

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

CONDOLENCES

We move to condolences, are there any condolences this morning? Mr Tim Brown

MR T BROWN It is with regret that this House records the passing of Jeanette Catherine Holland who was born in September 1940 in Taumaranui, New Zealand. Jenny was the eldest daughter of Merci and the late Snow Bowman. Robyn, Jenny's younger sister passed away three years ago. Her brother Wally and sister Barb still live in New Zealand. Jenny, who was very popular with her classmates, did most of her schooling in New Zealand and was keen on athletics. In 1966 she and Barb came to Norfolk to visit Robyn. Here she met and fell in love with her future husband Gary, and also fell in love with Norfolk Island. Jenny worked between the laundry and the kitchen at the Hotel Norfolk and being the sort of person she is, she made many friends at that time who are still firm friends today. Jenny loved listening to music, had a good ear for a tune and her banjo symbolised parties. Her two sons Glen and Kerry went to our school and Jenny was extremely proud of them and later of her beloved grandson Carl. At their home Up In A Stick Jenny was the saving grace for many young people who seemed to know where to go when they needed someone to talk to. Jenny worked at the Trading Post Newsagency for 17 years and always enjoyed meeting both locals and visitors at the shop. She was an active member of the Bowling Club for many years and later with her husband Gary, she was an active member of the Gun Club. Jenny had been battling illness for some time and passed away peacefully last Sunday, May 15th. To Jenny's husband Gary, sons Glen and Kerry, grandson Carl, her mother Marci and her sister and brother Barb and Wally, this House extends its deepest sympathy

MR SPEAKER Thank you Mr Brown. 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.

PETITIONS

We move to petitions. Are there any petitions this morning?.

GIVING OF NOTICES

Are there any notices?

QUESTIONS WITHOUT NOTICE

Are there any questions without notice?

MR SHERIDAN Mr Speaker I do have one but it's addressed to the Minister for Health so in his absence could I defer it until later if I may

SPEAKER I'll give you the call in due course. Thank you Mr Sheridan. Any further questions without notice Honourable Members? No further questions without notice. I've got to say no further questions without notice that is a record in this House. We'll move on

PRESENTATION OF PAPERS

Any Papers for presentation this morning. Honourable Members we move to Statements of an official nature

STATEMENTS OF AN OFFICIAL NATURE

SPEAKER

Any Statements Honourable Members?

MRS JACK

Thank you Mr Speaker. On May 10th the Norfolk Island Supreme Court handed down its judgement on the matter of the legitimacy of the Emergency Provision of Crushed Rock and Other Aggregate Act 2005. Several residents of Norfolk Island brought this case before the court against the Administration of Norfolk Island. The court found in favour the Administration and the Act remained. In another crushing related legal matter, members of the community may recall the first emergency provision for obtaining crushed rock came about when this Legislative Assembly passed the Quarrying and Related Public Works Bill in 2004. this Bill was challenged in the Norfolk Island Supreme Court earlier this year. The findings went in favour of the applicants, the bill was found null and void crushing came to a complete standstill and so the need for further legislation came about. Instructions were given to appeal this decision not only on the grounds of the need for crushed rock but also because matters were called into question regarding this Government's ability to introduce such legislation as well as the ability of the deputy Administrator sign off or assent to such legislation. Mr Speaker this appeal was heard before the Australian Federal Court on Monday May 16th and we await judgement

Mr Speaker I have another statement. I wish to make a statement arising from debate at the March 2005 sitting of this Assembly. In the course of the consideration of a motion which I moved regarding the Norfolk Island Plan, my colleague the Hon John Brown made certain remarks about the behaviour of Administration officers when receiving Development Applications. Hansard records that Mr Brown said in part: "When you hear stories of the public service refusing to open envelopes containing applications on the grounds that until the envelope is opened time has not begun to run, something is badly wrong". Mr Speaker I was very concerned at the inference by the Honourable Member that Administration officers might have acted improperly in relation to Development Applications in a deliberate attempt to avoid or extend the relevant statutory timelines. As the responsible Minister I am always willing to consider ways in which the development Application process might be improved and streamlined. In this instance, I asked Mr John Brown to provide any details of the "stories" he had heard about failure to open envelopes by public servants. To date, Mr John Brown has not supplied me with any specific details. Despite this, I have obtained detailed information on the handling of such applications and can now assure members that staff of the Planning Office, which is the office at which Development Applications are lodged, do not refuse to open envelopes or delay the opening of envelopes containing applications on the ground that until the envelope is opened the statutory time has not begun to run. Indeed, the Planning Act 2002f provides that statutory timeframes commence on the day on which an application is received, not on the day the envelope is opened. Mr Speaker, it is a matter of regret to me that these comments were made in the course of debate in the Assembly, since they had the potential to reflect unfavourably on Administration officers who might readily be identified because of their roles in the Planning Office. Following my inquiries into the issues raised, I can find no evidence that there has been any improper practice in relation to attempting to prolong processing by leaving Development Applications in sealed envelopes. I wish to place on the record my complete confidence in the professionalism and integrity of the Administration staff involved in dealing with Development Applications. Thank you Mr Speaker

SPEAKER

Thank you Mrs Jack. Further Statement

MR NOBBS

Thank you Mr Speaker. I wish to make a brief statement on the Norfolk Sustainability Levy. As Members are well aware the proposal was put to Members. There was a need at the time to refine that and that process is in place and it is being progressed. The thought seemed to come out of an interview I did recently with Radio Australia or radio or national, whatever they are, in relation to the Norfolk Sustainability Levy. In case the listeners missed that earlier I would just like to reiterate that the proposal was put and accepted by the Members that we proceed with the Norfolk Sustainability Levy but there was a

need for major, and I would say major, refining of the actual proposal. That is continuing. Unfortunately the written text of an interview that I had with Radio Australia in the last couple of weeks suggested that it would be in place on the 1st July. That's incorrect. What I had actually said, and it seems to be borne out by the tape, that I would hope that legislation outlining the requirements of the Norfolk Sustainability Levy would be with the House in July and I would say that there's been a bit of misunderstanding. I'm heartened I can assure Members by the comments that have been given and any further comments would be greatly appreciated I can assure you the group who as I say is refining the proposal is working extremely hard, and I thank them for this, but what we really need is the co-operation of the business community to ensure that we can actually map the island's economy. Now I'll be talking to the business sector on Monday afternoon and I'll be appealing to them to allow us or selected persons to have discussions with the various businesses so that we can establish a figure or levy fee which is appropriate to the requirements as we establish them in my statement at the last meeting. So at this stage I would say that nothing is set in concrete in relation to the actual Norfolk Sustainability Levy except that the concept which has been around for a number of years is being progressed, Thank you Mr Speaker

