



Norfolk Island Chamber of Commerce, Inc.

Centre for International Economics Study: to Determine the Future Economic Potential of the Kingston and Arthur's Vale Historical Area of Norfolk Island

Comments presented to Mr. Lee Davis and associates of the
Centre for International Economics (CIE)
Thursday, 1 June, 2017

Dear Mr. Davis:

Thank you for this opportunity to share our thoughts on the economic potential of the Kingston and Arthur's Vale Historical Area (KAVHA). It is an area of unique beauty and international appeal, and an integral part of the fabric of the Norfolk Island community

The Norfolk Island Chamber of Commerce supports the development of the Norfolk Island economy. This includes KAVHA, which has great underutilised potential. This development, of course, cannot occur unfettered, but must be managed along strict guidelines to preserve the very attributes which makes KAHVA a place that can attain World Heritage Listing and equally community participation.

On Norfolk Island, we bury our dead in this area.

The Heritage Management Plan, 2016, approved by the Minister for the Environment in 2016 and registered as a legislative Instrument in accordance with the *Legislative Instruments Act 2003* (Commonwealth), is the governing document for the management of KAHVA and forms the context within which KAVHA-related decisions are made. This includes development. We would ask that you inform us if you think this is not the case.

The following sections of the *Plan* are pertinent to this discussion and are the basis for the comments that follow:

7.3 Life in the Community

The key principles are:

- Local people and their cultures should be respected.
- Celebrations of local cultures, uses and activities, including recreation and leisure, should be encouraged and continued.

- The Norfolk Island community, including private landholders, should be engaged with the KAVHA site and should participate in its conservation, interpretation and management.

8.6 Sustainable Development

8.6.6. Commercial Development

- No new large-scale commercial development will be permitted within the KAVHA site.
- Small-scale commercial development and activities associated with a compatible use, interpretation, or visitor orientation may be considered, subject to planning approval.
- Small-sale activities essential to re-establishing or supporting compatible or traditional uses, including agriculture, will be encouraged.
- The re-introduction of cultural traditions and traditional uses and activities to the KAVHA site will be encouraged and may comprise commercial activities.

8.7 Tourism

8.7.1 Sustainable Tourism

- Sustainable tourism at the KAVHA site will balance environmental, cultural, social and economic considerations, thereby meeting the needs of current generations without compromising the needs of other generations.

It will be your challenge as consultants to help identify opportunities for development which support these tenets going into the future. Thank you in advance.

A set of questions posed by a member summarises the deliberations at hand. The person asks:

- 1) how can KAVHA help attract visitors to Norfolk Island in its own right?
- 2) what can KAVHA do with regards to development in the future that it is not doing now?
and
- 3) how can we reasonably get visitors to pay more towards KAVHA and in what form, e.g., license fees, concessions fees?

Also separate questions asked are:

- 1) Does the CIE understand and appreciate that the concept of having any of the buildings used as tourist accommodation will not help other accommodation properties on the island, which in turn, will have a flow on effect to the economy.?
- 2) Is it correct there is a suggestion that a complex may be built near the dam? Whether this thought is for accommodation, coffee shop, or the like, it is believed that no more additional buildings should be built anywhere in the KAVHA area. The preservation of the area is about heritage, not about new concepts buildings within the KAVHA area.

- 3) It is important that CIE understands fully that burials on Norfolk Island are free and that this is part of the Island heritage and culture. To look at having a fee for burials would be disrespectful to the history of Norfolk Island.

Members have a broad range of opinions on the matter, but what is clear is the KAVHA area is presently freely accessible to residents and visitors alike and this must remain so. That is a part of its essential place in the community. Tolls, physical barriers or other constraints to enter the area generally are to be avoided. Revenue can be got from other sources.

Similarly, KAVHA management needs to try to earn revenue by not displacing existing commercial operators. These operators will be continual sources of commercial innovation and market sensitivity, and ought to be welcomed as partners in decision-making.

Whether as restaurants and coffee shops, entertainment venues and educational or exhibition space, more ought to be done with not all, but selected of the empty buildings. In addition to the increased daily commerce that could occur in KAVHA with these types of operations, they create more reason for more festival and conference organisers to consider holding events on Norfolk Island. Similarly, heritage buildings presently used as office space or housing for public servants can be used in more profitable ways to generate revenue. These facilities, combined with the sporting attraction the golf course, the Kingston Commons and the ocean activities provide can create quite a complete set of reasons for someone to want to spend time in the KAVHA area.

There is little contention that commercial users ought to pay for their use of KAVHA in some form. It is unknown to the Chamber at this point what the projected administrative costs might be or to what extent KAVHA operations is expected to fund itself, but privately-operated establishments can possibly pay a licence fee or other local tax. (KAVHA-operated establishments return their revenue to KAVHA.)

Some members have suggested introducing a KAVHA-specific levy on hire cars based on the expectation that visitor-driver will utilise KAVHA multiple times. Tour operators using KAVHA can also pay a user fee, based perhaps on the frequency of use or number of clients they have. This is to be determined and in some combination. Done fairly and equitably, we believe these commercial users of KAVHA would welcome the opportunity to support this remarkable space.

The Chamber of Commerce, Inc Committee thank the CIE for the time to present this brief and look forward to a response accordingly.

Committee Representatives
Thursday 1 June 2017