

PRAYER

Almighty God we humbly beseech Thee to vouchsafe Thy blessing upon this House, direct and prosper our deliberations to the advancement of Thy glory and the true welfare of the people of Norfolk Island, Amen

Honourable Members, if you would feel more comfortable without your coats this afternoon then please feel free to take them off

LEAVE OF ABSENCE FOR MR GARDNER MLA

SPEAKER Honourable Members, the Chief Minister is delayed in terms of aircraft movements today and leave is granted for his absence at this sitting. Is leave granted. Leave is granted thank you

SUSPENSION OF STANDING ORDERS

MRS JACK Thank you Mr Speaker, I move that so much of Standing Orders be suspended as would prevent the House from only dealing with the matters listed on the Programme

SPEAKER Thank you Mrs Jack. Honourable Members, the question is that, that question be agreed to

QUESTION PUT
AGREED

That motion is agreed thank you

CONDOLENCE

Are there any Condolences this morning? Mrs Boudan

MRS BOUDAN Mr Speaker, it is with regret that this House records the passing of Peter Francois Charles Menghetti who was born on Norfolk Island on the 10th November 1974. He was the only son of Charles (Spin) and Di Menghetti. Pete attended the Norfolk Island Central School until the age of 14. He then went to Trinity Grammar in Sydney to complete his secondary education. Pete graduated in Hospitality Management after completing a two-year course at Ipswich TAFE. He became the very proud Dad of his beautiful son Pierce on the 13th August 1993. Pete died at his home in Noosa on the 6th January of brain aneurism, returning to Norfolk on the 13th January to be buried with all his loved ones. Pete leaves behind his son and heir Pierce, his partner and love of his life Donna, his best friend and sister Zilpha and his Mum and Dad who adored him. To Pete's family and many friends this House extends its deepest sympathy

It is also with regret that this House records the passing of Alfred Leopold McCoy, also affectionately known as Commi. Alf was born on Norfolk Island in April, 1919, a direct descendant of McCoy of the HMS Bounty. He was a good sport and an excellent sportsman. From records of his achievements there is no doubt that he would have been one of Norfolk's finest sportsmen. During his early years Commie worked and lived at Mariah Heaps, now Hillcrest. He joined the NI Infantry Detachment in 1939 and in 1941 he sailed to Australia to join the 2nd/3rd Battalion and fought in New Guinea. On discharge in May 1946 he returned to Norfolk and married his childhood sweetheart Marie Bailey, and they remained happily married for the rest of their lives. They had three daughters, Kaye, Jill and Anne. Commie was a good singer and mouth organ and

guitar player and Marie sang and played the piano so it was no surprise that the girls were also musical and the family often shared their home with friends enjoying their music and their laughter. Commi's passing is a sad loss to our community and to his daughters and their families, to his brothers and their families and to his many friends this House extends its deepest sympathy

MR SPEAKER Thank you Mrs Boudan. Honourable Members, as a mark of respect to the memory of the deceased, I ask that all members stand in silence please. Thank you Honourable Members.

PRESENTATION OF PAPERS

Are there any Papers for Presentation this morning Honourable Members.

MR BROWN Mr Speaker paragraph 34(2) of the Immigration Act 1980 requires that the Executive Member report to the Legislative Assembly not later than 31 March the number of declarations of Residency granted under section 33 during the year ended on the previous 31 December. I now accordingly report that there were 27 Declarations of Residency granted during the year ended 31 December 2004 and in that regard I table a copy of my report

MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR – NO 7

SPEAKER Thank you Mr Brown. Honourable Members, I report to you Messages from the Administrator. I have received the following Message and it is Message No 7. On the 13th January 2005 pursuant to Section 21 of the Norfolk Island Act 1979 I declared my assent to the following, the Emergency Provision of Crushed Rock and Aggregates Act 2005 and the Message is dated the 13th January 2005 and signed Grant Tambling, Administrator.

MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR – NO 8 SUPPLEMENTARY APPROPRIATION BILL 2004/2005

There is a Message from the Office of the Administrator in respect of this piece of proposed legislation. In accordance with the requirements of section 25 of the Norfolk Island Act 1979 I recommend to the Legislative Assembly the enactment of the proposed law entitled A Bill for an Act to authorise supplementary expenditure of the public account for the year ending 30th June 2005. the Message is dated the 25th January 2005 and signed Grant Tambling, Administrator

NOTICES

On that basis Honourable Members I call the Supplementary Appropriation Amendment Bill 2004/2005

MR NOBBS Mr Speaker I seek leave to present Supplementary Appropriation Amendment Bill 2004/2005

SPEAKER Thank you. Is leave granted? Leave is granted

MR NOBBS Mr Speaker I present the Supplementary Appropriation Amendment Bill 2004/2005 and move that the Bill be agreed to in principle

SPEAKER Thank you. The question is that the bill be agreed to in principle

MR NOBBS Mr Speaker as you are aware the Supplementary Appropriation Amendment Bill 2004/2005 is for the sum of \$150,000 and

its to go to tourism promotion. The Chief Minister has responsibility in that area but in his absence Mrs Jack has been dealing with the issues so I will pass to Mrs Jack to provide details of the proposal

MRS JACK

Mr Speaker, tourism to Norfolk Island at the moment can be referred to as a lack of it. I have accommodation owners contacting me, retailers loudly voicing their concerns, club operators and not the ones that we had around us at the table today, others, contact me telling me of their woes and tour operators telling me some shocking figures. What is behind the downturn is a number of factors. Competition for cheap flights within Australia is certainly taking a share from us. Also tourism into the Pacific. One only has to look at one of the stations on our TV to see the type of cheap airfares into places such as Fiji can have affect on our own industry into Norfolk Island especially when you see that children are being included as a totally free package with regards to flight, accommodation and food. And what do we have for Norfolk Island Mr Speaker is an airline, and we must be up front, that is in financial concern, difficulty. An airline that is trying to work its way out of its difficulty, but is having to do so by severely downsizing its flight schedules, and airline that is using as its main type of plane, one that could be seen as option B rather than option A and option B is unable to overcome the type of weather that we have currently affecting Norfolk Island so as I say, all these factors combine to give us the lack of tourism we have today and no doubt there are other factors that could be considered but those are the predominant ones I feel to be spoken about. Our problem is that wholesalers don't want to sell Norfolk Island because of the lack of confidence in the airline and the airline don't want to commit themselves because of financial concerns to chartering a plane for further flights until the demand is there and is sustained. So we have this double difficulty and one that as an Assembly and a Government we've got to deal with and try and get some impetus back into tourism. Some people say that we've been caught between a rock and a hard place and I tend to agree with them. What I can say is that if we do, do something, which is agree to this appropriation, we will still have no real guarantees that enough demand will be made to initiate the required demand that Norfolk Jet is after. If we do something we have no real guarantees that the wholesalers will actively translate the enquiries into definite bookings to Norfolk Island rather than say, refer them to other destinations. However. If we fail to take up the option then what I can guarantee is that financial life as it is currently for many on Norfolk Island will possibly stay the same, probably worsen, and definitely not get better. I Mr Speaker would rather die in the attempt then not do anything at all and so what is planned to do with this \$150,000. Members were given a briefing by the Manager of the Tourist Bureau and he gave us a list of options and it was decided in our meeting to take up the options 2,3 and 4. Now 2,3 and 4 actively sought more money and the Tourist Bureau can easily tailor the financial demands of 2,3 and 4 options to the \$150,000 appropriation sought today. Option 2 Mr Speaker and the listening public is to instigate good news stories and travel related media thumbnails and television special interest shows where-ever possible into the Australian markets. Now they are confident that they can do that relatively quickly and the time frame for those is spread out over the next few weeks. The second option was for co-operative funding of print media, advertising, through selected wholesale travel agencies. Now I can say that the Chief Minister has already been approached by one wholesaler with a proposal and that has been put forward to the Board as well, and they are planning an extension of kind arrangement that would start from the 13th of next month. That would be especially into the Sydney Metropolitan Market and New South Wales and those areas are our biggest market. The third option is an immediate concentration of exposure in the first weeks into mainstream radio stations initially into the Sydney and Melbourne area and then slowly going down into Melbourne and other radio station areas. Mr Speaker I've said that I believe this motion should be agreed to. I think if we don't the circumstances for Norfolk Island would be indeed dire. It has my support and I will leave it for other Members to voice their concerns or queries, thank you