Mr Speaker I'm sorry I missed the call on Presentation of Papers and tabling of documents. I wish to table the revenue fund financial indicators for April 2005. the Revenue Fund financial indicators are based on accrual accounting principals and the indicators report are based on the revised budget which was accepted by Members on the 3rd February 2005 authorised virements and carry forward from 2003-2004 of \$96,900 in appropriation. As at the 30th April 2005 the revenue fund overall income is 97.7% of the revised budget, that is, \$218,000 short. Customs duty in the income side of course is \$326,000 short of budget and the sum total of other taxes categories is \$49,000 short of budget. Departure fees are \$70,000 short and earnings collectively from other income categories are \$157,000 ahead of the revised budget and FIL receipts are \$163,000 ahead of the budget. As far as the expenditure is concerned, the overall expenditure which includes known creditors and outstanding orders raised in 2004/2005 at the end of April 2005 is on a pro rata basis about 7% that is \$764,000 under the revised budget. For the pro rata period to the end of April the revised budget is in deficit of 1.254m which on the pro rata basis it's some \$546,000 less than that budgeted. Thank you Mr Speaker

SPEAKER
have concluded Statements

Thank you Mr Nobbs. Further statements? Then we

MESSAGES FROM THE OFFICE OF THE ADMINISTRATOR – NO 11

SPEAKER Honourable Members I have received the following Message from the Office of the Administrator which is Message No. 11. On the 26th April 2005 pursuant to section 21 of the Norfolk Island Act 1979 I declared by assent to the following, the Evidence Amendment Act 2005 which is Act No 8 of 2005, the Legal Aid Amendment Act 2005 which is Act No 9 of 2005, the Departure Fee Amendment Act 2005 which is Act No 10 of 2005. I also reserved the following ;proposed laws passed by the Legislative Assembly for the pleasure of the Governor General, the Norfolk Island Planning and Environment Board Amendment Bill 2005 and the Planning Amendment Bill 2005. The message is dated the 27th April 2005 and signed by Grant Tambling, Administrator

We are at Notices Honourable Members

SUPPLEMENTARY APPROPRIATION (NO. 2) BILL 2004-2005 – MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR – NO 12

SPEAKER Honourable Members I have received the following Message from the Office of the Administrator which is Message No. 12. Supplementary Appropriation (No 2) bill 2004-2005. In accordance with the requirements of section 25 of the Norfolk Island Act 1979 I recommend to the Legislative Assembly the enactment of a proposed law entitled "A Bill for an Act to authorize supplementary expenditure for the Public Account for

the year ending on 30th June 2005. And that is dated the 13th May 2005 and signed Michael Stephens, Deputy Administrator

SUPPLEMENTARY APPROPRIATION (NO. 2) BILL 2004-2005

MR NOBBS Mr Speaker I present the Supplementary Appropriation (No. 2) Bill 2004-2005 and move that the Bill be agreed to in principle. Thank you Mr Speaker the bill is a supplementary to the current financial year and it shouldn't be confused with the next one which is the Appropriation Bill for the next financial year. This particular Bill is in Mr Brown's area and I'll be asking him to comment further on it as it's in his portfolio and relates to medical expenses and patient travel. The reason that this Bill is brought in today is to ensure that these issues such as we have with overseas travel and medical expenses and the expenditures therein are fully accounted and the people are quite aware of where we are going in that area and therefore we didn't try to buy virements from a number of areas to try and cover up the actual facts in this so without further ado I'll pass to Mr Brown for his comments

MR BROWN Mr Speaker as the Minister for Finance has indicated the cost of our HMA scheme this year, that is, the cost of providing hospital and medical assistance to our social welfare beneficiaries together with the cost of travel is running well in excess of previous years and well in excess of our budget for the current year. Clearly we cannot allow that form of increase to continue but at the same time we have an obligation to clear the bills that have been incurred to date. I'm in the course of providing a direction to the Norfolk Island Hospital that the practice of referring HMA beneficiaries and any practice of referring healthcare fund Members to private hospitals should come to an end. Referrals in terms of HMA and in terms of the healthcare fund have always been intended to be on a shared ward, public hospital basis and if a person wishes to attend a private hospital rather than a shared ward public hospital they will be able to do that but it will be at their cost with either HMA or the healthcare fund contributing the equivalent of what would have been paid had the person made use of shared ward public hospital facilities. This will underline the importance of Members of our community holding and maintaining membership of private health funds. The Australian Government when faced with this same issue some time ago provided rebate to encourage Membership of private funds and I propose to discuss with Members at an early date the possibility of us providing a similar encouragement at least for our senior citizens to hold and maintain private fund membership. In that situation Mr Speaker, our community will have the choice of doctor and the choice of hospital but we simply cannot afford to continue allowing the cost to escalate at the rate to which it has escalated. In so far as today's bill is concerned, we need to meet these costs until we can find to reduce them, they will continue to be high. This is occurring in an environment where income tax is not paid, where there are not the large stamp duties which are paid on the mainland, there is not at least at present a GST, there are no council rates, there's no land tax and we have done very well to get to the stage at which we are at present but we need to be looking at every possible way of reducing our costs because unless we do that there will be no option but to introduce not only the type of tax which the Minister for Finance is presently investigating but in all probability to introduce other taxes which would be equally unwelcome such as council rates. I seek Members support for the bill

MR GARDNER Mr Speaker Thank you. I agree entirely with the argument that we need to cover the costs that we've already incurred and for that reason I'll be supporting the supplementary appropriation bill and I'm pleased that the Minister has been able to provide an overview of the mechanisms that he's pursuing currently to address the escalating costs of HMA and travel expenses and as he has already previously indicated in this House a proposal to look long and hard at our whole social services arrangements on Norfolk Island with the introduction of the Social Services Amendment Bill which is now with the necessary House committee looking at the legislation itself, so it's pleasing to see that these things are not just being left to escalate out of sight and there are serious attempts to try and rein in those costs and Mr Speaker I think it's important to indicate that these are exactly the reasons that we are pursuing the introduction of a Norfolk Island Sustainability Levy as the Minister for Finance has earlier indicated on a number of occasions there is a need to address in tandem with the introduction of that, exactly what the Minister is about at this time and

