery management tools, so as to mitigate any likely negative impacts, while also maintaining traditional Islander rights to access and use of this resource. Future funding options should be considered to support development of an Island-based project to compile a comprehensive record of known data and information on Norfolk Island Fisheries, including oral, historic and scientific research sources. This would greatly assist future management decision-makers, as well as other interested parties, by helping to make important historic and comparative information more accessible, as this currently exists in very disparate sources.
CORPORATE & COMMUNITY SERVICES

Finance Unit
The Finance Branch is managed by the Finance Manager who is responsible for the accounting functions of the Administration. Ministerial responsibility for the Branch rests with the Minister for Finance.

The Finance Branch’s Accounts Section has a staff of 8. The cost of administering the Accounts Section is approximately $324K per annum, which is recouped from the management fees charged to the Government Business Enterprises. Management fees charged in 2007/2008 totalled $1.086M.

Financial Management
The Public Account of Norfolk Island, consisting of all public moneys available for the purpose of the Norfolk Island Government, is established under the Norfolk Island Act 1979 (Cth). The Public Moneys Act 1979 provides for the administration and the collection and payment of public moneys by the Government of Norfolk Island.

The principal sources of revenue for the Revenue Fund in 2007/2008 are Customs Duty, G.S.T., Departure Fees and the net profit from the Liquor Supply Service. These four income sources alone contributed 69% to the total revenue received of $13.148M.

The Revenue Fund’s operational and capital expenditures for the year totalled $14.482M thus resulting in a deficit of $1.334M. Capital Works and Purchases funded by the Revenue Fund in 2007/2008 totalled $111,600. On a consolidated basis (i.e. all Entities comprised in the Public Account) after the application of depreciation of $3.091M the Administration’s income exceeded expenditure by $66K.

Capital Works and Purchases across all Entities amounted to $1.976M. The Administration’s consolidated Net Assets at 30 June 2008 amounted to $32.505M. Cash at Bank was $13.824M. Of this amount $958K was held in trust. The reserve balance of the Revenue Fund was $8.239M.
### Administration of Norfolk Island Consolidated Income and Expenditure

**Year Ended 30 June 2008**

#### Income

<table>
<thead>
<tr>
<th>Item</th>
<th>$,000</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Taxes and Levies</td>
<td>12,085,100</td>
<td>40%</td>
</tr>
<tr>
<td>B. Charges for Services Provided</td>
<td>14,306,000</td>
<td>47%</td>
</tr>
<tr>
<td>C. Interest Received</td>
<td>617,100</td>
<td>2%</td>
</tr>
<tr>
<td>D. Liquor Bond (Gross Profit)</td>
<td>1,183,200</td>
<td>4%</td>
</tr>
<tr>
<td>E. Postal Services - Gross Income</td>
<td>600,700</td>
<td>2%</td>
</tr>
<tr>
<td>F. Grants, Subsidies &amp; Contributions</td>
<td>1,133,500</td>
<td>4%</td>
</tr>
<tr>
<td>G. Other Income</td>
<td>158,200</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>30,083,800</td>
<td>100%</td>
</tr>
</tbody>
</table>

#### Expenditure

<table>
<thead>
<tr>
<th>Item</th>
<th>$,000</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Employee Costs</td>
<td>9,765,000</td>
<td>33%</td>
</tr>
<tr>
<td>B. Maintenance &amp; Repairs</td>
<td>2,332,700</td>
<td>8%</td>
</tr>
<tr>
<td>C. Grants, Subsidies &amp; Contributions</td>
<td>2,925,000</td>
<td>10%</td>
</tr>
<tr>
<td>D. Welfare</td>
<td>2,217,700</td>
<td>8%</td>
</tr>
<tr>
<td>E. Other Operational Costs</td>
<td>9,687,400</td>
<td>35%</td>
</tr>
<tr>
<td>F. Infrastructure Projects</td>
<td>806,000</td>
<td>3%</td>
</tr>
<tr>
<td>G. Purchase of Assets</td>
<td>955,900</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>28,689,700</td>
<td>100%</td>
</tr>
</tbody>
</table>
The Information Technology (IT) department supports a large customer and application base throughout the Administration and other government areas. This support role includes the sourcing and installation of a vast array of technological platforms and applications, as well as providing training and support to Administration computer users of these platforms and applications. In this way the IT department ensures that all Administration departments are able to fully utilise the technology available to them in their core business.

The IT department is funded directly from the Revenue Fund with no direct charging to any area for assistance provided during normal working hours. After hours support is generally charged directly to the department concerned. Computer equipment standardisation guidelines are currently being implemented throughout the Administration. Any equipment required by departments that fall outside of these guidelines is subject to scrutiny and usually charged directly to the department concerned. GBE’s are required to adhere to the standardisation guidelines for the Administration and are required to fund all their own computer equipment.

The IT Manager has once again been temporarily called into service as the Acting Chief Executive Officer. In the last part of the year the Chief Technical Officer has been based at Norfolk Telecom working primarily on the Communications Provider Changeover project, while continuing to provide support to Norfolk Telecom in the implementation and maintenance of the ISP, ADSL and GSM mobile phone systems.

Having both the IT Manager and Chief Technical Officer based out of the department has meant that long-term projects have once again been put on the back burner to some degree, including the database replacement strategy, where it is planned to remove the dependency of the Administration on the out of date CTOS equipment still currently in use in the Accounts and Customs and Immigration departments.

The departmental focus has therefore been to continue to provide a high level of support to Administration computer users while the IT Manager and Chief Technical Officer are absent from the department. The remaining IT staff are to be complimented on their ability to maintain this level of support.

The last year has seen hardware and software upgrades in the Philatelic Department, the Liquor Bond and the Radio Station. IT staff also assisted the Norfolk Island Central School to install a video conferencing system in the Technology Room and provided assistance to the Supreme Court of Norfolk Island when necessary with the video conferencing system in the court house. An upgrade to the ISYS software on the ISP servers was also completed successfully.

The IT section continues to support the ISP at Norfolk Telecom, which remains the centre for Internet access for Norfolk Island. There has continued to be a large uptake of ADSL services with wireless internet access for the home proving to be very popular. Statistics have shown an average of 240 emails being received and 104 emails being sent every hour. Daily internet traffic peaked at an average of 1.4 megabits inwards per day and 0.4 megabits outwards per day.
Records Management
The Administration’s Records Office is located on the top floor of the New Military Barracks, Kingston. The department operates with three full time staff.
The department is responsible for the movement of files as requested by Administration employees. This includes the management of current files, closed files, dead and archived files. The files consist of business records and documents relating to Administration business communications. The area also manages all inward correspondence and distribution to the relevant departments. Receipt books are ordered and distributed by the Records area. Once completed they are returned for stock control and storage, and recorded for future destruction.
The department has had Recfind Corporate Management system installed for some time, and until now it has been used as a number information storage system only. Staff have now had training sessions in preparation to go live with the system to enable files to be maintained electronically. Previously the movement of files was controlled by a manual card system; it is now run directly through Recfind with the use of a barcode system. The system is capable of storing electronic documents to appropriate files. This ultimately saves time and reduces paper consumption.
The Government Gazette is one of several publications which are now emailed to Administration employees and a copy attached to the relevant files.

Norfolk Island Customs
A dedicated team of seven Customs Examining Officers, under the leadership of the Manager Customs and Immigration Services, provide Customs services to Norfolk Island. The principal function of the Customs Service is the provision of services in the following areas:

- Determining what imported goods are subject to the Goods and Services Tax or subject to customs duty, then assessing and collecting customs duty on goods that are dutiable;
- Carrying out border protection functions at the barrier;
- Drug interdiction

As well as carrying out the requirements of the Customs Act 1913, Customs Officers also carry out functions conferred by the following Acts:

- Airport Act 1991
- Dangerous Drugs Act 1927
- Departure Fee Act 1980
- Endangered Species Act 1980
- Fish (Export Control) Act 1984
- Immigration Act 1980
- Plant & Fruit Diseases Act 1959
- Trade Marks Act 1995 (Cth)

The Minister for Finance, the Hon. Neville Christian is the member responsible for Customs matters.
## Customs Clearance Statistics

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<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Aircraft Arrivals</td>
<td>517</td>
<td>689</td>
<td>669</td>
</tr>
<tr>
<td>Passengers</td>
<td>32,357</td>
<td>37,818</td>
<td>39,717</td>
</tr>
<tr>
<td>Air Cargo</td>
<td>246 tonnes</td>
<td>286 tonnes</td>
<td>282 tonnes</td>
</tr>
<tr>
<td>Small Craft Arrivals</td>
<td>22</td>
<td>39</td>
<td>15</td>
</tr>
<tr>
<td>Cargo Vessels</td>
<td>20</td>
<td>20</td>
<td>19</td>
</tr>
<tr>
<td>Sea Cargo</td>
<td>11,665 tonnes (19,044 m³)</td>
<td>5,614 tonnes (12,378 m³)</td>
<td>5,755 tonnes (13,433 m³)</td>
</tr>
<tr>
<td>Petroleum Tankers</td>
<td>6</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Petroleum Discharged</td>
<td>5,588.77 tonnes</td>
<td>4,122 tonnes</td>
<td>4,760 tonnes</td>
</tr>
<tr>
<td>Gas Tankers</td>
<td>6</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Gas Discharged</td>
<td>369.754 tonnes</td>
<td>324 tonnes</td>
<td>304 tonnes</td>
</tr>
<tr>
<td>First Class Letters &amp; Parcel Post Items</td>
<td>85 tonnes</td>
<td>62 tonnes</td>
<td>61 tonnes</td>
</tr>
<tr>
<td>Customs Duty Collected</td>
<td>$2,948,811.00</td>
<td>$2,465,012.00</td>
<td>$1,366,394.00</td>
</tr>
</tbody>
</table>

## Total Imports by Source between 1 July 2007 and 30 June 2008

<table>
<thead>
<tr>
<th>Source</th>
<th>Ships</th>
<th>Air Freight</th>
<th>Parcel Post</th>
<th>By Hand</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Materials &amp; Supplies</td>
<td>3964355.80</td>
<td>655041.77</td>
<td>134211.25</td>
<td>10685.74</td>
<td>4764294.56</td>
</tr>
<tr>
<td>Household Appliances &amp; Furnishings</td>
<td>829499.35</td>
<td>395561.85</td>
<td>53818.96</td>
<td>7625.25</td>
<td>1286505.41</td>
</tr>
<tr>
<td>Consumer Durables</td>
<td>584277.02</td>
<td>2689339.44</td>
<td>1237048.02</td>
<td>307593.44</td>
<td>4818257.92</td>
</tr>
<tr>
<td>Food Household Supplies &amp; Tobacco Alcoholic Beverages</td>
<td>6737484.34</td>
<td>1893112.69</td>
<td>231988.01</td>
<td>45309.70</td>
<td>8907894.74</td>
</tr>
<tr>
<td>Clothing &amp; Footwear</td>
<td>1528736.97</td>
<td>68799.06</td>
<td>381.00</td>
<td>0.00</td>
<td>1597917.03</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>297758.30</td>
<td>1792549.68</td>
<td>368745.14</td>
<td>20099.81</td>
<td>2479152.93</td>
</tr>
<tr>
<td>Rural &amp; Farming</td>
<td>831157.95</td>
<td>179516.48</td>
<td>66228.66</td>
<td>7238.60</td>
<td>1084141.69</td>
</tr>
<tr>
<td>Fuel</td>
<td>7034445.09</td>
<td>685.14</td>
<td>0.00</td>
<td>0.00</td>
<td>7035130.23</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1694711.58</td>
<td>1406413.86</td>
<td>120415.53</td>
<td>14369.65</td>
<td>3235910.62</td>
</tr>
</tbody>
</table>

| Total                          | 25234065.60 | 9387879.47  | 2282177.40  | 420055.11| 37324177.58   |
Total Imports by Country between 1 July 2007 and 30 June 2008

<table>
<thead>
<tr>
<th></th>
<th>Australia</th>
<th>New Zealand</th>
<th>Europe</th>
<th>Asia</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Materials &amp; Supplies</td>
<td>2300523.79</td>
<td>2447649.98</td>
<td>9689.59</td>
<td>277.84</td>
<td>6153.36</td>
</tr>
<tr>
<td>Household Appliances &amp; Furnishings</td>
<td>746330.39</td>
<td>453343.18</td>
<td>50010.84</td>
<td>0.00</td>
<td>36821.00</td>
</tr>
<tr>
<td>Consumer Durables</td>
<td>3722632.91</td>
<td>626393.94</td>
<td>57558.08</td>
<td>129787.98</td>
<td>281885.01</td>
</tr>
<tr>
<td>Food &amp; Household Supplies</td>
<td>5523166.25</td>
<td>3171887.84</td>
<td>55134.95</td>
<td>112277.48</td>
<td>45428.22</td>
</tr>
<tr>
<td>Tobacco &amp; Alcoholic Beverages</td>
<td>1362268.30</td>
<td>235648.73</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Clothing &amp; Footwear</td>
<td>1536153.35</td>
<td>500198.03</td>
<td>300423.06</td>
<td>123246.68</td>
<td>19131.81</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>662945.75</td>
<td>979956.43</td>
<td>0.00</td>
<td>470838.08</td>
<td>1232.19</td>
</tr>
<tr>
<td>Rural &amp; Farming</td>
<td>730552.65</td>
<td>346854.60</td>
<td>2009.13</td>
<td>3474.24</td>
<td>1251.07</td>
</tr>
<tr>
<td>Fuel</td>
<td>409531.95</td>
<td>84122.71</td>
<td>0.00</td>
<td>601363.14</td>
<td>5940112.43</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2794186.27</td>
<td>414355.74</td>
<td>0.00</td>
<td>26806.77</td>
<td>561.84</td>
</tr>
</tbody>
</table>

19788291.61  9260411.18  474825.65  1468072.21  6332576.93

MAJOR IMPORT CATEGORIES 1 JULY 2007 TO 30 JUNE 2008

- Motor Vehicles 6%
- Food & Household Supplies 23%
- Fuel 19%
- Building Materials & Supplies 13%
- Consumer Durables 13%
- Tobacco & Alcoholic Beverages 4%
- Household Appliances & Furnishings 3%
- Rural & Farming 3%
- Miscellaneous 9%
- Clothing & Footwear 7%
Through a working arrangement with the Australian Customs Service, three deployments of a dog handler and a detector dog were carried out. During the deployments their services were utilised extensively in all customs operational areas. Customs continued to participate in the following local committees:
- Airport Emergency Committee
- Airport Security Committee
- Norfolk Island Fisheries Consultative Committee
- Social Awareness Consultative Committee

As a member of the Oceania Customs Organisation, Norfolk Customs attended the annual conference held in the Marshall Islands in May 2008. Attendance at the conference has given Norfolk Island Customs the opportunity to pursue some worthwhile initiatives presented at the conference.

Extensions to the Customs Arrivals Hall at the airport encountered further delays and it is expected that work will commence shortly. The extension will enable the x-ray machine to be installed and allow all baggage to be x-rayed. Besides providing more efficient screening, passenger facilitation will be increased.

The Customs Service continues its endeavours to pursue initiatives to enhance facilitation and protect the border.

**Immigration**

The principal function of the Immigration Office is to administer the *Immigration Act 1980*, with the objective to protect the rights and expectations of the Island residents, their way of life and the environment.
Immigration staff process applications, provide information and assist with enquiries regarding immigration to the island. A staff of four authorised persons – three Immigration Officers and the Manager Customs and Immigration Services, provide this service and exercise statutory authority in relation to certain immigration applications. The following Acts are the legislative basis for functions administered by the Office:

- *The Immigration Act 1980*
- *The Departure Fee Act 1980*
- *The Referendum Act 1964*

In addition, the staff provide advice and assistance to the Immigration Committee which is a statutory body established by the *Immigration Act 1980*.