MR CHRISTIAN

Thank you Mr Speaker, I commend the Minister

for Finance Mr Ron Nobbs for coming along with this Supplementary Appropriation Bill in response to Mr Gardner's request for an extra \$150,000 to promote Norfolk Island. However Mr Speaker I must say that it is probably a case of too little too late under the circumstances. As most Members around this table and listeners out there in the community would be aware that since being elected back in October last year I've continually asked the Tourism Minister what plans are in place to combat short notice downturns in tourism and was alarmed when the Minister actually responded that there were none in place, there was no strategy. It didn't exist. So we've focussed on long term strategies and we've had absolutely nothing in place to combat the unexpected. Mr Speaker Mrs Jack has just made comment on the difficulty that Norfolk Jet finds itself in and being saddled if you like with an aircraft that is not appropriately suitable for the Norfolk Island run. Well it's my view Mr Speaker that if you lose 22% of your customers out of your principle marketplace its going to hurt anybody, no matter who that is, so it would be fair comment to say that part of Norfolk Jet's problem stems from the downturn in passenger numbers and the lack of action by us as a whole to attempt to arrest that decline. The warning signs have been there for quite some time and it only required us to act on it. I'm happy for a programme as Mrs Jack has outlined, to arrest this decline, go forward. It needs to happen fairly quickly and once again, I just state that this decline really highlighted the Achilles heel that we've had in not having a plan in place to deal with the downturn when it's been apparent for probably six months, that it was going to happen and once again I thank Ron for finding the funding to get this marketing strategy into place quickly

MR BROWN Mr Speaker Mr Christian is quite right. This downturn was in fact evident many months ago. For quite some time it was hidden by a growth in the New Zealand market. A growth which occurred Mr Speaker because Air New Zealand initially substantially reduced their fares when they introduced their Tasman Express fares and the growth was increased when Norfolk Jet operated for some months on the route and reduced some of the fares to as low as \$99 each way and that initiative was matched by Air New Zealand. We are now seeing as fares go back towards more normal levels that the degree of growth in New Zealand is not continuing but that 22% downturn in the Australian market certainly is continuing and appears to be worsening. Mr Speaker when some people tried to draw these problems to the attention of the Legislative Assembly and the Tourist Bureau months ago they were simply ignored. When some people urged the Tourist Bureau time and time again to develop an early warning system so that this kind of problem didn't occur, they were ignored. When we look back through history we can see that every year December, January, February, are bad. This year they are far worse. But ages ago a programme should have been in place at the very least to cope with the normal downturn which does occur each December, January, February. Nothing has happened Mr Speaker but fortunately the Assembly has said Fellows. We've got to fix this. The Tourist Bureau has been asked to develop a response. They have done so. That response has required funding and the Legislative Assembly has said, we are going to meet today and we are going to vote the money to enable a response to begin. Mr Speaker I just hope that after today we don't all feel that we've done our bit, we've voted the money, now we can forget about the problem. Because we can't do that. A very significant rethinking is needed as to the structure of the Tourist Bureau. Those who are there have done their best for a long time but we are in a new world. We are in a new world where the structure of the Tourist Bureau needs to change if we are to return even to the levels of visitation that we've had in recent years. Now Mr Speaker when I say that, it's important to remember that we now have nearly 25% more beds than we had a few years ago. We don't have 25% more visitors. If anything, we've got 25% fewer visitors and the impact that, that is having on the accommodation industry must Mr Speaker, be devastating. I'm pleased to support the Bill today and I will be interested to watch the results of the endeavours that are planned with those funds, thank you