looking to see whether there are savings that can be evidenced without taking away from people their standard of living and the lifestyle that they've enjoyed under our social welfare system. I guess my concerns have been satisfied in a couple of areas by the statement from the Minister in relation to this and without meaning to pre-empt debate on the budget it's just interesting to note that patient travel costs for the current financial year according to the revised budget, we are looking at \$58,000 and are looking to increase that by another \$20,000 today which would take that to a total of \$78,000 but looking at the budget projection for the next financial year, we've only provided \$65,000. Now without the measures that the Minister is proposing to introduce that is crazy budgeting simply because we know that the expenses as far as the offshore costs will be far exceeded in the next financial year. At the same time, also looking at the current budget for this year and the projected for next year, our overseas medical expenses in this financial year are going to total \$223,000 plus this additional \$100,000 which will take it to \$323,000 and if we don't implement the measures or try to reign that in as the Minister has said, the \$230,000 that's budgeted for the next financial year is again crazy budgeting in my view simply because we know that we are going to exceed that based on this year's figures by \$100,000 anyway, so I'm pleased to say that the matter is being addressed. I don't know, I can't sit here and tell Members that we are going to be able to reign in those figures and contain them within the budget figures the Minister will be doing very well if he can do that without upsetting the standards of service that our aged and those on our social welfare system have enjoyed under our social welfare system, it would be a sad state of affairs if we were to reduce our standards in that area across the island, and I certainly will be supporting the Minister in his attempts to try and reign that in but I think I'm a realist Mr Speaker and at the end of the day it is a mighty battle to try and contain those costs within those that are budgeted for the next financial year based on the figures that I've alluded to in debate and also with the supplementary appropriation bill. That said, it is important that we cover those costs and hence I'll be supporting the supplementary appropriation Bill, Thank you

MRS JACK

Mr Speaker, I guess that this highlights the urgency for social service reform. The costs in this sector we can see are escalating beyond our current capacity to pay and provide, and I think this community needs to be brought to bear to be made totally aware that social services must once again be used as a safety net and not as of right and be used for those in need and I will be supporting it Mr Speaker. A couple of comments, made by Mr Brown, one briefly about not placing patients into private hospitals. Our visiting doctor scheme sometimes those doctors only have agreements with private hospitals so will our visiting doctors scheme be affected at all. I just would like to know how he would perhaps, does he have any way forward should that system be put into jeopardy and I fully agree with encouraging community Members to join private healthcare funds. I think though that for many of the elderly to start becoming Members the penalty rates escalate at an incredible amount. I forget what the top off penalty percentage rate is at MBF but I know it's pretty staggering and so I think a lot of the elderly would be unable to join and if we were to subsidise it, it would almost counteract the well meaning attempt of lowering the HMA fees or costs so I would just be interested to hear what Mr Brown has to say

MR BROWN

Mr Speaker firstly I'll address the question of transport costs. As Members will be aware, we did for a period have the benefit of a special medical fare for patients being referred from Norfolk Island. That fare has been withdrawn and it seems that when many people enquire as to the fare to travel from Norfolk Island they are being quoted something very close to the full economy fare which is something in excess of \$1100 plus taxes and it's for that reason that Members will be continually hearing horror stories of people who are quite disturbed at the high cost they have been quoted to travel away. I've made enquiries of the carrier which flies to Australia and they've assured me that their range of discount fares are still available but I have no knowledge of how those discount fares are managed because like every airline in the world, that carrier will yield manage its flights. I have asked why the medical fare was withdrawn and I've been given two answers or an answer in two parts. The first part is a suggestion that the fare had been abused and when I asked for examples I was given an example but I wasn't given names of a family of four which allegedly obtained the appropriate authority from a doctor at the hospital to go to Australia and undertake medical appointments for each Member of the family and those medical appointments all co-

incided with the family allegedly then proceeding on holidays. Well I would accept that, that was not the spirit in which the fares were originally provided but that is something that could be better managed for the future and I hope that the carrier will pay regard to that. The second difficulty the carrier raised with me is that our mail contract, and this is something handled by the Minister for Finance, our mail contract for mail off the island hasn't been put to tender for quite some time and they feel that they have been deprived off the opportunity to tender for that and on balance, they have decided to withdraw the medical fares at this stage and simply leave in place whatever may be their range of discount fares. Well what that means is that we need to be perhaps a little more enterprising when we do send people away, and we need to try to ensure that they can be sent at times when discount fares are available rather than have the HMA expense of a fare in many cases more than double what used to be paid. So that's the issue with airfares. A second issue that comes into play is the cost of treatment in the various jurisdictions and just to what location should a patient be sent for treatment. Members will probably be aware that a person in Norfolk Island for a relatively short period, perhaps for up to three, even five years, is able to maintain coverage by the Australian Medicare scheme and we need to ensure that whenever a person is sent away who is entitled to that Medicare cover, that they make use of that right. We need to ensure that if someone is a New Zealand citizen and is entitled to cover in New Zealand that they make use of that right but once it comes to situations where we have to pay, it is amazingly difficult to obtain price lists from the various hospitals. To date I have been unable to obtain a price list from New Zealand for example but I have been keen to look at the comparative costs of treatment in New Zealand and treatment in Australia. We do need to ascertain that. The statistics that are available to us to date are certainly far from conclusive. Some extremely high costs have been charged to us by New Zealand hospitals but on other occasions the costs have appeared to be quite reasonable. We have an arrangement with the New South Wales health authorities under which a special rate is charged for people sent from Norfolk Island. That rate is lower than the normal overseas rate but higher than the rate that would be charged to a New South Wales person and that's understandable because we have a similar practice. As Members will know a person who resides on the island isn't charged quite as much as a person who doesn't reside on the island and that is to reflect the fact that the person residing on the island has made a contribution to the island's revenues in other ways. I'm presently negotiating with the Queensland authorities in an endeavour to introduce a similar system in Queensland to that which is in place in New South Wales. That will bring about savings but the major savings will come about by careful management of overseas referrals. The Minister for the Environment commented a moment ago about another aspect of HMA expenditure. I think it was the visiting doctor question. Successive Governments have endeavoured to support the visiting specialist scheme that we have on the island at present. It's been a very worthwhile scheme and continues to be a very worthwhile scheme because we have competent specialists visiting the island normally once or twice a year and providing services here at a very reasonable cost which removes the need for many people to travel to Australia or New Zealand. The difficulty which has been experienced in endeavouring to support the visiting specialists scheme, is that many of those specialists operate at just a limited number of hospitals. If what is required is the services of a physician, and not an operation in a hospital, then there's not such a problem, but where a visiting specialist only operates at let us say, two private hospitals, and that has often been the case in terms of specialists visiting from Queensland, in order to have the operation carried out by that specialist, people have been referred to the private hospital. Now if a person is treated in a private hospital, rather than a public hospital, because we are charged an overseas rate, the actual bed rate doesn't vary greatly but what does vary very significantly is the additional charges made by the private hospital and the major component of those charges is what is generally referred to as theatre fees. It's not just the use of the theatre but it's a whole host of things that go with that and it has not been unusual for someone to come back to the island after being treated in that fashion and find that they have a bill which is not covered by the healthcare fund of \$10,000 or \$12,000 for theater fees. A person who is covered by HMA is covered for those costs. We can substantially overcome that difficulty by requiring the shared ward, public hospital facilities be used and that Mr Speaker is what occurs in Australia at present, where if someone wishes to have the benefit of his Medicare coverage he does not have a choice of hospital. He must use the public hospital system and in that environment he doesn't have the choice of surgeon he must use the system that is provided. Where we have