The Chief Minister the Hon. Andre Nobbs is the member responsible for Immigration matters.

From the information on arrival and departure cards the Immigration Office maintains a computerised database of resident persons and persons visiting Norfolk Island.

As well as conducting a voting facility for local referendums and elections, immigration staff also provide a facility that enables persons wishing to register their vote in Australian elections and referendums to do so.

During the year the Immigration Office processed the following:

<table>
<thead>
<tr>
<th>Temporary Entry Permits</th>
<th>453</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Entry Permits</td>
<td>38</td>
</tr>
<tr>
<td>General Entry Permits granted under Special Relationship provision</td>
<td>16</td>
</tr>
<tr>
<td>Declaration of Residency</td>
<td>44</td>
</tr>
</tbody>
</table>

Comparison with the same categories for the previous twelve months indicate a twenty five per cent increase in Temporary Entry Permits being processed and a slight increase in the other areas.

Further progress has been made on the work that is being done to revise border entry procedures. With the increase in the number of foreign passport holders applying for permission to work in or visit Norfolk Island, the present system needs to be revised to facilitate entry whilst maintaining the security of the border. Further consultation with the Department of Immigration and Citizenship is about to commence before final procedures are agreed to and implemented.

During the period the Passenger Arrival Card was redesigned to take into account the various needs of stakeholders. The card has been designed to assist passengers to provide correct information to the questions asked.

Arrangements have been made to implement the Norfolk Island Government’s decision to have its medical screening requirements mirror the Federal immigration medical screening requirements.

The Immigration Service continues its endeavours to pursue initiatives to enhance facilitation and protect the border.

**Registry Office**

The Registry Office is responsible for the administrative and statutory functions of the courts and tribunals, land titles, births, deaths and marriages, liquor licensing, motor vehicle registration and licensing and other miscellaneous registrations. It is also responsible for the administration of Commonwealth legislation under the *Family Law Act 1975*(Cth) and the...
Marriage Act 1961(Cth).
The Registry office is staffed by the Registrar, the Deputy Registrar and an Administrative Officer.
The courts include the Supreme Court, Court of Petty Sessions, Administrative Review Tribunal, Employment Tribunal, Public Sector Remuneration Tribunal, Coroners Court and Mental Health Tribunal. The Supreme Court is the superior court of record for the Territory and all appeals lie with the Federal Court.

**Supreme Court**

Judges of the Supreme Court are appointed from the Federal Court of Australia by the Governor-General under the Norfolk Island Act 1979. The Hon Mark Weinberg is the Chief Justice of the Supreme Court and is responsible for managing the administrative affairs of the Court. Justice Susan Kiefel resigned her appointment as a Judge of the Supreme Court on 3 September 2007 to take up her appointment on the High Court of Australia on that date. The Hon Peter Jacobson is a Judge of the Supreme Court and an additional Judge, the Hon Garry Downes, was appointed on 10 April 2008.

All criminal matters are required to be heard on the Island. Civil matters may be heard in the Island or in any State or self-governing Territory. The practice is that all matters are heard on Island and directions, urgent applications and delivery of judgements occur in Australia, unless both parties to an action request that the matter be heard in Australia.

Sittings of the Supreme Court were held between 10 and 14 March 2008 with Chief Justice Weinberg presiding. During the year there were 3 directions hearings by telephone. Also during the year there were 4 civil and 1 criminal matter filed. A video link was provided to the Island for the period 4 to 6 December 2007 which allowed access to the hearing of the criminal appeal from the Supreme Court to the Federal Court. Judgement was delivered by video link to the Island on 23 May 2008.

On 12 March 2008 Daniel Caporale, a Deputy District Registrar of the Federal Court of Australia was appointed as a Deputy Registrar of the Supreme Court to be a person on the mainland to deal with matters such as mediation and taxation of costs.

**Court of Petty Sessions**

The Court of Petty Sessions is established under the Court of Petty Sessions Act 1960. The Chief Magistrate Mr Ron Cahill, who is also the Chief Magistrate for the Australian Capital Territory, is responsible for managing the administrative affairs of the Court. The jurisdiction of the Court may be exercised by the Chief Magistrate or any three Magistrates (including the Chief Magistrate) to hear and determine, in a summary manner, all criminal matters arising under a law in force in Norfolk Island where an offence is punishable on summary conviction. The Court has jurisdiction to determine civil claims not exceeding $10,000.

Magistrates appointed to the Norfolk Island Court of Petty Sessions are:

- Mrs Elaine Sanders (Senior Member)
- Mrs Patricia C. Magri
- Mrs Kate Smith
- Mr Albert Buffett
- Mr H. Brett Martin
- Mr Alan D. Tavener
- Mr Reece Walden
- Mr Brendon Anderson
The Chief Magistrate presided at sittings of the Court between 3 and 6 August 2007 and between 19 and 21 November 2007. During the year the Chief Magistrate dealt with 1 direction hearing by telephone and 1 by video conference. Local Magistrates dealt with various matters at 25 sittings which included 4 domestic violence applications and 11 applications under the Family Law Act 1975. During the year in review there were 117 criminal summonses and 200 civil summonses filed.

**Coroner’s Court**
The Coroners Act 1993 provides for the holding of inquests into the manner and cause of death; inquiries into the cause and origin of fires; and for related purposes. Mr Ron Cahill, Coroner, is responsible for the administrative affairs of the Court. The Deputy Coroner is Mr Craig Anderson. There were no matters dealt with by the Coroner’s Court during the year.

**Births, Deaths & Marriages**
The Registration of Births, Deaths and Marriages Act 1963 provides for the registration of all births, deaths and marriages in the Territory.

<table>
<thead>
<tr>
<th>Summary of Births, Deaths and Marriages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Births</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Deaths</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Marriages</td>
</tr>
</tbody>
</table>

Under the Marriage Act 1961 (Cth), both the Registrar and Deputy Registrar are authorised civil celebrants. During the year the Administrative Officer attended the conference of the Council of Australasian Registrars on behalf of the Registrar. The conference was held in Wellington, New Zealand on 17 and 18 October 2007.

**Land Titles**
Land titles are administered under the Land Titles Act 1996, the Crown Lands Act 1996 and the Conveyancing Act 1913.

Title was issued for successful claims for adverse possession for portions which previously vested in old estates. Conversions of title from Old Title to the Guaranteed Land Title system continued under the provisions of the Land Titles Act 1996. There were also grants of freehold title by the Federal Minister in respect of those Crown leases which were held by lessees with residential or rural residential condition leases.
The following schedule relates to land dealings:

<table>
<thead>
<tr>
<th><strong>Land Titles Act 1996</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Applications to register freehold title</td>
<td>79</td>
</tr>
<tr>
<td>Applications to register Crown lease</td>
<td>1</td>
</tr>
<tr>
<td>Registrar’s Dealing</td>
<td>11</td>
</tr>
<tr>
<td>Registrar’s Note</td>
<td>69</td>
</tr>
<tr>
<td>General application</td>
<td>30</td>
</tr>
<tr>
<td>Determination of Crown lease</td>
<td>36</td>
</tr>
<tr>
<td>Registration of easement</td>
<td>12</td>
</tr>
<tr>
<td>Amendment of easement</td>
<td>1</td>
</tr>
<tr>
<td>Transfers</td>
<td>59</td>
</tr>
<tr>
<td>Mortgage</td>
<td>84</td>
</tr>
<tr>
<td>Discharge Mortgage</td>
<td>65</td>
</tr>
<tr>
<td>Lease</td>
<td>6</td>
</tr>
<tr>
<td>Surrender of lease</td>
<td>1</td>
</tr>
<tr>
<td>Transmission</td>
<td>17</td>
</tr>
<tr>
<td>Issue Duplicate Certificate</td>
<td>14</td>
</tr>
<tr>
<td>Notice of Death</td>
<td>11</td>
</tr>
<tr>
<td>Application to Register Subdivision</td>
<td>15</td>
</tr>
<tr>
<td>Determine Freehold Title</td>
<td>11</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Conveyancing Act 1913</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Conveyance</td>
<td>1</td>
</tr>
<tr>
<td>Notice of Death</td>
<td>11</td>
</tr>
</tbody>
</table>

**Motor Vehicle Registration**

The Road Traffic Act 1982 prescribes the Registrar of Motor Vehicles as a member of the Road Safety Committee which meets each month to consider road safety issues and to make recommendations to the Minister for Commerce and Industry, the Hon Chris Magri, MLA, concerning the legislation and other road safety issues. The number of motor vehicles on the register as at 30 June 2008 was 3,261 which includes 421 private hire vehicles.

**Miscellaneous Registers**

Miscellaneous registers include registration of Powers of Attorney under the Powers of Attorney Act 1959; dog registrations under the Dogs Registration Act 1936; registration of Bills of Sale under the Mercantile Law Act 1959 and a repository for wills. Other duties include the issue of photographic gun licences under the Norfolk Island Firearms Act 1997 and the issue of photographic drivers licences under the Road Traffic Act 1982.

The Registry section also liaises with the Office of the Administrator in matters where the Commonwealth has an interest, such as crown lease administration, the office of the Surveyor-General of New South Wales, surveyors, court reports, the State Valuation Service of Queensland, lawyers and Counsel both on Island and on the mainland, and members of the public.
The Surveyor-General for New South Wales, Mr Warwick Watkins, who is also the Surveyor-General for Norfolk Island, visited the Island from 16 to 20 April 2008 to familiarise himself with the Island and to discuss survey issues with the Registrar, the Acting Administrator Mr Owen Walsh and the Minister for Tourism and Health Mr Geoff Gardner who was acting for the responsible Minister.

Revenue within the Registry section, which is mainly from land registration fees, totalled $675,440, an increase of over 75% on the previous year’s total of $384,956.

As the Registrar is also the Manager for Community Services, he is also responsible for the Museums, Public Library, Tourism and Accommodation Office, Healthcare and Workers Compensation, Social Services and Companies sections. As Community Services Manager he is also a member or delegate of the following committees or groups:

- Social Awareness Advisory Committee, which is a non-statutory body which deals with social issues within the community. The committee consists of representatives from within the community as well as the counsellor, members of the clergy and the Police;
- An ex-officio member of the Museum Trust;
- Member of the Road Safety Committee;
- Founding member of the Norf’k Community Information and Resource Centre Inc which has been established by the Norfolk Island Government to facilitate stakeholders in resources and tools to help initiate and support renewal, development or assistance activities;
- Contact officer for the Cultural Ministers Council of Australia Standing Committee; and
- Contact officer for the South Pacific Commission.

**Companies & Welfare Services**

The Companies and Welfare department is managed by 2 staff, an Administrative Officer and Assistant Administrative Officer, and between them are responsible for administering the following legislation:

- **Associations Incorporation Act 2005**
- **Business Names Act 1976**
- **Business Transactions(Levy Imposition) Act 2006**
- **Companies Act 1985**
- **Legal Aid Act 1995**
- **Retail Price Index Act 1983**
- **Social Services Act 1980**

This department is also responsible for the collection of prices and data input for the Retail Price Index and the Benefit Adjustment Factor.

**Companies Office**

The Companies legislation provides for the registration of companies and associated activities. It is locally enacted legislation, which although similar to mainland legislation, is separate and independent from it. The **Business Names Act 1976** requires persons and corporate bodies carrying on business in a name other than their own, to register that name.

Information lodged with this office becomes publicly available information.

**In 2007/2008**

- 8 new companies were incorporated, the same amount as the previous year;
- There are 142 companies currently registered;
• 73 new business names were registered;
• 1 association was incorporated.
• Fees of $87,204 were collected for companies and business names, this is a reduction of 2% in comparison to the previous year.

**Social Services**
The Norfolk Island Government is meeting its welfare obligations in Norfolk Island by providing pensions under the *Social Services Act 1980* and other pension related benefits assistance under policy. Pensions continue to be indexed to half yearly cost of living adjustments. Pensions are paid on a needs basis and are reduced according to the recipient’s income from other sources.

At 30 June 2008, 94 persons were in receipt of either an age, invalid or special benefit with an annual cost of $1,121,000.00.

In addition to this, another 17 persons in receipt of a benefit from elsewhere were also entitled to the pension related benefits.

Pension related benefits include:
• Assistance with hospital and medical expenses;
• 20% reduction in motor vehicle registration;
• Free telephone rental;
• 5c per unit in the cost of electricity, up to a maximum of $25.00.

By far the most costly of the above benefits is the assistance with hospital and medical expenses including patient travel, which for the year ended June 2008 amounted to $1,054,000.00.

All persons in receipt of a benefit are reviewed each year and if necessary an adjustment is made to their rate of benefit to reflect their changed financial situation.

All new applications and subsequent annual reviews are presented to the Social Services Board for appraisal. The Board brings local knowledge to the process, which is invaluable in assessing and reviewing applications. The Board makes a recommendation to the executive member on the granting or continuance of a benefit.

The Norfolk Island Government has adopted new policies on the extent of cover for health and medical assistance to recipients. The Optical Policy commenced in March 2008 and the Physiotherapy, Allied Health Services and Travel and Transport policies commenced in July 2008.

**BAF – Benefit Adjustment Factor**
Pensions paid under the *Social Services Act 1980* are adjusted each July and January by price movements as reported by the Benefit Adjustment Factor (BAF).

The BAF is a mini retail price index targeting goods and services consumed by pensioners as disclosed by a survey in 1989. A total of 95 items are priced each March and September.

**Retail Price Index**
The Retail Price Index measures the average price movement in a basket of goods which has been determined by a household expenditure survey to represent the purchases of a Norfolk Island household.

The Index Number is calculated every 3 months and is comprised of 10 subgroups making up the all groups number.

In 2007/2008 the all groups Index Number was:
• quarter ended 30 June 2007  189.6
• quarter ended 30 Sept 2007  190.6
• quarter ended 31 Dec 2007  194.1
• quarter ended 31 Mar 2008  196.8
• quarter ended 30 June 2008  196.5

The Index Number:
• is used to increase benefits paid under the Employment Act;
• is one of the factors taken into account in determining Administration salary movements;
• is used to increase the Administration fee units;
• is a general guide to inflation in Norfolk Island.
Each quarter the result of the corresponding collection is gazetted for public information and use.

**RPI INDEX MOVEMENT ALL GROUPS 2007/2008**

![Graph showing RPI index movement all groups 2007/2008](image)

**Healthcare**
The Healthcare Section has the responsibility of administering and providing advice and assistance in respect of the *Healthcare Act 1989* and *Healthcare Levy Act 1990*. Healthcare is part of the portfolio of the Minister for Tourism and Health, Geoff Gardner.
The Norfolk Island Healthcare Scheme is fully self-insured and provides medical insurance that protects all members against catastrophic medical costs by paying all approved medical costs in excess of $2,500.00 in a financial year (1 July to 30 June). These costs include approved medical expenses and prescribed drugs incurred at the Norfolk Island Hospital, as well as offshore, provided that a referral is first obtained from a doctor at the Norfolk Island Hospital.
Membership is compulsory for all persons ordinarily resident in Norfolk Island except for those whose medical costs are fully funded by the Department of Veteran Affairs.

**2007/2008 Achievements**
- The Healthcare Fund generated revenue of $726,873.80 from levies collected;
- There were 108 families that claimed from the fund throughout the year. Claims are accepted until 30 September for the financial year ending 30 June;
There was one claim lodged in excess of $100,000.00; one in excess of $50,000.00 and five in excess of $20,000.00; The total claims lodged against the Healthcare Scheme to date were $820,513.38. Of this amount, 36.60% were for local medical costs and 63.40% for offshore costs. Total medical costs for this financial year exceeded budgeted amounts, particularly for overseas treatment.