MR NOBBS Mr Speaker I support the expenditure of these funds which I'll speak of in a minute because a few years ago we had a similar sort of

problem and money was allocated very quickly and it was a sort of quick fix and it seemed to do the job at that point in time. Along similar lines to what's proposed with this actual funding, although the funding at that time was about a third of what we've proposed with this lot, but there has been a downturn in the industry and we need to do something about it. As far as the general funds of the Island is concerned we'll be dealing with this at the next full meeting of the Legislative Assembly which I understand will be the 9th February as we are in the process of a Budget Review at this point in time and the finances of the Island are not good. There has been an overestimation of something like \$1.74m in income and there are a number of costs which were not included in the financial year budget which needed to be funded. There are other items that have come up during this financial year which were not considered as being a possibility even which need funding now and the original budget had a deficit of something like \$257,000. I just alert the community right now that the deficit budget that we'll probably come up with is well in excess of \$257,000 but be that as it may Mr Speaker, I just wanted to mention that because I know there'll be a lot of hooah if I was to leave that sort of information until the February meeting, that we are quite prepared to spend all this money, \$150,000 two weeks ago and yet I was coming along with this very grim picture. One of the aspects that we have to deal with really is that if we don't get the tourists coming in here, the whole community stops and we'll be looking at a far greater deficit by the end of the financial year, then what may be proposed at this point in time. I see the \$150,000 as a necessary injection to ensure that we at least keep to the figures that I will be dealing with in the next couple of weeks and that's why I support this proposal. There are concerns. Mrs Jack mentioned concerns and one of the concerns really is the weather. I had a look at the historical data in relation to weather and found that in the last fifty years the weather has changed considerably. We've been through a fairly dry period for ten or twelve years but averages are averages. Averages are calculated from highs and lows. We've been through a low period and sure as He made little apples, there'll be a wet lot coming up for the next few years in all probability so we'll be getting floods and that because this type of weather that we are experiencing at the present time will in all probability increase over the next few years, and that's a concern. I don't say it will, but I say it's a probability because as I said, we've had since 1993 some fairly dry periods and fairly good summers so that's a concern that we have right now if the plane is circling or its back or what it's doing but it's not coming now until tomorrow. That's all I know and that means four days I think it will be since it was supposed to come in here and that in itself is a really problem and that's an area that we have to look at. This complaint of bad service. This complaint about wholesalers being messed around through changes in schedules, so there's complaints here about particular services not being good. What we are doing now is what the Government can do, or the Finance people can do, that is to give some money but from now on it goes to a wide range of people. If there is to be success with this particular campaign, it's not only the Tourist Bureau and the PR people, it's the carriers, it's the wholesalers and it's the community itself and particularly the people who are directly involved with the industry who have to get behind it, because until we find something else whether you like tourism or you don't, and I don't mind tourism, you've got a perfect set up here. People don't realise that. You've got a controlled tourism operation and having spent seven years in dealing with this sort of thing before I came back here I can assure you that you have an ideal situation on this island here. You've got something that's unique. It's easy to control. You're not wrecking the environment and all we need is to get the people to experience it and give them a good experience⁴ and not mess them around and tell them when the plane's not coming, or what they can do in between and that's the area that I appeal to the industry in particular and that includes the airlines and the wholesalers,; as I said right through to the people here. If we want to make this a success we all have to get behind it. Thank you Mr speaker

MR SHERIDAN

Thank you Mr Speaker. I would just like to support all the comments, or most of the comments that have been relayed here this afternoon. As Mr Christian said, yes we've been lacking with the short term strategy for ever and a day by the sound of things. We've had our long term strategies in place but

our short term strategies have been very lacking. Hopefully, we are well on the way to correcting this and this \$150,000 that we seek this afternoon will go a long way towards correcting that fault. I see the downturn in our visitor numbers, as Mr Brown mentioned, our numbers out of New Zealand. I don't actually agree with Mr Brown. Our forward bookings for the first six months of this year are well up on previous years except for the month of April, that's for the first six months, so tourism out of New Zealand is looking very good. Our problem stems from Australia and the way I see it, the problems that we are faced with is the increased competition with the airlines in Australia, Virgin, the cheap airfares. Everybody wants a slice of the visitor market. You can go between major cities for \$99 and you can go to the islands off Queensland for a couple of hundred dollars. As Mrs Jack said, children fly free, accommodation free. Up to Fiji for \$500. You can go to South East Asia for a week, package paid under \$199 so we are in a very competitive market and this is what this \$150,000 hopefully will enter that market with some very strong advertising on radio, newspapers, bringing people to the island to report back through their outlets and hopefully this will made a marked difference. The way I see it, the marketing that we've done on Norfolk Island has been virtually the same for many years. We've done nothing different. It's just carried on and we've enjoyed the benefits. Now that the marketing has changed in Australia and New Zealand with the Tran Tasman cheap fares, we've felt the pinch. We've done nothing different. Now I see this \$150,000 as our way of trying to make a difference. We're going into the market place short term, this money will be spent over a period of two to three months, as well as other money that's already allocated to the Tourist Bureau for these occasions, and hopefully our input into the market will raise the visitor numbers to the island so that everybody can benefit. Our accommodation houses will get past 45% occupancy rate. The shop owners down Burnt Pine will have increase sales. The Clubs might even sell a meal or two more so I would just like to say Mr Speaker that I fully support everything that's been said here this afternoon and I fully support the motion, thank you