gone wrong is we have tried to provide an absolute rolls Royce product and that's an admirable aim, but we haven't realised that we've only got mini minor income and a lot of those issues need to be tightened up. They will create disquiet while they are being tightened up without the slightest doubt, but if HMA is to be sustainable, and if the healthcare fund is to be sustainable and if people are to avoid the risk of going away, having treatment, coming back and then having such a psychological shock when they receive the bill that they require almost more treatment, we've got to tidy things a little. What does that mean Mr Speaker to the visiting specialist scheme, well it does mean that if one of our visiting surgeons does not have arrangements to operate in a public hospital, arrangements may need to be made for a surgeon in the public hospital system to carry out the operation unless the patient is prepared to pay the excess himself or holds private health insurance, thank you

MRS JACK Mr Speaker, if I could just ask the Minister would that then perhaps start to see waiting lists evolve. I mean it can be seen as a natural progression. Mr speaker there's no doubt that in Australia there are waiting lists. There is could well be said that healthcare has been rationed through the Medicare scheme. The enquiries which I have made to date indicate that waiting lists are unlikely to result from this, partly because we're fare paying passengers as it were. In the Queensland system for example the hospital's don't charge is my understanding in the public hospitals because people pay for their hospital care through their taxes but when we go to Queensland, we do pay money and it's no different to the universities in Australia, the person who is paying a bit of money certainly does provide additional revenues for the provider and appears to generally be quite welcome to come along and pay for those services. To the best of my knowledge at present, we would not encounter waiting lists for surgery by moving to shares ward public hospital requirement

MRS JACK Mr Speaker, thank you again. I mentioned before the private fund membership. Is it your intention in the reviewing of social services to start to encourage younger members of the community into private membership to assist them in some form of rebate so that further on down the track a lot of these issues won't be issues. There will be adequate cover that people can claim from first before making claims on our own healthcare or should they fall into the HMA category they will be able to have a prior claim

MR BROWN Mr Speaker the work which I've done to date has been limited to reviewing the situation of our senior citizens and looking at ways to encourage those of our senior citizens who are Members of funds to continue to be Members of those funds and I'm looking at that not only in the context of HMA beneficiaries, many of whom do hold private health insurance but also in terms of our senior citizens generally. I'm also looking at the question of an island wide compulsory superannuation scheme and I expect to have some paperwork in the course of the next fortnight outlining a number of options as to how that can be achieved. At this stage I have not looked at the possibility of the community generally being provided with some form of rebate to encourage membership of private schemes. If we were to look at that we would need I suggest to also look at the concept which is already allowed for in our legislation that is the concept of our healthcare scheme having a second level which is a private health insurance level. Some time ago there was a feeling that the healthcare scheme could be expanded so that it was a scheme that provided more than just catastrophic cover which is what the present is intended to cover and replace Southern Cross and replace the need for Membership of a mainland scheme. It may be that if we are to look at a way of encouraging the younger Members of the community to have additional health cover, it may be that the way to do that is to look again at the concept of healthcare private. Although I'm not looking at it at present I certainly agree with the Minister for the Environment that it is another issue that we need to look at. A lot of work was done on it in Australia and that's why in Australia the rebates have been provided to encourage people to join the funds early and to encourage them to stay in the funds. My preference is to continue down our present line with enquiries about the issues we've just discussed rather than move to a full national health scheme like the schemes that do exist in some other places, but certainly it is just one of a number of issues that we need to come to grips with and although this Assembly may not be popular when it comes to grips with some of these issues, there is no way of avoiding them during the life of this Legislative Assembly. The time has come when they've got to be looked

at, they've got to be properly researched and wise decisions need to be made, even if they are difficulty decisions to make

MR NOBBS Mr Speaker I support what's been said previously but I just would like to clarify one particular area that the Minister for Health raised when he was speaking earlier and I haven't had the chance to get in earlier but Members may recall that the Minister said that there were several reasons why the carrier had discontinued the medical fares and one was in relation to the carriage of mail, in that it was discontinued from – and please I may have the actual wording wrong – but it was because of the Administration's inability to come to an arrangement. That was the context of what I thought the Minister said, that that was one of the reasons why the medical fare was discontinued. If I may, I would just give you some facts on that. I was approached by the carrier a couple of months ago in relation to the carriage of mail to Sydney from Norfolk Island bearing in mind that they have a contract with Australia post from Australia to Norfolk Island. Currently Norfolk Island mail is carried by another carrier which has a contract. The contract was negotiated under the appropriate arrangements in place with the previous Government and that has been operating subsequently. In that, both carriers were provided input into the selection process and one carrier was selected above the other. What I want to say now, is that at no time in my discussions with the carrier has the issue of medical fares, and their being unavailable because they don't have the mail contract, ever been brought up with me directly. I can say that again. Nothing has come from the carrier. I guess if he had put this proposal to me I would have said that, that was quite an inappropriate approach to make so the situation is that we are still from time to time, I do speak with the airline representatives. My concern with the mail contract has always been, and I've put it fairly bluntly with the carrier itself, that the record is not good with incoming mail and the service is satisfied with the current arrangements in place, thank you

MR BROWN Mr Speaker in case I mislead the Minister for Finance in any way I should say that what the carrier complained of to me was that they did not have the opportunity to tender rather than complain^{ing} about not carrying the mail

SPEAKER Can I just say that I think we've had enough about the contract of mail. This is the matter of the Supplementary Appropriation Bill. Most certainly one of the prime purposes has been health services and there has been significant debate on that and I see that as appropriate. The next step in moving on to the discussion of carriage of mail has been a little remote but I think we've concluded that particular part of it. Further discussion Honourable Members

MR NOBBS Mr Speaker, I move that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

SPEAKER Honourable Members, I put that question to you

QUESTION PUT

MRS JACK I would like to see it dealt with today, only because as I understand it some of the matters, this funding may be necessary to go out and pay some of the accounts. If this is not the case, if the funding isn't urgently needed, well fine, but I was of the impression that this was needed

SPEAKER That is entirely a matter for Members. I just need to say that the matter of an urgency arrangement hasn't been proposed. That is not how the Bill is progressing at this moment and I have a motion before the house for the matter to be adjourned to the next sitting