2008/2009 Directions
The Norfolk Island Healthcare Fund will continue to provide the residents of Norfolk Island with affordable health insurance. As the population of Norfolk Island becomes “older”, the future health requirements of the Island’s residents will need to be closely monitored.

Employment & Workers Compensation
Employment and Workers Compensation is operated as a Government General Business Enterprise, and has the responsibility of administering the Employment Act 1988 and Employment Regulations, and both departments are included in the portfolio of the Chief Minister, the Hon Andre Nobbs.

Areas of responsibility include:

- Providing advice and assistance to employers and employees on entitlements, minimum wages and conditions;
- Providing assistance to Employment Conciliation members; managing the Workers Compensation Fund which includes collection of monthly levies, recording data and processing applications for compensation for medical expenses and weekly benefits payments;
- Administering the Occupational Health and Safety workplace inspections for the Norfolk Island business community;
- Processing and lodgement of claims with the Workers Compensation reinsurer.

2007/2008 Achievements
- The Workers Compensation Fund generated revenue of $332,995.73 from levies collected. As at 30 June 2008 a total of 310 employers were contributing to the Scheme;
- Expenditure for the 2007/2008 financial year included:

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000.00</td>
<td>Insurance Premium</td>
</tr>
<tr>
<td>$ 35,000.00</td>
<td>Management Fees</td>
</tr>
<tr>
<td>$ 63,102.06</td>
<td>Workers Compensation Wages</td>
</tr>
<tr>
<td>$ 66,955.42</td>
<td>Compensation Medical Expenses</td>
</tr>
<tr>
<td>$ 19,780.00</td>
<td>Lump Sum Payouts (claimed on insurance policy)</td>
</tr>
</tbody>
</table>

- During the 2007/2008 financial year there were 108 workplace accident claims against the Compensation Fund. Included in this figure were 18 assistance payments for weekly wages, one of which is on-going from the previous financial year.

2008/2009 Directions
The Workers Compensation Scheme will continue to provide affordable workplace insurance cover for the workers of Norfolk Island. The Scheme is working towards eventually being self-insured, but still requires outside ‘top-up’ insurance until that time.

With workplace inspections being conducted by a Health and Safety Officer, the majority of businesses on the Island had been inspected by the end of the 2007/2008 financial year. Follow-up inspections are now being carried out on the businesses already
inspected, and they will be continued on a regular 6 monthly basis.

Tourism Accommodation
The Tourism Accommodation section forms part of the Administration’s Community Services section and is responsible for administering statutes relevant to the Tourist Accommodation Acts, Regulations and Policies.
The primary responsibilities of the section include:
- The processing of registration renewals and applications for tourist accommodation properties, owners and managers.
- Organising annual star rating assessments.
- Ensuring property compliance with regulations and policy.
- Maintaining statistics and records relevant to tourist accommodation matters.
- Providing internal and external advice on various tourist accommodation matters.

2007/2008 Achievements
The 2007/2008 financial year saw a total of 35,399 visitors, which was a growth of 1,081 more visitors than the 2006/2007 financial year. A total of 32,588 of those visitors stayed in tourist accommodation, which was an increase of 1,573 visitors compared to the previous financial year.

As a consequence of this growth, the total average number of visitor days in public accommodation increased by 7,487, resulting in a total of 245,192 visitor days for the 2007/2008 financial year.

Visitor Arrivals to Norfolk Island: 1988/89 to 2007/2008
Tourist accommodation in Norfolk Island basically falls into the following three classifications:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Properties</th>
<th>Units</th>
<th>Beds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-contained</td>
<td>56</td>
<td>335</td>
<td>1024</td>
</tr>
<tr>
<td>Hotel</td>
<td>5</td>
<td>184</td>
<td>400</td>
</tr>
<tr>
<td>Guest Lodge</td>
<td>2</td>
<td>63</td>
<td>130</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>63</strong></td>
<td><strong>582</strong></td>
<td><strong>1554</strong></td>
</tr>
</tbody>
</table>

Grading of tourist accommodation is mandatory on Norfolk Island and star rating assessments are undertaken by trained assessors from AAA Tourism Pty Ltd.

AAA Tourism is a national tourism body of the Australian Motoring Organisation and administers all property assessing, guide productions and database operations for star ratings. Star rating assessments are based on a thorough point based review that produces a numerical result identifying the property’s appropriate star rating. Each accommodation property and its rating are entered into an Australian Accommodation Register used by travel agents and travellers. The STAR rating conveys a measure of quality, which assists the accommodation provider to target particular markets of travellers prepared to pay particular rates.

Since the initial deregulation of the tourist accommodation industry in 1996 there has been a definite improvement in the standard and quality of the island’s tourist accommodation. In 1995 84% of the island’s accommodation was 3 star or lower, with the highest standard being 4 star. In 2007/2008 90% of the island’s accommodation is 3½ star or higher, with the highest standard available now being 5 star.

**2008/2009 Directions**

The 2007/2008 financial year will continue to focus on improving and upgrading the range of accommodation standards that Norfolk Island has to offer, in accordance with the Five Year Tourism Strategy 2007/2008 – 2011/2012.
Norfolk Island Museums
The Norfolk Island Museum is responsible for the care, research and display of three significant collections – the Sirius Collection, the KAVHA Archaeological Collection and the Norfolk Island Collection. The Museum operates three exhibition venues at the Pier Store, the Commissariat Store and No. 10 Quality Row, as well as a Research Enquiry Service, a café/bookshop at the Royal Engineers Office, an historical play The Trial of the Fifteen twice a week and Tag-Along Tours six times a week. Following are some of the highlights from the year:

- There was a 6% increase in the number of museum passes and approximately 14% increase in the number of visitors going on the Museum’s Tag-along tours;
- There was a 14% increase in the number of visitors attending The Trial of the Fifteen;
- The Norfolk Island Museum was runner-up in the Tours and Attractions category of the Norfolk Island Tourism Awards 2007;
- A 10-page article on Norfolk Island by the Museum Director was published in the autumn issue of popular heritage magazine Australian Heritage – and was followed up by a 15 minute interview on 6PR Perth Radio;
- The Museum instituted the Inaugural Sirius Day celebration on 19 March offering outside radio broadcast, information booth on the foreshore, tour and illustrated lecture;
- NICS Student Art Exhibition was conducted in September 2007;
- Donations in the year included albums of photographs by Henery Spencer-Salt and by Roy Bell; stereoscopic photographs (1894) by Ernest B. Docker; the Marshall Family photograph collection; a 50:1 scale model of the Norfolk Sloop; a miniature painting and pearl ring from Philip Gidley King; the Waterhouse Family photograph collection; and the Rosenthal presentation photograph album;
- Returns to the Museum included a crank wheel and convict bench seat from the Historic Houses Trust and Polynesian artefacts from the Australian National University;
- An Historic Shipwrecks Grant of $15,000 was received from the Commonwealth of Australia for a comprehensive preservation assessment of the Sirius Collection – the assessment was completed by Karina Acton of International Conservation Services in June and the report and recommendations are pending;
- A Community Heritage Grant of $7,200 was received from the National Library of Australia for a Preservation Needs Assessment of the Museums Norfolk Island Collection. Assessment has been completed by Conservator Helen Price and the report and recommendations are pending;
- A KAVHA Board Grant of $6,190 was received to complete the cataloguing of archaeological materials from the Surgeon’s Quarters, the Civil Hospital and residences in Quality Row. This project is now completed and 10,000 artefacts have been cleaned, sorted, catalogued and stored.

Public Library
The Public Library is part of the Administration’s Corporate and Community Services division and offers an outstanding service to the
community by providing a comprehensive range of both fiction and non-fiction material. A large number of residents and visitors use the Library, and visitors continually comment on the high standard of service, often comparing it favourably to other small communities.

The Norfolk Island Reference section is very popular, especially with visitors, and provides an excellent range of publications relating to the history of Norfolk Island. This section is updated whenever new material comes to hand, and also contains copies of reports pertaining to Norfolk Island.

Library material is purchased mainly from Australia and New Zealand and is ordered on a regular basis to ensure that a good range of up to date material is continually available. This also includes publications and some videos for the children’s section, and an adequate range of audio material. Excellent quality large print books are ordered once or twice a year and shipped from the United Kingdom. The Norfolk Island Quota Club has generously contributed to this section for many years and continues to do so by donating Large Print books to be dedicated in memory of deceased Island residents.

2007/2008 Achievements
Culling of old fiction books took place again this year and this project is ongoing to provide space for new material which arrives on a regular basis.

There are currently 290 full time library members, and there were 77 visitor memberships during the year. The library is open for 13 hours a week over a period of 4 days with staggered hours and is staffed by one part-time Librarian and three Assistant Librarians.

2008/2009 Directions
Culling of old and outdated fiction and reference material will continue. Disposal of old reference books will be limited, and where possible books will be stored on shelves in the back room so that they can continue to be accessed by the public where required.

Ordering of new material will continue on a regular basis to ensure the library continues to offer a wide variety of reading in both the fiction and non-fiction sections.

Norfolk Island Post Office
The Post Office operates within the Postal Services Act 1983. This Act permits the Post Office to set its charges in line with those charges set by Australia Post, both for mail destined for mainland Australia and overseas. The Postal Service may vary these charges to suit the local situation, but the changes must be approved by the responsible executive member, the Minister for Finance, the Hon. Neville Christian, MLA and become part of the Postal Services Regulations.

The Post Office receives and distributes all mail to and from the Island. The mail is handled in categories such as standard letters, large letters and other articles consisting of magazines, small packets and parcels. All mail is freighted to Sydney for onward delivery, except for New Zealand mail which is sent to Auckland.

There are 3 levels of delivery:
- Express Post
- Air Mail
- Regular / Surface Mail

Each of the above have add-on options of registration, person to person, advice on receipt and insurance to most countries.

Other services available from the Post Office include:
• Packaging and stationery items on sale;
• Public facsimile;
• Issuing and payment of Australian Money Orders;
• Rental of 1001 private letter boxes;
• Collection from 3 external posting boxes around the Island;
• Bookings for Rawson Hall.

Postal Statistics:

<table>
<thead>
<tr>
<th>Mail Received</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Express items</td>
<td>17,200</td>
</tr>
<tr>
<td>Standard letters</td>
<td>270,000</td>
</tr>
<tr>
<td>LC/AO items</td>
<td>85,000</td>
</tr>
<tr>
<td>Registered Items</td>
<td>1,650</td>
</tr>
<tr>
<td>Parcels</td>
<td>6,500</td>
</tr>
<tr>
<td>Local Mail sorted</td>
<td>275,000</td>
</tr>
<tr>
<td>Total Weight Received</td>
<td>98,000kgs</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mail Dispatched</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Express Post items</td>
<td>1,600</td>
</tr>
<tr>
<td>Standard letters</td>
<td>175,000</td>
</tr>
<tr>
<td>LC/AO items</td>
<td>21,500</td>
</tr>
<tr>
<td>Registered items</td>
<td>2,100</td>
</tr>
<tr>
<td>Parcels</td>
<td>5,500</td>
</tr>
<tr>
<td>Total Weight Dispatched</td>
<td>28,000kgs</td>
</tr>
</tbody>
</table>

2007/2008 Achievements

Improved Resources
A laptop computer has been installed for the backroom staff to enter statistical data to assist with the Imbalance Payments and bulk postage calculations.

Improved Retail Sales
The retail sales of stationery and other products sourced from Australia Post have increased to $70,700 for the year.

2008/2009 Directions

Improved Customer Service and Marketing Strategies
The Post Office will focus on customer service, mainly in the areas of inward/outward mail delivery and attention to detail on the front counter. Customer service training will be high on the list of things to do in 2008 for all staff.

A review of working smarter is imperative to the delivery of mail. Staffing levels will be scrutinised in the coming months to determine whether more staff need to be appointed to avoid delays in mail delivery. The introduction of a procedures manual is now under discussion to assist staff with procedures to follow to assist with better service delivery.

Uniforms and nametags for staff will be introduced in the future to assist customers in addressing the staff member they are dealing with at the counter.

Although retail sales have improved over the past 2 years, a marketing campaign for the retail section of the Post Office will be under review over the coming months. This campaign will inform the public of services provided by Norfolk Post and also what is available in our retail outlet. It is also important that Norfolk Post seek the public’s input on how better Norfolk Post can improve customer service.

Floor space has always been a problem in the Post Office and the time is right to look at better ways to utilise the space available. In doing this it will enhance the front of shop for customers and create a sense of pride for workers.

Improved IT Systems
The Post Office will need to install a retail-based computer system in the near future to assist with stock control of the retail sales, as well as providing a more modern approach to managing counter advances. Australia Post will be approached with a view to aggregating their established systems similar to the agency arrangements currently operating within their organisation.
Philatelic Bureau
The Norfolk Island Philatelic Bureau operates within the Norfolk Island Post Office and was established to produce and distribute Norfolk Island’s stamps. The authority to produce stamps is provided in the Norfolk Island Postal Services Act 1983.

The Philatelic Bureau:
• Is responsible for the planning, production and marketing of all Norfolk Island stamps;
• Is responsible for providing a method by which stamp collectors from all over the world can enhance their hobby and purchase Norfolk Island stamps directly from the Bureau;
• Is responsible for maintaining a database and providing services to approximately 5,000 standing order and casual customers;
• Sends the Philatelic Bulletin to customers, stamp clubs and stamp dealers four times per annum; and
• Despatches stock to, and monitors sales and returns from the overseas philatelic agents in the major markets for Norfolk. Agent offices are located in Melbourne, Brisbane, Auckland, London, New York, Tokyo, Copenhagen and Frankfurt.

2007/2008 Stamp Releases
The following issues were released in:
2007:
• Weed Flowers
• Adventure Sports
• Palm Seed Industry
• Ghosts of Norfolk Island
• Queen Victoria Scholarship
• South Pacific Games
• KAVHA Issue
• 30 years of Banyan Park
• Christmas 2007

2008:
• Classic Cars (Mary Butterfield, Artist);
• Faces of Norfolk Island (Adam Jauczius, Artist);
• A Jewish Resting Place (Tracey Yager, Artist);
• Calves of Norfolk Island (Haylee Fieldes, Artist);
• 25 Years of St Johns Ambulance (Rob Nisbet, Artist);
• Rare Endemic and Indigenous Ferns of Norfolk Island (Mary Butterfield, Artist);
• Ships Built on Norfolk Island (Tracey Yager, Artist);
• Isles of Exile (Rob Nisbet, Artist); and
• Christmas 2008 (Tracey Yager, Artist).

2008 Directions
The Philatelic Bureau recognises the need to update the Bureau’s details on the Internet in order to reach out and capture computer savvy customers. The Bureau advertises in magazines such as Stamp Monthly and Stanley Gibbons and Philatelic Exporter to reach its target audience. Bulletins will continue to be delivered to customers offering the most up to date information relevant to the Norfolk Island Philatelic Bureau. The Bureau will be investigating the possibility of introducing an education program to encourage students at the Norfolk Island Central School to the world of stamp collecting. At times when the Bureau is unable to attend Stamp Shows the Agents must be encouraged to represent the Island. This was done in May 2008 when the Bureau was represented by Max Stern at the World Stamp Championships in Tel Aviv, Israel.
Information Management Systems for Norfolk Post and Philatelic Outlets: Systems, Inventory & Information Management Improvements

Norfolk Post and the Philatelic Bureau recognise the need to:

- Further develop its computerisation to manage more efficiently all customer services relevant to the Post Office and Philatelic Bureau;
- Encourage staff in both areas to assist in the introduction of better computerisation by working with developers in IT;
- That the benefits of an efficient system will assist in producing cost effective strategies to assist in increasing profit margins.

