

NORFOLK



ISLAND

THE GOVERNMENT OF NORFOLK ISLAND

MEDIA RELEASE

Internet services in Norfolk Island

Minister for Finance Ron Nobbs said today that the media release from Norfolk Island Data Services (NIDS) published in *The Norfolk Islander* edition of 4th February was misleading and incomplete.

“The Norfolk Island Government has never told NIDS that it must close down or cease to operate as an Internet Service Provider”, Mr Nobbs said. “What NIDS has been told is that it must not operate equipment in breach of the relevant legislation and that it must comply with the law in obtaining its broadband access through the specified channels”.

Mr Nobbs said that NIDS had continued to operate a two-way satellite dish without approval despite the provisions of the *Telecommunications Act 1992*. He said that there had been a long series of negotiations between the Norfolk Island Administration and Government and the management of NIDS on this issue dating back to 2003.

The Government had offered a number of options for ensuring that NIDS could continue to operate its ISP and obtain the necessary services and bandwidth from Norfolk Telecom. In May 2005, the proprietor of NIDS agreed in writing to this proposal, subject to the prices offered being agreed. Since then, Telecom had been able to reduce its prices by more than 50% but NIDS had reneged on its agreement and had threatened instead to withdraw services from its customers.

“There is absolutely no need for NIS to cut off any of its customers”, Mr Nobbs said. “However, as Minister I cannot allow the company to deliberately flout the provisions of the legislation and continue to operate in an unlawful way which places the Government at risk of being in breach of its contractual obligations to its international telecommunications supplier”.

Mr Nobbs said that he had personally been in negotiation with NIDS for many months. In response to suggestions he had put forward, the company had many times committed itself to making a firm proposal to Government but had failed to do so at any stage. He said that when the most recent deadline passed without any firm commitment from NIDS to operate within the Telecommunications Act, he was left with no choice but to issue a direction that it cease to operate its unapproved satellite link.

Mr Nobbs reiterated that this did not mean that NIDS would have to close its ISP service, but rather that the option of it obtaining the necessary services from Telecom was still open.

Ron Nobbs
Minister for Finance

10th February 2006