MR NOBBS Mr Speaker the funding arrangements have been put in place and as long as it's passed before the end of June we are fine I believe

MRS JACK

Mr Speaker I am sorry

SPEAKER

Thank you for raising that Mrs Jack but we'll continue upon the course we have embarked upon. The question before us is that this matter be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

QUESTION PUT
AGREED

Thank you Honourable Members, that matter is so adjourned

APPROPRIATION BILL 2005-2006 – MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR – NO 13

SPEAKER

In accordance with the requirements of section 25 of the Norfolk Island Act 1979 I recommend to the Legislative Assembly the enactment of a proposed law entitled "A Bill for an Act to authorize expenditure from the Public Account for the year ending on 30th June 2006. And that is dated the 17th May 2005 and signed Grant Tambling, Administrator

APPROPRIATION BILL 2005-2006

MR NOBBS

Mr Speaker I present the Appropriation Bill 2005-2006 and move that the Bill be agreed to in principle. Mr Speaker the budget that's proposed shows a revenue of \$10,367,500 and expenditure of \$12,589,800 and this leave a deficit of \$2,222,300. I might add that the budget documentation included unfunded requests totaling a further \$2,2m. Mr Speaker to say that I'm displeased to have to stand here and deliver such a budget is the understatement of the year. However there is a need to provide supply to commence on 1 July as if there is no supply there is no authority to expend funds and the Government will stop. Notwithstanding this there are two very significant issues which this government has not had the time to complete. I provided details of these at the time of the last budget review and stated that the results would be available by the end of the financial year. That is the end of June. The first is a review of all areas of Government. I can advise that a review of the Administration will be completed by the end of June. The areas in which other Minister have responsibilities are also under review and it was stated earlier that stage one of the social services review is with the bills Committee at the present time and I know that the Minister for Tourism has tourism under review. The second significant issue relates to revenue. A review was undertaken of current and potential revenue streams and may I say that this review did not have to start from scratch. There have been considerable investigations and other work done in this area over the years. Some claim the too hard basket has been well utilised. As members are aware a proposal to revamp our revenue stream was recently put to Members. The proposal was for an Norfolk Island Sustainability Levy to apply to the sale of goods and services and it was pointed out at the time that the proposal required to be fine tuned and this is progressing. Mr Speaker similar proposals to the Norfolk Island Sustainability Levy has been around since 1990. Fifteen years and have for one reason or another not progressed past the concept stage. Members agreed to proceed with the proposal as put and in fairness to the community an announcement was made. There has been considerable discussion as was anticipated. The majority has been constructive which is encouraging. The remainder whilst disappointing, unfortunately, goes with the territory. The undeniable response from the vast majority has been simply that we need to do something. What that something may be, varies of course across the broad spectrum. All options at one time or another have been reviewed. I've not come across something new as yet. As could be expected and it is human nature I guess, some responses are personalized. What the Legislative Assembly who are ultimately responsible must do is to first concentrate on what is best for the whole community. So Mr Speaker, the two issues, that is, expenditure and revenue reviews, due to

time constraints were never intended to be completed in mid May. That's now. As a consequence I place before you a budget which is based on the fact that the reviews have not been completed and the budget process by necessity needs to progress. The budget developed actually follows trends established by previous Governments. It is a course which is unsustainable. It's a course which I personally am not accustomed too. Have great difficulty with and is a course we must vary or to put it bluntly the ship will end up running aground. I would anticipate that at the following expenditure review there will be a need to reshape the budget. In this context I'm aiming for August Mr Speaker. Following implementation of the revenue review there will be some little time before the results of the review become evident. I would suggest that the results of the review and implementation be considered and that variation to the budget will occur during the normal budget review in the new year of 2006. whilst I commend the budget to the house it should be made abundantly clear that this is really an interim budget, a mark time budget. Revenue is in the vicinity of \$10.4m which is less than in previous years as with the creation of roads of those of GBE's from 1 July income from registration fuel levy and fines will be credited to that GBE. on the other hand expenditure on roads has also been transferred to the Government Business Enterprise. The largest contributors to revenue in this budget remain as customs duty, the bond, departure fees, FIL and accommodation levy. They total some \$7.5m of the \$10.4m. The dividend from Telecom is only \$300,000 plus a management fee of \$90,000. This amounts to some one third of past years. The low figures allowed the funds to be set aside to replace the current exchange and other capital works. I can assure Members that Telecom is very much a part of the review. On the expenditure side in rounded figures, expenditure figures are, salary and wages \$5.8m, recurrent expenditure \$6.4m, capital \$365,000 which is a total of \$12.6m. whilst \$6.1m in salaries was requested in the documentation only \$5.8m is funded. A figure about the same as the recent budget review. \$5.8m in salaries amounts to some 46% of the budget. I want to say Mr Speaker that this is not unusual, as its about the same percentage as in recent budgets. It must be pointed out that a significant bite of the salaries budget goes to the school where \$1.9m is expended on salaries in a total expenditure of the school in its budget of \$2.2m. it should also be noted that this budget does not include salaries and wages paid to KAVHA, Museums, the Hospital Enterprise, the Tourist Bureau or any of the Government Business Enterprises. Mr speaker bearing in mind that we have income of \$10.4m some major expenditure commitments are, the school \$2.2m, welfare \$2m, tourism subsidy \$.8m and the Hospital subsidy of \$.84m total rounded to \$5.9m which is nearly 60% of the revenue. All of these are essential services. All Mr speaker are being funded significantly below what each considers is required. In years past balancing the budget has been a major balancing act by succeeding Ministers for Finance . there have been novel initiatives taken from time to time to ensure that the budget is in balance. I will conclude Mr speaker by providing facts as to the balancing act of the past sixteen years. Surpluses have been recorded in eight years, deficits in eight years. In that time the total of surpluses have been rounded to \$4m. The total of deficits also rounded to \$3.8m. the differing in the context of \$7.8m is minimal. Mr Speaker we've been sailing close to the wind for years which would be fine if our income covered all required expenditure. The problem we face now is that it has not. Thank you Mr Speaker