Norfolk Island Liquor Bond

The Norfolk Island Liquor Bond has the sole authority for the importation of liquor products into Norfolk Island. The main function of the Liquor Bond is to provide an efficient and courteous service to the retail public and licensed premises and in doing so, contributing a profit to the Revenue Fund.

2007/2008 Achievements

- The Liquor Bond served 74,931 customers, with total sales of $3,967,287.86;
- The Liquor Bond transferred $746,526.15 (un audited) to the Revenue Fund;
- $326,282.86 was paid in GST;
- $379,037.69 was paid in import duties;
- The Liquor Bond continues to support the following events on behalf of our suppliers:
  - Bounty Bowls Tournament
  - International Clay Target Shoot
  - Norfolk Island Golf Classic
  - Benefit functions such as Breast Cancer Awareness; Police Golf Charity Day; It Takes Two Talent Night.

Challenges

- Airport security still poses a hurdle with regards to the carrying of liquids and gels on board aircraft;
- Sea and inland freight charges, which are strongly influenced by global oil prices, make it difficult for the Norfolk Island Liquor Bond to compete with overseas duty free outlets.

Norfolk Island Central School

The core business of Norfolk Island Central School (NICS) is to provide the best possible education within the physical and financial constraints of Norfolk Island. This involves:

- Instilling in all students a love of learning and an appreciation of lifelong learning;
- Delivering mandatory curriculum requirements as set out by the NSW Department of Education and Training (NSWDET) within the context of our culture and heritage;
- Implementing mandatory policies as developed by NSWDET within the context of our culture and heritage, and in accordance with the needs of our community.

All teaching and learning, and administration is under the auspices of the Norfolk Island Education Act 1931 and all staff are responsible to the Norfolk Island Minister for the Environment, Education and Social Welfare, the Hon. Stephanie Jack MLA, through the Principal.

2007/2008 Achievements

The Arts

- The Look Again exhibition held in conjunction with the Norfolk Island Museums, showcased the artistic and craft skills of students in Years 5-12 who presented their major works from their visual arts and
Students in Years 7 and 8 developed their music and acting talents by participating in a Christmas pageant which was originally designed to be part of a celebratory end of year community picnic and concert.

The major activity for this year was the Bounty Water Puppet Play held on the school oval early in Term 3. The concept was originally devised by a community member Mr Archie Bigg who presented his idea to Mrs Judy Roberts who then coordinated the project with the assistance of Mrs Maree Mackie and Mrs Jodie Williams. Each class prepared a song or dance item relating to its part in the play. 1/2R studied the origins of the Bounty voyage in Portsmouth and their song and dance items reflected this. 1/2P performed song and dance items which related to the Bounty’s stay in Tahiti. K/1M presented a song from Pitcairn and K/1D recited the Bounty Day Poem about the arrival of the Morayshire at Norfolk Island on June 8th. The combined group sang Bounty Day with the lyrics written by Tanya Delaney.

In May K/1M students performed three items for the Mothers Day Concert organised by Community Arts and took out first prize in the poetry section for their recital of The Circus by C.J. Dennis. Students also sang The Crocodile Song and Skinnamarink.

All K-2 students performed at the Community Arts Multicultural Concert in September. 1/2P and 1/2R performed a Polynesian dance involving bamboo sticks. The K-1 girls performed a Spanish dance taught by Tanya Delaney and the K/1 boys performed an Aboriginal dance sequence. K/1M students then performed a dance and movement item to Sunarise.

Sport

Students in Years 7 and 8 designed and technology courses.

- The cross-country, swimming and athletics carnivals were well supported by students and the community. Once again Year K-2 students participated.
- The sporting program for students K-6 included:
  - Swimming and gymnastic activities during Term 1;
  - An athletics program for Years 3-6 and a modified athletic program for students in K-2 during Term 2; and
  - A skills based modified games program for K-2 during Term 3.
- During Term 4, students in Years 3-6 participated in a range of sports including: squash, tennis, beach volleyball and bushwalking. At the end of Term 4 an intensive ten day swim school was held for students in Years k-2. This program was very successful due to parental involvement and assistance from students in Years 8 and 9.
- Five primary students were offered the opportunity to attend a rugby league training camp at Evans Heads as part of the Primary School Sports Association (PSSA) regional trials in Term 2. The students gained lots of experience that they were able to share with other students. One student, Ethan Richards, was selected in the North Coast team.
Academic

- In the Basic Skills Test, the performance of students is reported in skill bands ranging from Skill Band 1 (lowest) to Skill Band 5 (highest for Year 3) or Skill Band 6 (highest for Year 5).
- In the School Certificate and the Higher School Certificate the performance of students is reported in performance bands ranging from Performance Band 1 (lowest) to Performance Band 6 (highest).

Other

- Debating and public speaking competitions showcased the exposition and speaking skills of our students from Years 5-10. Both competitions continue to involve the traditional community participation and support with the Rotary Club hosting and adjudicating the public speaking and the Legislative Assembly sponsoring the debating competition. An excellent standard of speakers brought credit and recognition to the students and the school.

Progress on 2007/08 targets

Target 1 - Develop and implement a plan for middle schooling
Our achievements include:
- The Burn Baby Burn project integrated units of work from mathematics, science, visual arts and technology in Years 7 and 8.
- Middle school lessons have been held in mathematics with students in Years 5-8.
- Staff have planned units of work or topics with a focus on Years 5-8.

Target 2 - Continue the emphasis on Quality Teaching (QT)
Our achievements include:
- A K-6 focus using the NSW Board of Studies Connected Outcomes Groups (COGS) units has seen QT embedded into all K-6 programs.
- Reviews of 7-12 programs show that QT is embedded to varying degrees.
- Several professional learning sessions have occurred in which staff have shared ideas and resources, and have coded taped lessons.

Target 3 - Complete a review of the school’s welfare system
Our achievements include:
- The school’s welfare policy has been updated and is to be endorsed by the school community.
- Planning is complete for Peer Support to be implemented in Years 6 to 9.
- Planning is well underway for anti-bullying and harassment education to be integrated across all stages.

2008/09 Directions

Target 1 - Further develop the quality teacher learning environment through the middle school.
Strategies to achieve this target include:
- Adopt middle schooling as the focus of Quality Teaching (QT).
- Identify two elements from each dimension as the focus for teaching and learning.
- Promote professional sharing of QT activities and programs in faculty and middle school teams.

Our success will be measured by:
- Middle school strategies imbedded in curriculum planning for 2009.
- Regular team meetings held that feature QT sharing strategies.
- Identified elements embedded into programs and teaching practices.

Target 2 - Complete a review of community perceptions of the school
Strategies to achieve this target include:
- Survey the community to gain an
accurate perception of perceptions.

- Form a team of students, staff and parents to analyse the results.
- Develop and implement a plan responding to the issues identified.
- Continue to promote Norfolk language and culture.

Our success will be measured by:

- Responsive plan in place and the major findings acted upon.
- Norfolk Language in place for Year 7 for 2009.
- Norfolk Studies approved as a Board Endorsed Course for 2009.
- Community Norfolk Language consultative committee established.

**Target 3 - Develop a comprehensive whole school career development project.**

Strategies to achieve this target include:

- Conducting a review of the professional learning policy and procedures.
- Seeking greater involvement of all staff in leadership training opportunities.
- Seeking greater involvement of all staff in strategic planning and middle management opportunities.

Our success will be measured by:

- Professional Learning policy and procedures being evaluated, updated and ratified implanted.
- Leadership goals and opportunities embedded in the school’s Teacher Assessment Review process.
- Appropriate professional learning activities accessed for all interested staff.
Public Works
The Works Depot is a multifunctional department which serves the public, performing its functions effectively and efficiently.
The Works Depot is responsible for the construction and maintenance of Administration buildings (except KAVHA), construction and maintenance of the island’s road network, maintenance to all grounds and public places (except KAVHA), lighterage, quarry and weighbridge, the landing places at Kingston and Cascade, and carries out all arrangements for burials.
The Works Depot team is led by the Manager – Public Works, who is accountable to the Acting Chief Executive Officer. All sections of the Works Depot – Roads, Building Maintenance, Grounds & Public Places, Mechanical, Stores and Lighterage, are overseen by a respective foreman.
The duties of the Manager – Public Works are to establish and maintain a regime for the continuation and effective response to all enquiries, manage resources effectively and prudently and be flexible and responsive to government policies and community needs.
The Works Depot is continually striving to ensure and improve performance in the delivery of services. Total staffing at the Works Depot consists of 18 full time officers, 6 temporary full time staff and 2 apprentices.

Mechanical Section
Staff: 4 full time; 1 temporary; 1 apprentice (3rd year)
The Works Mechanical Section provides service to all sections within the Administration, ensuring all plant/vehicles and equipment are serviced and maintained to a high standard, enabling Administration staff to provide a reliable, efficient and effective service to the public. Services also include welding and fabrication, panel and paint repairs and providing assistance to the private sector when required.

2007/2008 Achievements
- Continued routine maintenance and servicing of plant, vehicles (130) and equipment (60);
- Improved recording of all mechanical section data on the new computer system;
- Streamlining of service schedule, improving productivity;
- Purchase of a suitable purpose built replacement water truck for the Grounds Maintenance Section;
- Purchase of new sit down mower for the Grounds Maintenance Section;
- Purchase of two new bobcats – one for the Roads Section and one for Waste Management;
- Complete refurbishment of existing vehicles: A3, A14, A93;

Major Challenges
- To continue to upgrade plant, vehicles and equipment within the Administration;
- Completion of mechanical apprenticeship – 4 years;
- To continue upgrade of data base for mechanical workshop;
- Complete recruitment of suitable full time mechanical staff and new apprentice.

Building Maintenance Section
Staff: 3 full time; 1 temporary painter, 1 apprentice (3rd year)
The Building Maintenance Section is
responsible for the construction of new buildings and improvements to existing buildings in accordance with plan specifications and building codes. The Section is also responsible for maintenance and repairs to Administration buildings and properties (except KAVHA) and to provide the community with assistance for burials.

2007/2008 Achievements
- Maintenance works at the Norfolk Island School;
- Maintenance to Works Depot assets;
- Closed-in and installed new roller doors on the shed used by the Museum at the Barkman property;
- Internal refurbishment at No. 7 Airport Circle;
- Complete refurbishment of the kitchen and laundry at No. 10 Airport Circle;
- Construction of 2 metal bays at the Roads Depot;
- Fabrication and construction of new cattle-stop at Fletcher Christian Road;
- Erect new tanks at No. 5 Airport Circle and the Lighterage Shed;
- Complete refurbishment of the deck to Cockpit Bridge;
- Transport and relocate smoke hut to drill ground – Emergency Services;
- Refurbishment of Telecom service area and front desk;
- Maintenance to all public toilets;
- Annual maintenance of the Emily Bay raft;
- Erect and install new shade cloth shelter at the school quadrangle;
- Constructed 16 coffins and arranged burials;
- Plumbing upgrade at the school;
- Plumbing upgrade to all public toilets;
- Plumbing upgrade to Works Depot roofing, flashings and gutters.

Painting Section
- Complete external painting of No. 7 Airport Circle;
- Complete internal painting of No. 10 Airport Circle;
- Complete internal painting of Police Station;
- Internal painting of the Philatelic Bureau;
- Internal painting of Airport Mess Room;
- External painting of Airport Manager’s office;
- Complete external painting of School Principal’s residence;
- Continue with painting road markings Island wide.

Grounds & Public Places Section
Staff: 4 Full time; 2 Temporary
The responsibilities of the Grounds Section are primarily the upkeep and maintenance of all grounds and public places (except KAVHA) and the cleaning and maintenance of all public toilets.

2007/2008 Achievements
- Continued the maintenance of all grounds and public places to a high standard;
- Refurbishment to gardens, plantings and picnic areas – Puppy’s and Anson Bay Reserves;
- Continued maintenance to Barkmans, Anzcan Station, Lions Park, 44a Stockpile, Waste Management Reserve.

Roads Section
Staff: 5 Full time; 1 Temporary
It is the aim of the Roads GBE to achieve a high standard of road networks by improving the Island’s existing deteriorating roads. In addition to the normal cyclic maintenance undertaken, the Roads staff have been busy with the
following:
- Roadside maintenance;
- Sign/guide post maintenance;
- Culvert maintenance;
- Patching maintenance;
- Storm water maintenance.

**2007/2008 Achievements**

- Commencement and completion of plant operator courses;
- Undertaking rural addressing system;
- Erect marquee on 4 separate occasions;
- Undertake ship carting duties;
- Road edge and culvert maintenance Island wide – completed by contractors;
- Undertake sealing works at Captain Cook/Duncombe Bay Roads as a subcontractor for Parks;
- Resealing works to: Quality Row, Pier Street, Bounty Street, Shortridge Road, Edward Young Road, John Adams Road, Fletcher Christian Road.
- Lower section of Fletcher Christian Road re-alignment, installation of 2 new culverts and a cattle-stop;
- Upgrade and maintenance to Country Road – soften corners and banks, repair and clear culverts, install agg drain, remove woody weeds from banks, reshape road cambers, reseal;
- Removal of trees from: School playground, Telecom car park, J.E. Road, Charlie Fish Hill, Stockyard Road.
- Hardfill maintenance to unsealed roads: Hibiscus Drive, Off Mill Road, Berry’s Lane, Selwyn Pine Road, Prince Phillip Drive, lower Fletcher Christian Road.

**Major Challenges**

- Inclement weather conditions experienced this year making civil works near impossible;
- Shortage of experienced civil construction staff;
- Plant down time – spray tanker (new spraying computer); Volvo loader (new turbo).

**Lighterage Section**

**Staff: 1 Full time**

The Lighterage Section is a Government Business Enterprise. Lighterage activities are regulated by the *Lighterage Act 1961*. The responsible Minister is the Minister for Finance.

The purpose of the Lighterage Act is to control the discharge of cargo to and from Norfolk Island. The Act determines who can be involved in loading and unloading of cargo ships.

The Lighterage Section is responsible for the following assets: 3 launches, 4 lighters, 2 mobile cranes, 1 forklift truck and 1 x 4WD vehicle, as well as storage sheds, workshop and workshop equipment. The Lighterage Section employs 23 contract workers and 1 security officer. The only full time employee is the Service Manager who is responsible for maintaining all the Lighterage equipment plus supervising discharge operations.

Over the remainder of the year Lighterage has continued to focus on the discharge and backloading of cargo vessels and will continue to carry out ongoing maintenance of all launches, lighters, trailers and all other equipment, e.g. cargo nets, wire slings etc.

The Lighterage Service will continue with the implementation of OH&S and HR policies.

During the year the Norfolk Guardian was the sole cargo ship calling and discharging cargo at Norfolk Island.
The Norfolk Guardian made 10 voyages from Yamba (Australia), and 9 voyages from Auckland (New Zealand).

| Days worked at Kingston | 15 |
| Days worked at Cascade | 23 |
| Days unsuitable for unloading | 19 |
| Number of vehicles imported | 139 |
| Total cargo imported: |
  - 5755.0420 tonnes
  - 13433.6640 cubic metres

Administration Store
The Administration Store Purchasing Department is a section of the Works Department with ministerial responsibility through the Executive Director for Environment & Infrastructure. Stores currently have two full time staff members and one temporary staff member.

The Administration Store is responsible for the procurement, receipt, maintenance, costing, preliminary payment action and issue of all stores and equipment to meet the day-to-day operations of all sections of the Administration including all Government Business Enterprises (GBEs). In its logistical support operations for the organisation Stores is required to adhere to the Public Moneys Act 1979.