SPEAKER Thank you Mr Sheridan. Is there further debate at this time. Honourable Members, the question before us is that the Bill be agreed to in principle and if we have concluded debate there I look to you Mr Nobbs in terms of progressing the Bill further to day

MR NOBBS Thank you Mr Speaker. I move that so much of Standing Orders be suspended as would prevent the bill being passed through all stages at this sitting

SPEAKER Honourable Members, the question is that, that motion be agreed to

QUESTION PUT
AGREED

The ayes have it thank you, the motion is agreed to.

We move on Honourable Members, and I put that question to you that I earlier had posed that the Bill be agreed to in principle

QUESTION PUT
AGREED

Is it the wish of the House to dispense with the detail stage? Thank you. I seek a final call Mr Nobbs

MR NOBBS Mr Speaker, I move that the Bill be agreed to

SPEAKER Thank you. Is there any final debate? Then I put the question that the Bill be agreed to

QUESTION PUT
AGREED

The Bill is agreed to

IMMIGRATION ACT 1980 – VARIATION OF QUOTA

MR BROWN Mr Speaker I seek leave to move a motion to vary the general entry permit quota for the current quota year

SPEAKER Thank you Mr Brown. Is leave granted. Leave is granted

MR BROWN Mr Speaker I move that for the purposes of paragraph 21(3)(a) of the Immigration Act 1980 this House resolves that the instrument executed by the executive Member on 20 February 2004 be varied by increasing the number of General Entry Permits that may be granted in the period from 17 February 2004 until 16 February 2005 from 35 to 48

SPEAKER Thank you Mr Brown. The question is that, that motion be agreed to

MR BROWN Mr Speaker at present there are 13 General Entry Permit applications which have been approved and are awaiting quota positions. The purpose of moving this variation today is to allow those 13 persons to complete whatever their transactions may be. In some cases its people moving from Temporary Entry Permits. In other cases its people moving into the business community, but basically it is to clear the books of the present approved people. We will then need to look at setting a further quota at our February meeting for the following year. Members will recall that we recently discussed the first draft of a new Population Policy and it may be that Members may want to complete the discussions on that draft Population Policy before we set a quota for 2005/2006 but be that as til may today's motion will deal, if it is passed, with those persons who presently have approval. The increase from 35 to 48 is an increase of 13 persons. It might be worth noting that six people to whom General Entry Permits were issued during the year left shortly after receiving their permits and in fact, a significant number of persons who have been granted General Entry Permits and residency in recent years have in fact now departed the island. We have seen that in order to replace those who leave the island each year, a quota needs to be at least 35 and sometimes substantially higher than that. The quota of 48 for the whole of the current quota year would allow very modest growth. Perhaps a growth of as many as ten persons. Although I'm not certain that there would be growth I should add because I've not gone back personally through each of the permits which have been issued during the last year to see whether each of the people has remained on the island or departed. If we were to follow the existing Population Policy we would allow for a growth of 2% in the permanent population each year. The permanent population of around 1500 would if 2% was applied by way of a growth factor, require growth of at least 30 each year over and above the average figure of 35 that has been used in order to maintain the population so in the current year even overlooking the question of whether more have departed this year then is normal the growth would be 13 out of that 30 that would be required if we were to seek the full 2% growth. So Mr Speaker I seek Members agreement to the motion to increase the quota for the current quota year from 35 to 48