MR GARDNER

Mr Speaker I'm pleased that the Minister for Finance has been able to get a document into the House at this stage. Normally in the Legislative Assembly's that I've been a Member of we usually have a couple of meetings in June to discuss the budget and the proposals give us a couple of weeks between each of those meetings and then we finalise the budget so I certainly complement the Minister in bringing it forward so early in the process to enable not only Members of the Legislative Assembly but certainly the general public to be able to at length study the proposals and also hopefully discuss with their elected representatives the reasons why certain things have been doing and I think the Minister for Finance has already broadly covered the reasons why we are doing things. In his view this needs to be viewed as an interim budget and there are a number of reasons for that and a number of them that he's already touched on. It's very clear from this budget and certainly from the figures that we have available to us that if nothing else happens in the next financial year and we run with this budget, suddenly we are going to find that our reserves are exhausted and at budget review time, if we don't do anything about it we are very, very quickly going to have to scurry to find somewhere in the region of one to one and a half

million dollars based purely on these budget figures. I intimated earlier Mr Speaker, that unless there are some changes to the medical expenses for overseas treatment under welfare and the patient travel costs that in every likelihood there will be a continued escalation of the costs of providing those services which haven't been budgeted for and so there is real potential in a number of areas, not just in the welfare area, for our budget deficit to escalate out of sight and it is important to emphasise Mr Speaker that both the Minister for Finance, Members of the Legislative Assembly, various committees that are operating and groups within the community that are operating, need to have a long hard look at this, and I know they are doing that to ensure that at the end of the day we are able to maintain this level of services that we have and continue the process of self Government that we each in our own way are passionate about and it's important that we get this right. I've had a number of criticisms and I don't mean to digress but I think it's important that I paint a picture about the reasons for the budget and to digress just for a few minutes if I could about the criticisms that have been leveled at the proposals that this Legislative Assembly, this Government, the Minister for Finance and each of us as individuals has proposed to the community about additional revenue raising measures and the way that we are going about doing that simply Mr Speaker that's come about because the flags have been up for quite some time indicating that unless we did do something and bit the bullet that we were very quickly, rapidly going to run ourselves into a brick wall. Without doubt that time is rapidly approaching. If we don't address it we've taken those moves, we've established it as a priority early in the days of this Legislative Assembly that that's exactly what we were going to do, that we were going to address it and I think as Mr Brown said earlier, we may wear significant criticism for those decisions that we have to do but we have to do them, if the community aren't happy with us and they get the jitters about it then they can move us aside. They are free to do that at any time but I can assure you Mr speaker and all those who are listening, that, that next body of people who come into this chamber are going to be faced with identical problems and identical choices. They are things that need to be done and we just need to ensure that we have the resolve to deliver on those issues and make sure that they do continue to deliver the services to the people of Norfolk Island but interestingly enough, there's been significant critics Mr Speaker about the NSL and about the path that we've set ourselves on. I've run into a number of people who've said this is simple. We can balance the books. You just cut 30% of the Public Service. Not quite so simple as the Minister for Finance has alluded to. Education for example chews up a couple of million dollars in salaries and wages. Proposals like that propose that you are going to slash the education budget by 30% because the bulk of it is salaries and wages, so which years are we doing away with. 12, 11, 10, 9 and 8 so that we can balance the books. Is that really what people want to see or do we turn our attention to welfare for example and say because that's costing us \$2m or thereabouts per year, are we going to cut 30% out of that. Does that mean that we aren't going to be able to provide the offshore referral service as and the travel for people. Does that mean that we are going to have to slash what is pretty much arguably an on par arrangement with mainland social services arrangements as far as 30%. It's not quite as simple as just saying, let's slash it by 30% and deliver us the dollars. Simply because if we were to walk in and slash this budget by 30% and I'm not just talking about salaries and wages now, but 30% that's still in the views of all the reports and we get roundly criticized for not paying attention to the reports that are tabled in front in us, all of those reports indicate to us very clearly that it's somewhere in excess of \$4m per year in extra revenue that we need to raise to ensure that we are able to fund the currently unfunded depreciation, the infrastructure and all the other services that we are required to provide. We aren't even going to make those savings. We are going to go nowhere near making those savings and as I said, it is just impractical to chop 30% out of the budget to say let's balance the books. Let's get us back on the right track. It's not going to happen and it's not going to happen without an enormous amount of pain as I've already alluded to. We do away education services, some of the welfare services, some of the hospital services. What. We go back to two doctors instead of three and there are still a whole host of things that we are unable to fund and there are cries in the community that we should be funding them. We want to have responsibility for fisheries at the end of the day. It is just simply not practical to be able to do that. We haven't got the extra \$60,000 or \$70,000 which I think our colleague Mr Ivens Buffett was very passionate about having introduced at a time so that we could at least have some command or control over the fisheries exercised in Norfolk Island. We simply can't afford to fund that at the moment. We can't afford to fund as was so passionately proposed by the

Hon Rick Robinson a couple of Assembly's ago, about a Cultural Officer and establishing those sorts of positions. We haven't got the funding to do those types of things. We haven't got even though gaming provides us with nigh on half a million dollars in revenue, we just haven't got the resources to properly staff our gaming institution. We get by because of the generosity of some of the professionals that we have attached to that and we are very fortunate that those people are prepared to do it for us. We can't and we are not in a position to provide adequate funding to ensure that we can properly staff things like our Administrative Review Tribunals and our coroners court and those sorts of things. We get by on people's generosity at the moment. If those people weren't prepared to do that and if the magistrates weren't prepared to sit for their meager fees per day and for the inconvenience that it causes those professionals we would really be in dire straits. I would suggest that it would probably cost a million dollars for our court system if we were to properly resource fund and provide the necessary support in all of those areas. We simply can't afford to do that at the moment and what we are talking about is progressing and making sure that we can meet those commitments and we can do them professionally, responsibility and we can make sure that we are not going to become the brunt of criticism from our colleagues in the Commonwealth arena because we are unable to pay our way. This is why we have to seriously address these things and it's why this Legislative Assembly have unanimously agreed that this is something that we have to set our minds to and address the shortfall in revenue to make sure that we can meet our infrastructure commitments and ongoing commitments and to provide the services that this community as a whole desperately want. There is criticism directed at the Government and the Legislative Assembly about the way that we manage things. We've got \$12m. that's a lot of money. Yes it is a lot of money and we provide and there's nothing new in what I'm saying here the three tiers of Government some Federal Government responsibilities, some state territory responsibilities, the local Government responsibilities, all bundled into one, all trying to do that for \$12m. we are talking about efficiencies and if we can squeeze it a bit harder. If we can do that for \$12m why is it that it costs the Commonwealth \$75m plus to provide the same sort of services, level of services, to the Indian Ocean territories as we provide here in Norfolk Island. We are doing it for about 20% of what it costs the Commonwealth to provide similar sorts of arrangements elsewhere. Now we talk about efficiencies. I wonder who is efficient and who isn't. but those are the realities of it. We are trying to do an enormous amount with \$12m. there are some businesses on this island I would venture to say that go close to having that as a turnover. It doesn't necessarily mean that they aren't faced with the same sorts of problems that we are in ensuring that they are able to provide services, being able to be competitive in a very competitive environment and we all in various ways whether in private business or in Government continuous to strive to see where the efficiencies and the savings are. The point I'm trying to make is that it is not just as simple as just taking the knife and slashing it because everything would come to an absolute standstill and it is important to recognise that we can't continue to not turn our attention to depreciation and to replacement of infrastructure and the ongoing cost of these services and a lot of those as we very well know, are well above and beyond our control, whether it's the international price of oil that we have no control over but will affect the cost of our electricity and I think in the not too distant future we are seriously going to have to give consideration to addressing the tariff that we are currently charging for electricity simply because of the rising costs of international oil prices. There are so many things that have an effect on us that we don't have a great deal of control over including a number if international affairs and matters that either directly or indirectly affect us in the long term. Going through the budget and I've spoken to the Minister for Finance about that, I'm not really in a position to be able to provide a great deal of input in those areas which include the legal branch, companies office, ports and registry, police, tourism, subsidies and grants in JKAVHA other than in the tourism and KAVHA budgets because I've actually seen and endorsed those, but the others as far as museums and those types of things I haven't had the privilege as yet of being provided with the documentation in support of the budget. I note things like the museums for example are looking for an extra \$50,000 in this budget. I haven't seen the paperwork. They haven't been granted that under the terms of this budget so I don't know what arguments I need to be bringing to this house and to my colleagues to convince them that the museums needs the extra helping hand. There are significant amounts of money in this budget and I think the Minister alluded to them, some \$2.2m we are simply unable to fund. And I accept that. I accept that we are trying to do something about it and as I said earlier, the