The service provided by the Administration Store has increased significantly over the past several years, however due to current economic conditions, growth patterns have stabilised. The following Store statistics displays the growth of customer service in the performance of its role.

Projects/Achievements:
- The Purchasing Department raised 3202 purchase orders in 2007/08.
- Stock holdings within the Administration Store have increased from 4,256 line items in 1994 to 6,978 lines at the end of 2007/08.
- A total of 13,566 over counter issues in the 2006/07 financial year, $403,626.99 worth of stock. In 2007/08 13,910 items were issued totalling $348,674.82.
- Stock value on hand as at 30 June 2008:

<table>
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<tr>
<th>Sections</th>
<th>Total Value</th>
</tr>
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<td>Electricity</td>
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</tr>
<tr>
<td>Fire Service</td>
<td>$3,719.29</td>
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<tr>
<td>Forestry</td>
<td>$12,080.73</td>
</tr>
<tr>
<td>General</td>
<td>$407,859.61</td>
</tr>
<tr>
<td>KAVHA</td>
<td>$19,962.67</td>
</tr>
<tr>
<td>Lighterage</td>
<td>$61,984.20</td>
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<td>$8,583.97</td>
</tr>
<tr>
<td>Stationery</td>
<td>$53,906.81</td>
</tr>
<tr>
<td>Telecom</td>
<td>$92,162.49</td>
</tr>
<tr>
<td>Vehicle</td>
<td>$39,953.00</td>
</tr>
<tr>
<td>Waste Management</td>
<td>$5,829.85</td>
</tr>
</tbody>
</table>
Many Stores processes continue to be streamlined to allow a more efficient work place. Organisation requirements continue to expand placing huge workloads on the resources available. Effective operation of the Stores Department continues to play an important role towards the overall operation of sections throughout the organisation.

The Purchasing Department has had limited time to research alternate vendors, however when time permits, the aim of this exercise is to improve arrival times and reduce freight and product costs. Considerable savings continue to be made for the organisation thus far.

The Administration Store continues to minimise freight charges with reliable freight consolidation services from Australia and New Zealand. This service has improved stock arrival times and reduced costs.

**2008/2009 Directions**

- Due to the changing nature of market costs, time and effort must be focused sourcing the most efficient, cost effective vendors. This has proved to be a major money saver in the past, and is time well spent. Continual effort must also be focused on eradication of stagnant stock issues, which are effectively freezing public funds. However, hopefully this year progress can be made for improved supplier relations/price structuring.

- Staff training is desirable to further improve warehousing procedures. As OH&S issues become more prevalent, it is important that Stores staff are certified in dealing with dangerous goods and other associated risks. There are also benefits in having trained staff.

**Land Use & Environment**

The Land Use and Environment Branch is responsible for managing the natural and built environment of Norfolk Island. This is achieved through a wide range of services, including management of the island’s sewerage and household waste, providing an effective quarantine service, beautification and regeneration of the island’s public reserves, exercising control over the use and development of privately owned land, promotion of projects aimed at protecting and enhancing the natural environment, and management of stock health.

The Branch includes:

- Manager (also appointed as Conservator for Public Reserves);
- Waste Management Centre;
- Health, Building and Quarantine Section;
- Parks and Forestry section (including the Tanalising Plant and Stock Inspection);
- Planning Office; and
- Environment Office

From October 2007 the Planning Officer and Environment Officer shared the Manager’s role, and since February 2008 the Planning Officer has had sole responsibility for this role.

The Minister responsible for the range of services provided by the Land Use and Environment Branch is the Minister for the Environment, Education and Social Welfare, the Hon S. Jack MLA.

The following pages describe in more detail the individual functions of each section within the Branch, the achievements of the previous financial year and the plans for the new financial year.
Conservator of Public Reserves
Under the Public Reserves Act 1997, the Administrator appoints the Conservator of Public Reserves. The Conservator is responsible for managing the public reserves by determining which activities are allowed to take place in which reserves. Certain activities are defined as “controlled activities” and may only be carried out subject to a permit issued by the Conservator. The Conservator also supervises the Rangers who are appointed by the executive member to ensure that no unauthorised activities are taking place in public reserves.

2007/2008 Operations

- **Staffing**
  In October 2007 the executive member appointed the Planning Officer as acting Conservator. This appointment is a temporary arrangement while the position of Manager Land Use & Environment is being re-evaluated.

- **Directions given to Rangers**
  In February 2008 the acting Conservator arranged a briefing session with all 16 public reserve Rangers. Each Ranger was issued with a handbook setting out their duties and responsibilities, and each Ranger was subsequently issued with an identification card. Rangers include Parks & Forestry Officers, the KAVHA Project Manager and Cemetery Sexton, the Environment Officer and Police Officers.

- **Permits Issued in Public Reserves**
  Permits to carry out “controlled activities” are issued by the Conservator in accordance with the Public Reserves Act 1997. In December 2007 the Conservator delegated the authority to consider and issue permits for the extraction of sand from Cemetery Reserve to the KAVHA Project Manager and the Cemetery Sexton. 19 permits were issued during the financial year for the extraction of sand from Cemetery Reserve totalling 149 cubic metres of material. 18 permits were issued for camping at Point Hunter Reserve between December 2007 and February 2008 in accordance with the Plans of Management for Public Reserves. 22 other permits were issued during the financial year for other controlled activities in public reserves, including commercial tours, special events and scientific research.

- **Permits Issued for Removal of Protected Trees**
  The Trees Act 1997 establishes protection for several species of native trees, and provides a system whereby people can apply to remove such trees, subject to assessment of the need to remove such trees. The role of assessing and approving applications to take protected trees is currently undertaken by the acting Forester. Notification of the permits issued is to be published in the Norfolk Island Gazette. The Gazette of 8 February 2008 included several pages listing approvals to take protected trees, and this list goes back to late 2003. Future publication of approvals will occur on a more regular basis.

- **Addressing the Argentine Ant Issue**
  Argentine Ants were first identified on Norfolk Island approximately 7 to 8 years ago. Since that time these invasive pests have spread across part of the west coast of the island and at the Waste Management Centre. The
Conservator became involved in the issue in March 2008 and organised a visit to Norfolk Island by Argentine Ant experts Viv Van Dyk and Peter Davis in May 2008. The Administration now has a better understanding of the issue and is investigating the most effective means of addressing the issue.

**2008/2009 Directions**

- **Staffing**
  
  A permanent Conservator of Public Reserves appointment will be made during the 2008/2009 financial year.

- **Argentine Ants**
  
  Preparations are being made for a major eradication exercise during the summer months of 2008/2009. This is the time when the ants are most active, and treatments are more likely to be successful. Funding assistance is being provided through a Commonwealth Natural Heritage Trust (NHT) Grant to start to address the Argentine Ant issue.

- **Continued Management of Public Reserves**
  
  The Conservator shall continue to give directions to Rangers, consider and issue permits for controlled activities in public reserves (including commercial activities and camping at Point Hunter Reserve during the summer of 2008/2009), and monitor the permits issued under delegated authority for sand extraction from Cemetery Reserve.

**Environment Office**

The Environment Office undertakes a diverse range of functions within the Administration including:

- Developing strategic frameworks to address environmental issues that affect Norfolk Island, including quarantine related matters, water and wastewater management, waste issues and sustainable management of Reserves;
- Project management of Commonwealth funded environmental projects;
- Development of funding applications for Administration and members of the community; and
- Overseeing the Ivens (Toon) Buffett Environmental Fund.

**2007/2008 Operations**

- **Toon Trust**
  
  To date, Rounds 1 and 2 of the Toon Trust have been undertaken. Round 1 comprised 4 projects as follows:

  **Norfolk Island Golf Club**
  
  This project has been extremely successful and completed well within the allotted timeframe. The aim of this project was to purchase spray equipment that is specifically designed to control pests and use less chemicals (up to 60% less in some cases) and to put in place an environmental management system for the golf course in accordance with ISO 14001:2004 through the purchase of epar EMS software package. Both these objectives have been achieved and were showcased at an open day held in late 2007.

  **Alan Summerscales**
  
  This project involved the regeneration of a native forest remnant situated on the property of Alan Summerscales. It was completed successfully and will create a wildlife corridor in close proximity to the National Park.

  **Norfolk Island Board Riders**
  
  This project involved the upgrading and revegetation of the existing track to the beach in Bumboras Reserve. This project is almost complete and will provide safe...
access to the beach and also protect the natural environment.

- **Bounty Divers**
  This project aims to put in place a Coral Protection Program through local and international education and awareness and ongoing monitoring of the coral. This project is progressing well. Round 2 projects have recently been commissioned and are as follows:

- **Byron Adams**
  This project aims to restore native vegetation and soil stability to a cliff top valley at Duncombe Bay by restoring an area with a rare remnant vegetation community classified as a coastal semi-hardwood forest.

- **Darren Nicolai**
  This project aims to reduce impact on Watermill catchment groundwater resources by installing a tank to capture rainwater from a shed used to produce organically grown mushrooms. This water will be used in the production process. It is hoped that this will provide a successful demonstration project for the agricultural sector of Norfolk Island.

- **Ikey Bataille and Jan Cooper**
  This project aims to remove woody weeds on a section of Town Creek that is situated on their adjoining properties. This will improve catchment health (particularly downstream) by reducing the amount of weed spread.

- **Natalie and Peter French**
  This project aims to restore a remnant of viney hardwood rainforest that is situated on the proponent’s property. This vegetation community is of particular significance as there are not many remaining on the Island.

### Current Commonwealth Funded Environmental Projects

- **Norfolk Island Hydrology Study**
  A groundwater study of Norfolk Island was completed and the data subsequently analysed. Environmental Groundwater Consultants were commissioned to produce a report which identified priority catchments which were at risk from contamination.

- **Revegetation of Reserves**
  Natural Heritage Trust funding was provided to improve biodiversity of the Island’s Reserves through rehabilitation and revegetation of key areas. Areas to date that form part of this project included Hundred Acres Reserve, Headstone Reserve and Point Ross Reserve.

- **Natural Resource Management Plan**
  The final plan has now been completed and has recently been released for public comment. This will be submitted to the Commonwealth to provide strategic direction for future funding.

### 2008/2009 Directions

In the following year a number of projects will be undertaken with the assistance of Commonwealth funding. A brief summary is provided below:

- **Norfolk Island Water Quality Study**
  This study will follow on from the Hydrology Study outlined above. It aims to identify contamination sources at a catchment level and put in place measures to remediate groundwater resources that are affected.

- **Eradication of the Asian House Gecko**
  This project aims to establish the extent of the Asian House Gecko on Norfolk Island and put in place an
eradication plan based on trapping.

- **Control of Argentine Ants on Norfolk Island**
  This project aims to undertake a pilot trial to attempt to eradicate the Argentine Ant in a controlled area.

- **Glass Recycling on Norfolk Island**
  This funding will be used to purchase a glass-crushing machine for Norfolk Island.

**Health, Building, & Quarantine**
The Health, Building & Quarantine Service operates to protect the Island’s environment through its quarantine services and the community through the operation of health and building inspections. The Unit is responsible for the operation of the following legislation and ancillary services:

- **Public Health Act 1996**;
- **Sale of Food Act 1950** (licensing and food standards);
- **Health Act 1913** (septic tanks, water quality etc);
- **Health Regulations**
- **Sale of Tobacco Act 2004** (licensing and compliance);
- **Environment Act 1990**;
- **Plant and Fruit Diseases Act 1959**
- **Animals (Importation) Act 1983**
- **Stock Diseases Act 1936** (Approvals and monitoring of all imports covered by the above).
- **Building Act 2002** (approvals and compliance);
- **Planning Act 2002** (compliance);
- **Planning Act 2002** (monitoring and enforcing controls and conditions);
- **Weights Act 1926**;
- **Dangerous Drugs Act 1927**;
- **Customs Act 1913**;
- **Water Assurance Charges Act 1991**.

**2007/2008 Operations**

- 91 Sale of Food Licences issued and their operations and standards monitored;
- Quarantine staff attended approximately 510 passenger flights from Australia and New Zealand, 154 military and private aircraft arrivals, and assisted with passenger and air cargo processing to ensure compliance with quarantine requirements. Clearance of 19 cargo ships which arrived during the period, carrying approximately 13,433 tonnes of mixed general cargo. There were also 4 bulk fuel tankers and 4 bulk gas tankers. All ships, crew and cargo were inspected and monitored for compliance with public health and quarantine requirements. Items not complying were required to be treated before release;
- 49 building approvals were granted with varying numbers of progress inspections undertaken;
- Planning and costing for sewer extension in Pitcairn Place and the Shortridge area. No physical installations were achieved due to ongoing delays with gaining access and negotiating easements. A total of 34 dwellings and a tourist accommodation complex will be serviced by these sewers when installed in 2009.

**2008/2009 Directions**

- Ongoing identification of potential problems/risks in all areas of responsibility;
- Inspection of areas infested with Argentine Ants and areas that could potentially be infested, including collection of specimens to determine the extent of infestation;
- Review the Health Act;
- Continued assessment of building applications and inspections during construction;
• Review Quarantine legislation and policies to accommodate changes in goods being imported and risks associated with those imports;
• Identify the next areas in most need of being serviced by reticulated sewers.

Planning
The Planning Office is responsible for controlling the use and development of land on Norfolk Island. Land uses and developments include buildings, earthworks, signage and subdivisions. Control is exercised through:
• the drafting and proposed amendment of laws, policies and guidance that determine what types of developments and land uses are allowed in different parts of the island;
• the assessment of applications for permission to develop and use land in accordance with established laws, policies and guidelines;
• the enforcement of decisions made on applications and against unauthorised developments and land uses.

These functions are important to Norfolk Island in that, without these controls and guidelines, development and land uses would be unregulated, resulting over time in more haphazard, unplanned land use and development, encroachment of development that is generally regarded as inappropriate in specific areas on the island.

The following relevant legislation is administered or referred to by the Planning Office:
• Planning Act 2002
• Norfolk Island Planning and Environment Board Act 2002
• Planning Regulations 2004
• Norfolk Island Plan 2002
• Building Act 2002
• Building Regulations 2004
• Roads Act 2002
• Subdivision Act 2002
• Heritage Act 2002
• Heritage Regulations 2003
• Environment Act 1990
• Land Titles Act 1996
• Surveys Act 1937
• Tourist Accommodation Act 1984
• Tourist Accommodation Regulations
• Public Health Act 1996
• Administrative Review Tribunal Act 1996

The Planning Officer also serves as Secretary to the Planning and Environment Board, which met on 19 occasions during the financial year. The Board is responsible for considering and making recommendations on all “permissible with consent” applications and any other matters referred to it that relate to planning.

2007/2008 Operations
Staffing
A Planning Officer was appointed in April 2007. The Planning Officer filled a vacancy that had existed for the previous 6 months. The Planning Officer addressed the backlog of development applications that had built up during the period where the position was left vacant.

To support the Planning Officer, a Planning Assistant and a Contract Planner were appointed for short periods on a part-time basis to assist the Planning Officer in the assessment and reporting of development applications.

Operational Performance Improvements
By the end of the financial year, operational performance had achieved the following:
• the number of outstanding
development applications was 2 (down from 14 at the end of the last financial year);

• two development applications were subject to applications to the Administrative Review Tribunal (neither had been determined by the end of the 2007/2008 financial year);

• the average time taken to process the 10 most recently submitted and determined “permitted use” applications was 5.0 days;

• the average time taken to process the 10 most recently submitted and determined “permissible with consent” applications was 45.8 days.

Review of the Norfolk Island Plan
A comprehensive review of the Norfolk Island Plan commenced in October 2007 with a call for submissions from the public on the current Plan. During this first exhibition period, meetings were held with special interest groups so that particular issues could be voiced and noted. Questionnaires were made available to encourage people to think about the potential issues they may have with the current plan.