MR NOBBS Mr Speaker I should bring my annual speech along but I forgot about it today. I don't support the motion. No disrespect to Mr Brown in any way but as he knows very well, my view is that we need a major revamp of the immigration process on the island including the legislation and until that happens I don't believe we should pass any further quotas. Thank you Mr

Speaker

MRS JACK Mr Speaker, I agree with Mr Nobbs that we do need a total review however, I don't want to jeopardise people's lives through our inadequacies in this House of putting the instructions in place and so I will gladly support Mr Brown's motion of 13. Actually I would like to see that to a nice even 15, in case we have a couple in the next couple of weeks come through but I have no trouble with it but one thing I will push between the setting of the next quota and the one after that is the formulation of that Population Policy, full involvement with the community and really get down to brass tacks and do it. I feel that we have the ability to do it and people have the desire to want to have it done. Progress it please. Thank you

MR SHERIDAN Mr Speaker I would support Mr Brown's motion at this point in time to increase the current quota by 13 and as Mr Brown as spoken about, it's to let these approved General Entry Permit holders or the applicants that are currently approved, to be processed and then as it was stated, a new quota will be set in February. As Mr Brown said, nine of these people are currently residing on the island so some of them have been here for years, some of them not so long. I think the shortest term one has been here for about 18 months, so the other ones have been here for quite some time. Four of them are new entries but they have business propositions here that are being processed and approved through the immigration department. I also support Mr Nobbs here that the immigration policy does need a full revamp and in the February sitting I'll be aiming for a nil General Entry Permit quota until that is sorted out so just in that context, yes I will support the motion today just to clear the books but come February, in two weeks time, it could be a very different story. Thank you Mr Speaker

MRS BOUDAN Yes, I will support the motion purely to clear the books for 13 extra General Entry Permits presently needed now, thank you

MR BROWN Mr Speaker I should have added two things. One of them was kindly mentioned by Mr Sheridan. A large number of the people who will receive these General Entry Permits are in fact already living on the island. The second thing I should have mentioned is, that advice has been sought from the Immigration Committee in relation to the question of setting an additional quota. The individual Members of the committee have differing views as to the number that the quota should be and there were some Members who felt a figure considerably higher than 13 was appropriate, but there seemed to be a general acceptance of a figure of 13 amongst the Members of the Immigration Committee. I've been very interested in hearing what Mr Sheridan has said about the Population Policy and it is clearly an issue that has to be dealt with quickly. It's not the first occasion on which a Member has been of a view that no further quota positions should be allocated until a Population Policy is adopted. That was actually the situation when the present Population Policy was adopted but the present Population Policy has run for some years, is in need of review. It has neither caused a growth to the levels which it anticipated as a maximum level, nor has the policy really controlled the number of immigration permits which have been granted over the period. I certainly would be quite happy to work with Members to try to finalise the review of that Population Policy. The work that has been done to date is quite detailed in my view, we will need to look at it from a number of other angles as well, for example, the work which has presently been done, might not deal with it to the extent that we might wish to deal with it with issues such as the potential growth in social service responsibilities, the impact with differing levels of immigration on the economic viability of the community generally, the impact of differing levels of immigration on the economic viability of the Administration itself. Those are all issues that we'll have to look at but I'm grateful for what Members have said today, thank you

SPEAKER

Thank you Mr Brown. Honourable Members, I think

we've concluded debate on this matter. I now put that question Honourable Members that the motion be agreed to

QUESTION PUT
AGREED

MR NOBBS NO

That Motion is so agreed

FIXING OF THE NEXT SITTING DATE

MRS BOUDAN Mr Speaker I move that the House at its rising adjourn until Wednesday 9 February 2005, at 10.00 am.

SPEAKER Thank you Mrs Boudan. Is there any debate. The question is that the Motion be agreed to.

QUESTION PUT
AGREED

That is our next sitting day

ADJOURNMENT

MR SHERIDAN Thank you Mr Speaker I move that the House do now adjourn

SPEAKER Is there any debate Honourable Members. There being no further debate I put the question that the House do now adjourn

QUESTION PUT
AGREED

Therefore Honourable Members this House stands adjourned until Wednesday 9 February 2005, at 10.00 am