Minister for Finance has already clearly indicated that but we will have to revisit that in a number of areas. Those areas, certainly in my portfolio responsibilities include tourism, the tourism budget was sent in seeking \$1m this year in grants which is about \$40,000 over and above that for the last financial year. I note in that budget that has been trimmed back to the original provided in the last financial year so I do envisage that we will be revisiting that at budget review time or whenever the appropriate time is that we've been able to settle on the revenue raising arrangements. I think Members are quite aware that we are going to need to do that and it is also fair to say that just because it's \$200,000 less than the budget bid for the Tourist Bureau it's important to point out that the Tourist Bureau do have some of their own initiatives that provide them with supplementary sources of income which are important to them including the commission that they receive on the departure fee and other entrepreneurial activities that they pursue in their own right and it is proposed as the Minister for Finance said earlier, with the review of the Tourist Bureau to continue to revise the structure and look at how we can best make that operate and to ensure that there are opportunities for the Tourist Bureau to be able to generate more of their own funds. I doubt that it's ever going to be in a position where it's going to be completely self sustaining and won't need the assistance of Government as far as a budget is concerned but I'm pleased to know that the board are turning their attention to these matters to see where they can get supplementary funding from. I'm also disappointed at this stage that there hasn't been an allowance made for the Sesquicentenary celebrations for next year. That's celebrating the 150 years of settlement of Norfolk Island since 1856. I think there was a bid in there for \$100,000 but I don't believe that it's been funded at this stage. That is something obviously before the turn of the year that we are going to have to turn our attention to, to ensure that we are able to provide or offer some support for those celebrations next year which will be significant celebrations for Norfolk Island and also an opportunity to thrive and develop and build our tourism market next year. One other area of concern that I have and again it is almost crystal ball gazing stuff but I would venture to say that our incarceration of prisoners costs have not been provided for as far as I've been able to ascertain out of this budget and I think it would be reasonable to say that those costs are going to be at least \$75000 in the next financial year. Potentially three or four times that much depending on the outcome of a number of matters that are before the court and certainly if there is settlement to the Janelle Patton murder, again that will increase incarceration costs I am sure of at least a further \$75000 on top of that. These are all important things that we need to bear in mind as matters that we are going to have to fund. We have no choice about it. They will have to be funded. We haven't made provision at this time. I appreciate the direction that the Minister for Finance is taking and I fully support what he's doing in this being proposed as an interim budget however, I'm just trying to flag that there are significant falls in my view in the funding provided that will need to be addressed and we can't let that go past in my view December of this year. If there is nothing in place to address those things by December, we will rapidly be coming back into this House to look at, whether we look at duty or some other instrument to be able to raise at least \$2m if not a lot more money with the introduction of some other revenue raising issue

MR CHRISTIAN Thank you Mr Speaker, at our committee meeting of Monday last I thought the Minister for Finance looked a bit pale and drawn and after introducing his Appropriation Bill today I can understand fully why. Nobody would really like to have to introduce a document that has a deficit of \$2.2m. having said that, I support what Mr Nobbs is attempting to do. There's no point in hiding the bad news. We've got to come clean with it and deal with it the best we can. However, it's also important to say that this deficit has been brought about purely by an income shortfall and it's not be brought about by a blowout in overall expenditure. There have been a couple of areas where expenditure is a little ahead of budget but with sensible management we can contain that. I accept that this is an interim budget because there is no way in the world that I would sit here and support a \$2.2m deficit. It would be totally irresponsible. Once again that deficit will be funded by chewing into reserves and if nothing is done by the end of June 2006 the reserves will be all depleted and we will in fact be staring at a \$1.1m hole, a hole that we can't possibly fill. Mr Speaker I'll just briefly talk on the NSL as well and my thoughts on that because it is a hot topic in the community today. Once again I have no criticism of the Minister for Finance for speaking out about the NSL. I think it's healthy that the community at large be aware of what the Legislative Assembly is

thinking and be notified as early as possible about any likely impact there might be on an individual or an individual business. I think all of the debate that's coming out of the community at the moment is very helpful and as a result of conversations I have had with a number of people I've been able to pass on to the Minister for Finance a number of comments and criticisms and I hope the working group is taking them on board. However the NSL is intended to raise as I understand it an additional \$2-3m over and above the levels of income that we currently achieve. It is also intended to provide a taxation system that can be quantified and measured and I have no difficulty with that. However Mr Speaker there is no guarantee that an NSL of any percentage rate will deliver any additional income when it is introduced into an economy that is clearly in decline. In fact the introduction of the NSL would likely increase the rate of that decline. Having said that, I'm not opposed to the intended aim of the NSL so long as it is equitable, does not fuel unnecessary cost increases, and is levied only once in the chain of transactions and it is introduced in conjunction with a healthy and growing economy and that ensures that the rate, whatever it is determined to be at some future date, is as low as possible. I need to say a few words as well about my vision of a healthy and growing economy. We clearly have at the moment a short fall in income compared to previous years and if you look at those previous years, as little as two years ago, we were pulling a couple of million dollars more in, in income. I've got no doubt that the decline in income is directly related to decline in tourist numbers and I suspect that if we were to reverse that downward trend and restore our passenger numbers or visitor numbers to a healthy level and actually and achieve the targets that we had set ourselves five or so years ago that we wouldn't be sitting here today talking about the introduction of an NSL or any other tax because there simply would be sufficient funds from our existing taxes and levies, especially if some of the loopholes were closed so I suppose I'm thinking aloud here but it goes to say at the moment that I support what Mr Nobbs is doing but bear in mind that the impact of introducing an NSL at this time could be an adverse one, thank you