A total of 19 written submissions were made, and considered by the Planning Officer and the Planning & Environment Board. The Planning Officer’s and Board’s recommendations in relation to these submissions, together with the Planning Officer’s separate proposals for Plan amendments, were presented to the members of the Legislative Assembly for consideration.

Review of Development Control Plan No. 4 (Signs)
A review of DCP No. 4 commenced in 2007 and a draft revised DCP was exhibited for public comment from September to October 2007. A public meeting was held that October for interested people to voice their opinions in relation to control of signage. Following that meeting, and following further consideration of controls by the Planning & Environment Board, an amended draft plan was prepared reflecting the general views raised by the public. A final draft revised DCP was presented to the members of the Legislative Assembly for consideration.

The Planning Officer advised on various other planning related matters that arose during the financial year, including enquiries from the community in relation to subdivision and development matters.

2008/2009 Directions
Norfolk Island Plan Review
A major focus for the 2008/2009 financial year is the continuation of the review of the Norfolk Island Plan. The next stages of the review involve the selection of draft amendments to the Norfolk Island Plan, exhibition of those draft amendments, consideration of further submissions from the public, and reports to the Minister and Assembly with final recommendations for Plan amendments. The formal review process is scheduled for completion by late 2008.

Other Reviews and Aims
• Finalise a review of Development Control Plan relating to signs;

• Continue to assess development applications with the aim of meeting all statutory timeframes;

• Continue to advise on legislative amendments as issues arise; and

• Continue to administer the Planning & Environment Board meetings.

Waste Management Services
Managing wastes in isolated communities such as Norfolk Island poses significant challenges, as many
of the conventional solutions used on the mainland are not feasible in this unique Island environment. In seeking to address this, the past year has presented a range of challenges for the Waste Management Team.

**2007/2008 Operations**

*Approximate figures on all forms of waste delivered to the Waste Management Centre and processed between 1 July 2007 and 30 June 2008*

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household refuse dumped / burnt</td>
<td>762 tonnes</td>
</tr>
<tr>
<td>Glass dumped</td>
<td>181 tonnes</td>
</tr>
<tr>
<td>Aluminium cans processed</td>
<td>5.7 tonnes</td>
</tr>
<tr>
<td>Truckloads of timber waste dumped / burnt</td>
<td>279</td>
</tr>
<tr>
<td>Truckloads of steel waste dumped</td>
<td>175</td>
</tr>
<tr>
<td>Truckloads whitegoods dumped/ burnt</td>
<td>20</td>
</tr>
<tr>
<td>Steel cans shredded / dumped</td>
<td>9.15 tonnes</td>
</tr>
<tr>
<td>Household food scraps dumped</td>
<td>160 tonnes</td>
</tr>
<tr>
<td>Aerosols decentered / dumped</td>
<td>1.3 tonnes</td>
</tr>
<tr>
<td>750ml soft drink bottles collected for resale</td>
<td>4000 @ $0.25 per bottle</td>
</tr>
<tr>
<td>300ml soft drink bottles collected for resale</td>
<td>2080 @ $0.10 per bottle</td>
</tr>
<tr>
<td>Vehicle batteries collected / prepared for shipping</td>
<td>7.2 tonnes</td>
</tr>
<tr>
<td>Burning days lost due to unfavourable conditions</td>
<td>52</td>
</tr>
<tr>
<td>Mulch produced as a result of green waste processing</td>
<td>1100m³</td>
</tr>
<tr>
<td>* Mulch sales **</td>
<td>183m³ @ $20.00 per m³</td>
</tr>
<tr>
<td>Mulch transported to One Hundred Acres</td>
<td>444m³</td>
</tr>
</tbody>
</table>

*The volume of green waste delivered to the Waste Management Centre is not monitored.*

**Sale of mulch suspended from April 2008 due to Argentine Ant infestation.**

The discovery of Argentine Ants at the Waste Management Centre (WMC) has resulted in the temporary cessation of mulch distribution and sales. Processing of green waste to produce a mulch product is an integral part of waste management on Norfolk Island and it is hoped that this pest will be successfully eradicated from the WMC in the near future and normal operations will resume.

This year has also brought ongoing bad weather leaving limited opportunity for regular burning of waste material at Headstone. This has resulted in accumulation of waste at the WMC for longer periods of time than normal. However, as part of the Administration’s commitment to improving waste management practices on the Island, steps are being taken to ensure a sustainable future.

URS Consulting Engineers recently completed a detailed feasibility study examining a range of options for management of the residual waste stream remaining following the implementation of viable waste avoidance, re-use and recycling options. Several alternatives including mechanical biological treatment (anaerobic and aerobic), thermal treatment (pyrolysis, gasification and incineration) and engineered landfill were considered.

Following community consultation, URS recommended a high temperature incinerator together with an air pollution control system consisting of a venturi scrubber as the preferred option. The Administration is
considering the recommendations submitted by URS and is mindful of the need to process a range of waste streams and to minimise potential environmental impacts. Also within the past year, Commonwealth funding was successfully secured for a glass-recycling machine. It is anticipated that this will be commissioned in the latter part of 2008.

2008/2009 Directions
Improved Recycling
Over the next twelve months it is planned to introduce a number of programs to either minimise or recycle waste on Norfolk Island. Firstly, current operations will be reviewed in the context of the other services provided within the division to improve efficiencies where possible. The range of materials recycled and sent to the mainland will be widened. A glass crusher will be introduced to produce a range of useable products (e.g. sand, compost additive).

Community Education and Waste Minimisation
In the upcoming year the Administration plans to work closely with the community to develop a sustainable step-by-step approach to waste minimisation on Norfolk Island. This task will also investigate the importation of materials to the Island and attempt to identify areas where improvements and waste reduction can be achieved.

Municipal Waste Management on Norfolk Island
The next step in this process is to adopt the most appropriate option for waste processing for Norfolk Island, and then to develop technical specifications and undertake an Environmental Impact Assessment for the chosen option. It is envisaged that this task will be completed over the next twelve months.

Asbestos Policy Development
One of the priority waste management issues on Norfolk Island is the handling and disposal of asbestos. Over the next months, an Island wide policy framework will be developed based on a ‘user pays’ model to ensure the safe handling, disposal and future management of this hazardous substance.

Parks, Nursery & Forestry Services
The Parks, Nursery & Forestry Services works co-operatively with the Conservator of Public Reserves and National Parks and Wildlife staff to enhance and preserve the parks and forests on the Island. Forestry is led by the Forester and is responsible for a wide sector of activities including:
- the establishment, maintenance and harvesting of pine plantations;
- maintenance of 18 Public Reserves (approximately 225 hectares) and other public lands (approximately 34 hectares);
- management of the 130 hectare Forestry Zone within the National Park;
- assessing applications to remove protected trees from any location on the island;
- overseeing stock on common lands, ongoing monitoring of stock health over the Island;
- the operation of the tanalith plant to treat timber used on the Island; and
- the operation of the plant nursery currently consisting of some 14,000 native plants for use by both the Administration and the wider community.

The Minister responsible for work of the Forestry Unit is the Minister for the Environment, Education and Social
Welfare, the Hon. Stephanie Jack, MLA. Public Reserves are on Crown land and as such, the Administrator (as the Commonwealth representative) appoints the Conservator of Public Reserves.

2007/2008 Operations

- Establishment of plantation and general beautification / revegetation works at Hundred Acres Reserve, including removal of Madeira Vine (this was undertaken with the assistance of Commonwealth funding);
- Commencement of landscaping, erosion control and revegetation work at Point Ross Reserve (this was undertaken with the assistance of Commonwealth funding);
- Ongoing weed management in Public Reserves;
- Ongoing treatment of timber at the tanalith plant;
- Ongoing general maintenance of Public Reserves;
- Ongoing maintenance of a new plantation at the Buck’s Point Reserve;
- Re-roofing of nursery shade house;
- Ongoing propagation, cultivation and sale of plants to the public;
- Harvesting of young pines for fence posts;
- Ongoing stock maintenance, including stock health checks, marking of calves, twice yearly mustering and attending to general stock issues including private and commercial slaughtering;
- Reviewed the process for applying for the removal of protected trees and gazettal of permits subsequently issued.

2008/2009 Directions

- Continued landscaping, erosion control and revegetation work at Point Ross Reserve;
- Ongoing weed management, maintenance and revegetation of public reserves;
- Ongoing assessment of applications to remove protected trees and gazettal of permits subsequently issued;
- Commencement of clearing noxious weeds and eucalyptus, revegetation and opening up of northern part of Selwyn Reserve;
- Commencement of fencing and revegetation of Headstone Creek area (this will be undertaken in conjunction with local residents and Commonwealth assistance);
- Commencement of fencing along cliff top in Hundred Acres Reserve, including construction of a walkway along the cliff top (this will be undertaken with the assistance of Commonwealth funding);
- Improve and monitor the health of livestock on the Island through improved breeding programs and stock management practices.

Norfolk Island Airport

As the Aerodrome Certificate holder the Administration is responsible for safe and secure operations at the Norfolk Island Airport.
The Civil Aviation Safety Authority (CASA) regulates the Airport on safety matters and the Department of Infrastructure, Transport, Regional Development and Local Government (The Department of Infrastructure) regulates on matters relating to security. Audits are carried out by these Departments to ensure the processes and systems that we have in place are adhered to and meet the requirements of both the Civil Aviation Safety Regulations and the Aviation Transport Security Regulations.
At the time of writing the airport was facilitating nine regular public transport (RPT) operations per week from the following destinations; Auckland, Newcastle, Melbourne, Sydney and Brisbane. The largest aircraft regularly utilising the Norfolk Island Airport is presently the Airbus A-320 and general aviation traffic equates an average per annum of 2.0 arrivals a week.

The Norfolk Island Airport maintains an enviable safety record and remains at all times fully compliant with the relevant legislation.

**2007/2008 Achievements**

- The highlight of the year for the Airport was receiving the CASA Award for Excellence (Best Island Airport) in May 2008. This award was well earnt and speaks volumes about those who work to ensure our airport remains fully compliant and safe. Particular mention goes to our long serving groundsmen who bring with them so much invaluable experience and who take such pride in the appearance and compliance of our airport.

- 1 December 2007 saw another change in our security requirements as the screening of checked baggage by Ionscan on all our Australian (domestic) flights came into force. The introduction of this new process happened seamlessly and ahead of schedule.

- A tsunami warning station was constructed and commissioned at the airport by Geoscience Australia. Its location near the secondary runway was found to be on average the quietest and most suitable site on the island and works were completed in May 2008. The airport has entered into a contractual agreement with Geoscience Australia for the continued maintenance of the site.

Several major projects were commenced this financial year:

**Runway End Safety Area (RESA)**

The RESA project is progressing its way through the required approval processes. It is expected that it will be the major project completed in the 2008/2009 financial year.

**Car Park**

The car park extension design had to be revisited when public opinion determined that the row of pines pencilled in for removal on Douglas Drive were to remain.

The option of removing the Emergency Co-ordination Centre building is now being explored and it is expected that this area will now provide the space needed for the additional parking bays. Plans have been finalised for improving the drainage of the area and new lights and poles have arrived to bring the lighting up to standard.

**Terminal Works**

The Works Depot carpenters have commenced work on the arrivals hall extension. It is expected that this project will be completed in the first months of the new financial year. This extension will provide Customs the area required to install x-ray equipment and commence screening of inbound passengers and baggage.

Work has also commenced on the extension of the terminal public foyer with the central garden removed and the area concreted. Plans have been drawn up to enclose this area to provide an additional 30% of terminal space. Much care has been taken in the design to ensure the aesthetics of the terminal remains and that area previously under-utilised is taken full advantage of.

On the administrative side, eight audits occurred this financial year with not a single major finding. This is testament
to the Administration’s commitment to ensure the gateway to the island remains always open for business.

**Fire Station**
The fire station project is also progressing its way through the required approval processes. With the arrival of the new tenders due later this year, we will soon have an aviation rescue and fire fighting service that will easily comply with any growth requirements into the long term.

**2008/2009 Directions**
Aviation security is undoubtedly the biggest growth sector in the industry. 1 December 2008 will see yet another change in our required screening processes with the introduction of checked baggage screening utilising automatic explosive detection x-ray. The Commonwealth Government through the Department of Infrastructure has provided funding of $600,000 to assist with funding the initial purchase of this equipment. Some $27,000 of this funding will be utilised to carry out structural changes to the baggage make-up area, which is necessary to facilitate the larger equipment.

With the planned additional flights by Norfolk Air it is expected that the airport will see at least one commercial flight every day of the week from October 2008. This will undoubtedly test our current resources, particularly staffing levels. However, the increase in flights can only be good for the community as a whole and we at the airport are committed to ensuring the gateway to the island remains safe, secure, efficient and attractive.

**Norfolk Telecom**
Norfolk Telecom provides the Norfolk Island community with carrier grade telecommunications services ensuring reliability and quality. Norfolk Telecom falls within the portfolio of the Minister for Finance and operates under the *Norfolk Island Telecommunications Act 1992*. The objectives and goals of Norfolk Telecom are:

- To provide up to date communications systems within Norfolk Island;
- To provide a reliable and affordable international communications link to the mainland;
- To research and implement improved communications systems and technologies both local and international;
- To maintain reliable external plant reticulation whilst planning for future growth;
- To provide radio and television services operated in accordance with the *Norfolk Island Broadcasting Authority Act 2001* (this is a self-contained function within Norfolk Telecom);
- To provide substantial dividends for community needs to the Norfolk Island Government;
- To continue to invest in proven technology that meets the growing business and community communications needs.

The major elements of Norfolk Telecom’s current services and infrastructure consist of:

- Fixed line telephone utilising copper twisted pair cable and optic fibre;
- Satellite Earth Station x 2;
- GSM Mobile switch including five remote base stations and 2 micro cells;
- Central public exchange which switches international as well as national traffic;
- Broadband internet connection.
(Asynchronous Digital Subscriber Line [ADSL];
- ISP (Internet Service Provider);
- Online telephone directory for up to date white and yellow pages;
- Annual publication of the Norfolk Island Telephone Directory;
- Telephone enquiries, account enquiries and local directory assistance;
- Provision of PABX services to businesses and accommodation houses;
- Emergency communications as per the Norfolk Island Disaster and Emergency Management Plan;
- Provision of monthly billing for services.

2007/2008 Achievements
- **International Connectivity – Migration to new International Carrier**
  On 1 April 2008, Norfolk Telecom migrated all telephone and internet services to the new carrier TNZI (Telecom New Zealand International) and terminated the contractual arrangement with Reach Global Services. The change in carrier has resulted in cheaper IDD calls for island residents.

- **Complete Review of Telecom Fees and Charges**
  With the new TNZI operating agreement in place, Norfolk Telecom has been able to undertake a complete review of all charges. A new pricing structure has been implemented that provides a significant reduction across the board in all Telecom fees and charges. The GST component on all Telecom services was also incorporated in the new charging structure. The upshot being much cheaper IDD outwards calls for the residents of Norfolk Island.

The revised pricing structure provides:
- A reduction in all outward IDD calls from a fixed landline;
- A reduction in all outward IDD calls from a GSM mobile;
- A reduction in all operating charges including telephone line rentals, PABX system rentals, equipment hire and subscriber facilities;
- The introduction of free line rentals for pensioners;
- The implementation of a local call charge.

- **Pricing and Plan Review of ADSL Services**
  An ADSL pricing review was undertaken which resulted in new plans to better suit the growth and utilisation of the system with the result that higher bandwidth and data allowances were made available to the community.

- **Installation of Secondary Earth Station**
  Installed and commissioned a 4.5 metre satellite earth station in the paddock near the Radio Station. The new earth station provides geographic isolation and full redundancy for the Island’s communications. Both the Anson Bay and Radio Station earth stations have hot swap capability, which significantly enhances the overall reliability of Norfolk Island international connectivity.

- **Installation of RBS Micro Cell in Grassy Road**
  An RBS Micro Cell has been installed in the Grassy Road area to improve mobile phone coverage around the Island. Two more RBS Micro Cells will be installed in other locations in the next financial year.
• **Refurbishment of the Telecom Front Office and Cashier Counter**
The front office at Telecom has been refurbished to accommodate an additional cashier on staff. The cashier’s front counter has been extended to provide customer privacy and for increased customer flow to manage the increased workload brought on with the introduction of GSM mobile phones.

• **Closure of the Manual Switch Operator Service**
The Manual Switch Operator Service ceased to operate on 1 April 2008 when Norfolk Telecom moved over to the new international carrier TNZI. Some of the services that no longer operate are operator connected calls, reverse charge calls, country direct calls and international directory assistance.

• **Introduction of Wireless Hotspot Access**
The introduction of wireless Internet hotspots to most cafés on the Island was a Telecom initiative which allows visitors and residents to purchase pre-paid vouchers and access the internet via their laptops at various hotspot locations around the Island.

• **Trunking Radio System**
The trunk radio system became obsolete with the introduction of the GSM mobile phone network. As owners of the trunking radios shifted to the GSM network, it was too expensive to maintain the trunking system for only a few subscribers, so it was decided to discontinue this service.

• **Emergency Services**
All emergency services were originally connected to the old trunk radio system. With the discontinuation of the trunking radio service all emergency services have now transferred to VFH Radio.

• **Telecom Staffing**
A review of the technical salary relativity has been requested using the job evaluation methodology.

• **Subscriber Statistics As At July 2008:**

<table>
<thead>
<tr>
<th>Type of Service</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone Connections</td>
<td>1,897</td>
</tr>
<tr>
<td>GSM SIM Cards Issued</td>
<td>2,797</td>
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<tr>
<td>Faults Recorded</td>
<td>1,106</td>
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<tr>
<td>IDD Subscribers Connected</td>
<td>1,715</td>
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<tr>
<td>ADSL subscribers Connected</td>
<td>539</td>
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<tr>
<td>Telephone Services Relocated</td>
<td>133</td>
</tr>
<tr>
<td>Work Orders Undertaken</td>
<td>5,015</td>
</tr>
</tbody>
</table>

2008/2009 Directions

• **Major Refurbishment of Anson Bay Earth Station Facilities**
In 2009 Norfolk Telecom will schedule a major overhaul and refurbishment of the Satellite Earth Station facilities located at Anson Bay. Norfolk Telecom took over the responsibility of the Satellite Earth Station from Reach in early 2007 however crucial maintenance needs to be undertaken on the 9.2 metre satellite dish and the terminal tracking equipment.

• **Submarine Optic Fibre Possibilities**
Progress the possibilities of submarine optic fibre connectivity to the rest of the world. Optic fibre connection would significantly expand the island telecommunications capabilities. With increased bandwidth at super fast speeds it would stimulate growth and advancement within the Internet Gaming arena and possibly stimulate new revenue streams for the island’s economy such as an
off-shore finance centre facility, telemedicine and e-commerce.

- **GSM Mobile Phase 2 – PostPaid**
  Implement Phase 2 of the GSM Mobile network to incorporate post-paid mobile and introduce international roaming for mobile phones. This will necessitate a roaming agreement with the international carriers.

- **Implementation of International SMS**
  Implement the introduction of international SMS capabilities for the residents of Norfolk Island. SMS contractual agreement is scheduled to be put in place in the second half of 2008.

- **Installation of RBS Micro Cells in Bumboras and Red Road Areas**
  To improve mobile phone coverage around the Island, two more RBS Micro Cells are scheduled to be installed in the Bumboras and Red Road areas.

- **Introduction of Wireless Hotspot Access for Accommodation Houses**
  Introduction and installation of wireless hotspot access for accommodation houses, units and resorts. This initiative will greatly assist visitors/business people who bring their laptops to the Island.

- **Installation of Optic Fibre to the Core Nodes**
  Commence plans for the installation of optic fibre to the core node locations around the Island, Satie’s Corner, Middlegate and Rocky Point. The Anson Bay node has already been completed. When completed this will greatly improve bandwidth to Island homes.

- **Pre-paid Landline Service**
  To explore the possibilities of implementing a pre-paid landline system, wherein pre-paid vouchers could be purchased up front, similar to the pre-paid mobile system.

**Broadcasting Service**

The Broadcasting Section is responsible for all of the radio and television transmissions including Radio Norfolk, all of the ABC radio stations, ABC television, Imparja television, Central 7 television and SBS television. Whilst the overseas satellite services are only monitored, there is a large percentage of the broadcasting budget dedicated to providing the infrastructure for these services. Radio Norfolk (VL2NI) is the main provider of instant information to the community as well as being the entertainment medium through the use of music, news and events. The station has developed from a five minute broadcast when ships or aeroplanes were due, through to a 24-hour FM and AM service. The station broadcasts death notices, Legislative Assembly meetings, community news notices and events, political forums, training for entry into radio media, sports events, community shows, religious broadcasts, international news, as well as providing most genres of music some time each week. Radio Norfolk has a Sponsorship Scheme which is to fund the station with equipment improvements, music and programs not provided in the normal budget process. Radio and television are Schedule 2 matters under the *Norfolk Island Act 1979* and the *Norfolk Island Broadcasting Authority Act 2001* provides for a committee to set standards and allow licensing of FM stations within Norfolk Island. Some Commonwealth legislation applies as well.
2007/2008 Achievements
- Investigated, designed and purchased systems for digital broadcast of satellite services for introduction later in 2008;
- Promoted ‘major’ competitions within the limits of sponsorship;
- Worked with the executive members to provide a forum for the community to ask questions of the government;
- Introduced on average 30 new release songs each week;
- Arranged outside broadcasts from community events including the school swimming carnival, the Norfolk Island Country Music Festival, the school athletics carnival, the jazz festival, as well as paid broadcasts from sponsors’ premises;
- Restarted the Youth Radio training program for school students. The latest intake is from the early secondary section of the school;
- Conducted interviews with people from Norfolk Island as well as Australia, New Zealand and the rest of the world as well as reported on sports teams and school tour events.

2008/2009 Directions
- The focus this year is the installation of the digital television equipment to have it provide most satellite services in digital format. When operational, the service will provide a better signal and allow for extra channels to be received by consumers on Island. The first stage will include at least two High Definition channels. It should be possible to access the digital radio stations available from the ABC and SBS as well. The planned system has room for expansion to provide additional HD services as they become available from other television stations;
- Installation and set-up of a Solidyne 16 channel console to replace the 25-year old Auditronics console. This will complete the upgrade of both studios for the time being. The second studio is invaluable for recording interviews, production and training as well as being used ‘live-on-air’;
- Enquiries have been made for the purchase of a caravan that can be used for the outside broadcast unit. This important step will improve the ability to commit to quality outside broadcasts. It is intended to install the Auditronics console into that facility;
- Revision is taking place on the website to improve the quality and information that is available.

Norfolk Island Electricity
Norfolk Island Electricity (NIE) is a Government Business Enterprise under the portfolio of the Minister for Finance.
NIE is responsible for the generation and reticulation of electricity throughout the island, within the requirements of the Electricity Supply Act 1985. NIE has a main powerhouse and a number of emergency generators. NIE is responsible for electrical maintenance to Administration buildings and the Norfolk Island Airport and since October 2007, as ‘Norfolk Energy’, is also responsible for maintenance of the island’s bulk fuel supply.
NIE has an establishment of eleven positions. Two positions remain vacant and one staff member is on extended leave. Capital works projects have progressed this financial year but due to staff shortages completion of projects has been difficult.
A big challenge this year has been the
increased cost of fuel, which has caused a significant increase in the price per kWh to the consumer. The kWh charge has almost doubled in a couple of years and with the current cost of fuel it is likely that future increases in kWh charges are likely. There has been a definite decrease in electricity usage by consumers since the increase in kWh charges. Norfolk Island Electricity staff and a number of private electrical contractors have recently completed a training course in how to connect or integrate solar systems into a diesel mini-grid. This course was funded by the Australian Government. It is hoped that Australian Government incentives for green energy will encourage consumers to install photovoltaic systems which will reduce the reliance on fossil fuels.

In this financial year:

- Maximum demand was 1,690 kWh; 2,190 amps;
- Kilowatt hours generated totalled 7,937,093;
- The Powerhouse used 2,139,293 litres of fuel.

Norfolk Island Fire Service & Emergency Management

The Norfolk Island Fire Service and Emergency Management Norfolk Island was established to minimise risk by protecting the Norfolk Island community, its infrastructure, assets and the environment from fire and the impacts to the community caused by major incidents. Their role is to provide a 24 hour fire and rescue service to the island community and its surrounds. The Fire Service also provides an Aerodrome Rescue and Fire Fighting Service (ARFFS) to the International Airport for the arrival and departure of international and domestic commercial passenger carrying flights from Sydney, Newcastle and Brisbane within Australia, as well as Auckland, New Zealand. The level of the service provision is ARFFS Category six (6). The Officer in Charge of the Norfolk Island Fire Service and Executive Officer of the Emergency Management Team is the Emergency Service Coordinator.

Services are provided through the following relevant legislation and regulations:

- **Norfolk Island Fire Control Act 2000**
- **Norfolk Island Disaster and Emergency Management Act 2001**
- **Civil Aviation Safety Regulation (CASR 139h)**
- **Manual of Operational Standards (MOS)**
- **Tourist Accommodation Act 1984**
- **Civil Aviation Act 1988**

The Norfolk Island Government Minister responsible for Fire Services and Emergency Management is the Hon. Neville Christian. The Fire Service also provides inspections, maintenance and servicing, advice and training in all facets of fire safety, protection and detection in conjunction with Standards Australia.

**2007/2008 Achievements**

- The Norfolk Island Government in conjunction with the Fire Service secured the purchase of 2 new Aviation Fire Vehicles to be built by Rosenbauer Austria with a delivery date of approximately October 2008. The vehicles are CA5 Panther 6 x 6 Major Attack Fire Vehicles with a capacity of 12,500 litres of water and 1,500
litres of foam and a complimentary agent of 225 kilograms of Dry Chemical Powder System. The vehicles are being delivered to the Royal Australian Air Force in March 2008 after arrival in Brisbane, Queensland, through the Rosenbauer representatives SASGAR Pty Ltd.

- The process of siting and planning for a new fire station has commenced, taking into consideration the Civil Aviation Safety Regulations 139h and local requirements.

- The mitigation of fire related incidents in Norfolk Island is one of the prime objectives of the Fire Service, and through our Public Education Program we believe we have achieved a further reduction in the total number of fire callouts and that the community in general is to be congratulated again this year. Another factor is the rather wet summer we had in Norfolk Island, reducing the amount of burn offs etc occurring.

### CALLOUTS

- AFA – Automatic Fire Alarms
- Fires – Actual Fires
- Aviation – Aviation incidents pertaining to aircraft
- MVA – Motor Vehicle Accidents
- Tsunami – Tsunami warnings / alerts
- Cyclone – Cyclone warnings / alerts

- The upgrading/modernising of fire alarm systems, in conjunction with other Administration agencies, is near completion. The final step is to upgrade the Area Panel at Kingston which monitors the KAVHA buildings and the transfer of the fire alarm system main to the proposed new fire station.

- Norfolk Island Emergency Management (EMNI) Committee members in conjunction with Norfolk Island Administration and community organisations responded
to several cyclones, tsunami warnings and reported earthquakes. The cyclones that threatened Norfolk Island in February 2008 luckily passed Norfolk Island with minimal damage to trees and properties.

- The Fire Service also commenced the restructure of the training facility known as the “Drill Ground” by locating, to its final resting place, the old radio shack from where it was being stored. It now has internal divides and a coat of paint and will be utilised as the “smoke hut” for breathing apparatus/search and confined space rescue training. A big thank you must go to the men and machines that did the relocation.

- Employment of two fulltime qualified fire fighters occurred, while one fire fighter commenced 12 months leave without pay.

**2007/2008 Directions**

The Fire Service was advised that the intended aviation vehicles Air Services Australia (ASA) had earmarked for the Norfolk Island Fire Service were no longer available due to ASA’s reorganisation of the Training College and other airports requiring services that may be provided by the vehicles. This outcome has directed the Fire Service to look elsewhere in the Australasian region for suitable vehicles to fulfill the replacement role. The Service will also begin the process of re-establishing the ‘live fire training ground’ that was removed to cater for the infrastructure / equipment to carry out the airport runway upgrade. The training ground will consist of a large aircraft mock up; ladder platform; a breathing apparatus training facility, i.e. smoke hut, with no fires lit in the vicinity, and a training area to cater for motor vehicle accidents and fire extinguisher training. A decision has also been made by the Norfolk Island Government to fund a new combined domestic and aviation fire station to house the new vehicles. This will free up the works depot station for other purposes. The intention of the Fire Service is to modernise and update infrastructure vehicles and staffing to provide the worlds best practices.
INDEPENDENT AUDIT REPORT

Scope
The Financial Report

The financial report of The Administration of Norfolk Island includes the consolidated financial statements of the consolidated entity and the Loan Fund (excluding graphs). The consolidated financial statements comprise the Revenue Fund, the Administration Services Fund (Government Business Enterprise) and the Trust Fund.

We have conducted an independent audit of the financial report in order to express an opinion on it to the Speaker and Administrator.

The Administration of Norfolk Island’s Responsibility

The Administration of Norfolk Island is responsible for the preparation and true and fair presentation of the financial report, the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

Pursuant to Section 51C of the Norfolk Island Act 1979 an independent audit was conducted in accordance with International Auditing Standards to enable us to provide an independent opinion whether in all material respects the financial report is presented fairly in accordance with the prescribed requirements, including any mandatory financial reporting requirements pursuant to the Public Moneys Act 1979. Audit procedures included:

- examining information on a test/sample basis to provide evidence supporting the amounts and disclosures in the financial report;
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Administration of Norfolk Island;
- obtaining written confirmation regarding the material representations made in conjunction with the audit, and
- reviewing the overall presentation of information in the financial report.

Independence

Other than in our capacity as auditor, we have no relationship with or interests in The Administration of Norfolk Island.

Unqualified Opinion

We have received all the information and explanations which we have required and, in our opinion:

i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and

ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed requirements of the transactions and cash flows of The Administration of Norfolk Island for the financial year 1 July 2007 to 30 June 2008 and the financial position as at the end of that year.

Our audit was completed on 21 October 2008 and our unqualified opinion is expressed as at that date.

CST Nexia Audit
Chartered Accountants
Manukau City, New Zealand

CST NEXIA AUDIT
Level 3, CST Nexia Centre, 22 Anzac Way, PO Box 78 263 Manukau City New Zealand, Tel 09 262 2595 Fax 09 262 2606 Email team@stnixia.co.nz

CST NEXIA AUDIT is an independent member of Nexia International Ltd.
## Administration of Norfolk Island
### Consolidated Income and Expenditure Statement
#### Year Ended 30 June 2008

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income (Entity)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Fund</td>
<td>4,226,367</td>
<td>7,518,368</td>
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<tr>
<td>Liquor Supply Service – Gross Profit</td>
<td>1,184,308</td>
<td>1,350,409</td>
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<tr>
<td>Postal Services</td>
<td>600,721</td>
<td>635,827</td>
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<tr>
<td>Electricity Service</td>
<td>3,930,005</td>
<td>3,623,848</td>
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<td>Norfolk Telecom</td>
<td>3,060,941</td>
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<tr>
<td>Lighterage Service</td>
<td>361,433</td>
<td>376,978</td>
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<td>Norfolk Island Airport</td>
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<td>3,279,705</td>
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<td>Water Assurance Fund</td>
<td>655,001</td>
<td>616,802</td>
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<td>K.A.V.H.A. Fund</td>
<td>581,722</td>
<td>623,532</td>
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<tr>
<td>N.I. Bicentennial Integrated Museums</td>
<td>196,765</td>
<td>146,014</td>
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<tr>
<td>Workers Compensation Scheme Fund</td>
<td>381,420</td>
<td>492,713</td>
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<tr>
<td>N.I. Healthcare Fund</td>
<td>918,529</td>
<td>703,710</td>
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<tr>
<td>Cascade Cliff Sale of Rock</td>
<td>350,566</td>
<td>392,371</td>
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<tr>
<td>Offshore Finance Centre</td>
<td>74</td>
<td>-</td>
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<tr>
<td>Roads</td>
<td>692,064</td>
<td>961,848</td>
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<tr>
<td>Norfolk Energy</td>
<td>1,794,102</td>
<td>-</td>
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<td>G.S.T./N.S.L. and Business Transaction Levy</td>
<td>6,885,017</td>
<td>1,776,246</td>
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<tr>
<td>Gaming Enterprise – N.I.</td>
<td>598,594</td>
<td>575,226</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>30,083,617</td>
<td>26,095,794</td>
</tr>
</tbody>
</table>

|                          |          |          |
| **Expenditure (Entity)** |          |          |
| Revenue Fund             | 12,996,749| 11,934,283|
| Liquor Supply Service    | 321,958  | 284,140  |
| Postal Services          | 584,588  | 524,233  |
| Electricity Service      | 3,731,101| 3,085,169|
| Norfolk Telecom          | 2,249,917| 1,927,334|
| Lighterage Service       | 366,346  | 301,188  |
| Norfolk Island Airport   | 1,122,419| 943,542  |
| Water Assurance Fund     | 387,838  | 392,517  |
| K.A.V.H.A. Fund          | 791,785  | 925,699  |
| N.I. Bicentennial Integrated Museums | 269,430 | 261,496  |
| Workers Compensation Scheme Fund | 296,599 | 636,749  |
| N.I. Healthcare Fund     | 1,096,162| 827,951  |
| Cascade Cliff Sale of Rock | 363,419 | 256,375  |
| Roads                    | 740,148  | 879,794  |
| Norfolk Energy           | 575,225  | -        |
| Gaming Enterprise – N.I. | 44,357   | 41,701   |
| Offshore Finance Centre  | -        | -        |
| **Total Expenditure**    | 26,926,618| 23,600,272|

### Income/(Expenditure) Excess
#### Before Depreciation
- **2008**: 3,156,999
- **2007**: 2,495,522

#### Less
- Depreciation – (Non Cash Item)
  - **2008**: 3,091,042
  - **2007**: 2,876,747

### Income (Expenditure) Excess
- **2008**: 65,957
- **2007**: (381,225)
## ACCUMULATED FUNDS

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<thead>
<tr>
<th>Fund Name</th>
<th>2008</th>
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</tr>
</thead>
<tbody>
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<td>Revenue Fund</td>
<td>8,238,673</td>
<td>9,572,376</td>
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<td>Liquor Supply Service</td>
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<td>540,000</td>
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<td>Postal Services</td>
<td>50,760</td>
<td>113,312</td>
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<td>Electricity Service</td>
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<td>Norfolk Telecom</td>
<td>3,293,310</td>
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<td>Lighterage Service</td>
<td>329,010</td>
<td>441,261</td>
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<td>Norfolk Island Airport</td>
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<td>Water Assurance Fund</td>
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<td>K.A.V.H.A. Fund</td>
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<td>199,053</td>
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<td>N.I. Bicentennial Integrated Museums</td>
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<td>19,579</td>
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<td>N.I. Healthcare Fund</td>
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<td>Cascade Cliff Sale of Rock</td>
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### BALANCE 30 JUNE

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<td></td>
<td>32,505,469</td>
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### REPRESENTED BY:-

#### CURRENT ASSETS

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<tr>
<th>Cash at Bank (Includes Bank Term Deposits)</th>
<th>2008</th>
<th>2007</th>
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<tbody>
<tr>
<td>Revenue Fund</td>
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### BALANCE 30 JUNE 2008

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<th>2008</th>
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<td>-----------------------------------------------------------------------------</td>
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<tr>
<td><strong>Sundry Debtors (Net) (Includes Accruals, &amp; Repayments)</strong></td>
<td></td>
<td></td>
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<td>Revenue Fund</td>
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<td>981,564</td>
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<tr>
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<td>2,396</td>
<td>-</td>
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<tr>
<td>Postal Services</td>
<td>95,995</td>
<td>109,148</td>
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<tr>
<td>Electricity Service</td>
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<tr>
<td>Norfolk Telecom</td>
<td>318,978</td>
<td>250,592</td>
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<tr>
<td>Lighterage Service</td>
<td>51,780</td>
<td>53,353</td>
</tr>
<tr>
<td>Norfolk Island Airport</td>
<td>2,597,338</td>
<td>1,676,750</td>
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<tr>
<td>Water Assurance Fund</td>
<td>64,914</td>
<td>91,591</td>
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<tr>
<td>K.A.V.H.A. Fund</td>
<td>4,911</td>
<td>7,229</td>
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<tr>
<td>N.I. Bicentennial Integrated Museums</td>
<td>15,404</td>
<td>10,789</td>
</tr>
<tr>
<td>Workers Compensation Scheme Fund</td>
<td>119,991</td>
<td>222,607</td>
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<tr>
<td>N.I. Healthcare Fund</td>
<td>192,670</td>
<td>154,816</td>
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<tr>
<td>Cascade Cliff Sale of Rock</td>
<td>8,327</td>
<td>27,316</td>
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<tr>
<td>Roads</td>
<td>12,933</td>
<td>84,498</td>
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<tr>
<td>Norfolk Energy</td>
<td>229,385</td>
<td>-</td>
</tr>
<tr>
<td>G.S.T./N.S.L. and Business Transaction Levy</td>
<td>517,507</td>
<td>366,397</td>
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<tr>
<td>Gaming Enterprise – N.I.</td>
<td>61,850</td>
<td>44,134</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,813,208</td>
<td>4,906,242</td>
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<table>
<thead>
<tr>
<th>Description</th>
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<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials &amp; Stock at Cost</td>
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<tr>
<td>Revenue Fund</td>
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<td>277,493</td>
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<td>655,649</td>
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<td>31,199</td>
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<td>396,421</td>
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<td>Norfolk Telecom</td>
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<td>168,381</td>
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<td>60,961</td>
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<td>95,076</td>
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<td>Water Assurance Fund</td>
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<td>19,044</td>
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<td>K.A.V.H.A. Fund</td>
<td>39,352</td>
<td>40,252</td>
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<td>N.I. Bicentennial Integrated Museums</td>
<td>27,915</td>
<td>32,630</td>
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<td>Roads</td>
<td>175,302</td>
<td>100,363</td>
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<td>1,985,514</td>
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<tr>
<td><strong>Total</strong></td>
<td>4,755,187</td>
<td>1,893,187</td>
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</tbody>
</table>

**FIXED ASSETS (NET)**
(Buildings, Land, Plant & Equipment, Furniture & Fittings, Works in Progress)

<table>
<thead>
<tr>
<th>Description</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Fund</td>
<td>8,533,917</td>
<td>9,196,767</td>
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<tr>
<td>Postal Services</td>
<td>4,568</td>
<td>4,839</td>
</tr>
<tr>
<td>Electricity Service</td>
<td>2,869,335</td>
<td>3,012,348</td>
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<td>Norfolk Telecom</td>
<td>3,387,133</td>
<td>2,923,722</td>
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<tr>
<td>Lighterage Service</td>
<td>175,942</td>
<td>225,436</td>
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<tr>
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<td>13,137,549</td>
<td>13,984,683</td>
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<td>Water Assurance Fund</td>
<td>4,141,533</td>
<td>4,281,382</td>
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<tr>
<td>K.A.V.H.A. Fund</td>
<td>-</td>
<td>28,798</td>
</tr>
<tr>
<td>Workers Compensation Scheme Fund</td>
<td>1,456</td>
<td>2,013</td>
</tr>
<tr>
<td>N.I. Healthcare Fund</td>
<td>134</td>
<td>235</td>
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<tr>
<td>Roads</td>
<td>102,763</td>
<td>110,536</td>
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<td>Norfolk Energy</td>
<td>559,626</td>
<td>-</td>
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<td>G.S.T. / N.S.L. and Business Transaction Levy</td>
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<td>-</td>
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<tr>
<td><strong>Total</strong></td>
<td>32,924,560</td>
<td>33,770,759</td>
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**TOTAL ASSETS**

<table>
<thead>
<tr>
<th>Description</th>
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<th>2007</th>
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<td>Revenue Fund</td>
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<td>51,798,906</td>
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<td></td>
<td>2008</td>
<td>2007</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-----------</td>
<td>-----------</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>LESS</td>
<td></td>
<td></td>
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<tr>
<td>CURRENT LIABILITIES</td>
<td></td>
<td></td>
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<tr>
<td>(Sundry Creditors, Employees Entitlements)</td>
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<td>Revenue Fund</td>
<td>2,026,986</td>
<td>1,722,330</td>
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<td>282,406</td>
<td>29,149</td>
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<td>43,808</td>
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<td>183,489</td>
<td>224,371</td>
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<td>Norfolk Telecom</td>
<td>449,509</td>
<td>524,245</td>
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<td>Lighterage Service</td>
<td>20,260</td>
<td>19,269</td>
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<tr>
<td>Norfolk Island Airport</td>
<td>4,330,658</td>
<td>1,897,825</td>
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<tr>
<td>Water Assurance Fund</td>
<td>32,088</td>
<td>20,730</td>
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<td>K.A.V.H.A. Fund</td>
<td>89,568</td>
<td>96,369</td>
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<tr>
<td>N.I. Bicentennial Integrated Museums</td>
<td>49,067</td>
<td>28,635</td>
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<tr>
<td>Workers Compensation Scheme Fund</td>
<td>30,021</td>
<td>267,108</td>
</tr>
<tr>
<td>N.I. Healthcare Fund</td>
<td>349,594</td>
<td>258,260</td>
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<tr>
<td>Cascade Cliff Sale of Rock</td>
<td>62,724</td>
<td>93,237</td>
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<tr>
<td>Roads</td>
<td>35,164</td>
<td>22,694</td>
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<td>2,327,677</td>
<td>-</td>
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<td>G.S.T./N.S.L. and Business Transaction Levy</td>
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<td>25,865</td>
</tr>
<tr>
<td>Commonwealth Govt. Loan – Runway Upgrade</td>
<td>600,000</td>
<td>-</td>
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<tr>
<td>Gaming Enterprise Norfolk Island</td>
<td>86,733</td>
<td>96,007</td>
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<td>Trust Fund</td>
<td>566,268</td>
<td>659,202</td>
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<td></td>
<td>11,712,028</td>
<td>6,029,104</td>
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</table>

| LONG TERM LIABILITIES     |           |           |
| (Employees Entitlements and Loans except for Trust Fund) |           |           |
| Revenue Fund              | 452,213   | 389,732   |
| Liquor Supply Service     | 52,784    | 43,296    |
| Postal Services           | 39,948    | 42,126    |
| Electricity Service       | 61,784    | 57,675    |
| Norfolk Telecom           | 65,947    | 53,879    |
| Lighterage Service        | 15,348    | 13,088    |
| Norfolk Island Airport    | 526,882   | 86,578    |
| Water Assurance Fund      | 7,946     | 5,571     |
| K.A.V.H.A. Fund           | 57,885    | 50,221    |
| N.I. Bicentennial Integrated Museums | 4,432    | 3,299     |
| Workers Compensation Scheme Fund | 2,532    | 1,464     |
| N.I. Healthcare Fund      | 2,532     | 1,464     |
| Roads                     | 13,461    | 15,074    |
| Norfolk Energy            | -         | -         |
| G.S.T. / N.S.L. and Business Transactions Levy | 3,884     | -         |
| Commonwealth Govt. Loan – Runway Upgrade | 11,400,000 | 12,000,000 |
| Trust Fund                | 391,986   | 566,823   |
|                           | 13,099,564| 13,330,290|

| TOTAL LIABILITIES         | 24,811,592| 19,359,394|

<p>| NET ASSETS                | 32,505,469| 32,439,512|</p>
<table>
<thead>
<tr>
<th>Description</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td>$</td>
<td>$</td>
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<tr>
<td>Revenue Fund</td>
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<td>-5,545,623</td>
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<tr>
<td>Liquor Supply Service</td>
<td>973,182</td>
<td>1,166,934</td>
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<td>Postal Services</td>
<td>59,689</td>
<td>23,635</td>
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<td>Electricity Service</td>
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<td>468,870</td>
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<td>Norfolk Telecom</td>
<td>669,681</td>
<td>1,098,848</td>
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<td>111,634</td>
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<td>Norfolk Island Airport</td>
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<td>3,648,972</td>
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<td>Water Assurance Fund</td>
<td>303,655</td>
<td>156,100</td>
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<td>K.A.V.H.A. Fund</td>
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<td>-284,805</td>
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<td>N.I. Bicentennial Integrated Museums</td>
<td>-31,000</td>
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</tr>
<tr>
<td>Workers Compensation Scheme Fund</td>
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<td>-90,175</td>
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<tr>
<td>N.I. Healthcare Fund</td>
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<td>Cascade Cliff Sale of Rock</td>
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<td>320,995</td>
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<tr>
<td>Roads</td>
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<td>Norfolk Energy</td>
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<td>G.S.T./ N.S.L. and Business Transaction Levy</td>
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<td>585,627</td>
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<td>Offshore Finance Centre</td>
<td>74</td>
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<tr>
<td>Trust Fund</td>
<td>-267,771</td>
<td>-3,680,398</td>
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<tr>
<td><strong>Net Cash Received from Operating Activities</strong></td>
<td>4,334,281</td>
<td>-498,237</td>
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<td><strong>NET CASH FLOWS FROM INVESTING ACTIVITIES</strong></td>
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<td>$</td>
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<td>Proceeds from Sale of Fixed Assets</td>
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<td>8,197</td>
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<td>Capital Works – Tele. Reticulation Mains &amp; Launch</td>
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<tr>
<td>Capital Works – Airport Runways</td>
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<td>-5,882,061</td>
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<td>Capital Works – Water Reticulation Mains</td>
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<td>-1,818</td>
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<td>Capital Works – Buildings</td>
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<td>-95,131</td>
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<td>Capital Purchases – Vehicles &amp; Mobile Plant</td>
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<td>-124,482</td>
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<td>Capital Purchases – Furniture &amp; Fittings</td>
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<td>-43,822</td>
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<td>Capital Purchases – Plant &amp; Equipment</td>
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<td>-959,670</td>
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<td><strong>Net Cash Expended in Investing Activities</strong></td>
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<td><strong>NET CASH FLOWS FROM FINANCING ACTIVITIES</strong></td>
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<td>Contribution to N.I. Museum Trust</td>
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<td>Recoverable Expenditure</td>
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<td>-67,583</td>
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<td><strong>Net Cash Expended in Financing Activities</strong></td>
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<td><strong>NET INCREASE/(DECREASE) IN CASH HELD</strong></td>
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<td><strong>CASH BALANCE 30 JUNE</strong></td>
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<td>11,228,718</td>
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