MRS JACK

Mr Speaker, thank you. It's all there. What people have said. Mr Nobbs Minister for Finance, Chief Minister, Mr Christian, they are all correct and even though it may have been voicing a thought out loud it's a relevant thought that he expressed and it's one that's being voiced throughout the community. Just going over the budget as it stands, from areas within my portfolio, all we are doing is standing still and we're flat out doing that. There are areas that if you look at the line where the funding's been cut, no work can be done, the Chief Minister made reference to Mr Ivens Buffett in an earlier Legislative Assembly putting \$70,000 aside for fisheries. Well on the way thank heavens nothing came of it because we couldn't fund it today. Things are extremely tight and it's not allowed for any growth in areas, the environmental side, the lack of research or monitoring of our water, our subaqua water will come into question, monitoring tanalith, monitoring heavy metals in the environment, nothing's there, looking at approximately eighteen reserves, all very tight. Taking care of public use areas through reserve facilities, whether it just be vehicle fencing or making fire breaks within the eucalypt forest. All are on hold. Stock health will have to have something about it this year. That's an important community need and nothing's been doing for a lot longer than the regulatory or quasi regulatory four year period and so we'll be having to take virements from somewhere to look after the stock health issue. It needs to be done. It must be done so yes I support everything that Mr Nobbs has said. It's interim. My goodness it has to be. There's no way that we can continue. One query I do have and I raise the issue with the Minister is on the way the actual bill is presented with totals given and no line totals put in and Mr Nobbs has explained to me that the environment issue is something like 357 virements done last year and I believe the auditors were saying that, that extended paper trail was unnecessary. I would like to see the totals in for the sections, not on each line, just for the sections. In the last Government I had an issue when there was a \$20000 virements from the social service section to the tourism section. I want to know when those things are happening and this doesn't allow for me as a Minister to know if there's areas in my portfolio are being raided and given to others. I want to know that certain works can be carried out, that the money is going to be there. I am sorry. I do not like this total. I want to see by the next meeting, section totals put in. I have no trouble with virements being done within the section. I can understand that but this large approach I certainly have an issue with. I feel that am neglecting my duties if section totals didn't come in and I would like to see them come in and how do you go about asking the

that she would like to see actual dollar amounts against each of the items in the Appropriation Bill . having said that I certainly support the thrust of what the Minister for Finance is trying to achieve. I'm sure that Mrs Jack's difficulty and mine can be resolved during the course of the next month, and there is certainly no doubt about the fact that we will need to pass a budget prior to the 30th June because otherwise the Administration will have to close down until we do pass the budget, thank you

SPEAKER Thank you Mr Brown. Any further debate Honourable Members. Then I look to you Mr Nobbs

MR NOBBS Mr Speaker, I move that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

SPEAKER There being no further debate I put the question that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

QUESTION PUT
AGREED

That matter is so adjourned Honourable Members

PLANNING ACT 2002

MRS JACK Mr Speaker, I move that in accordance with subsection 12(4) of the Planning Act 2002, this House resolves that the draft plan laid before this House, being a proposed variation to the Norfolk Island Plan 2002, last amended on 9th February 2005, and deemed to be the Plan under section 8 of the Planning Act 2002 be approved; and that for the purposes of subsection 13(1) of the Planning Act 2002 that the date of commencement of the approved Plan be 20th May 2005

SPEAKER Thank you Mrs Jack. Debate Honourable Members

MRS JACK Mr Speaker the aim of this draft plan is to amend the tables of use or developments in the rural, rural residential and residential zones to remove residents dwelling house from column 2, (permitted use or development) and include residents dwelling house in column 1, (permitted as of right, use or development). The intent of the draft plan is to remove the requirement for development approval for residential dwelling houses and for alternations and extensions to residential dwelling houses in the relevant zones. The Norfolk Island plan 2002 provides that residential dwelling houses are permitted use or development and require development approval and due to significant time delays experienced by developers, Members of the community, builders waiting for development approvals it has been proposed that the need for development approval be removed for new dwelling houses and extensions or alterations to existing dwelling houses, in the rural residential and residential zones. This proposal, this draft plan was gazetted in the Norfolk Island Government Gazette on the 8th April 2005 and the 28 days exhibition period closed on 6 May 2005. Mr Speaker during that time two submissions objecting to the draft plan were received in response to that previously mentioned gazettal notice, and exposure of the draft plan, and they came from two groups ion the community, the ECO Norfolk Foundation and the other was the Norfolk Island Conservation Society. Now there are several dot points in their submissions, Mr Speaker, and I'll briefly mention each point. Key objections to the draft plan included the sustainability of Norfolk Island is threatened by development, but this is being disregarded. Now let's just get clear on what sustainability here is for this particular issue, and I would gather that they are talking of the environmental sustainability and I disagree with that strongly. I mean, we have 18 reserves. Norfolk Island comprises of approximately 3500 hectares. Freehold is roughly 1700 hectares, crown leasehold just over 1000 hectares, public reserves 224.4 hectares and this is excluding Nepean, and National Park and Botanic Garden 465.5 excluding Philip, public

roads, vacant crown lands 133. We have a lot of reserves per area of available finite land space and per head of population and I don't agree that it's threatened by development. We are talking of development of normal freehold land and I don't believe it's being disregarded. If it was being disregarded I wouldn't have put the submission out into the Gazette. I am not forced to have exposure of the draft plan. I can avoid it under section 12.2 of the Planning Act. The second dot point is that as density on Norfolk Island increases, adverse social and environmental impacts on residential development increase, such as reduced solar access, loss of privacy, loss of views and noise. Reduced solar access. Well you can get that by people next door planting too many trees. So I mean to say, when you ask them to cut it down so we have another environmental issue, caused this time by people growing trees and not by building. Loss of privacy. We are dealing with population control through the Minister Mr Brown on population controls loss of privacy is an issue that's been facing people living on Norfolk Island. I should imagine, since the first settlement, because we've had three lots of settlement. Each one of them has populated the island in their own way. This settlement has covered more and continues to cover more land and if people are saying that we are to stop development totally, no more building whatsoever, then I suggest that, that is just an unsustainable desire, because we are in the process of requiring economic and social sustainability as well as environmental, not just one, and by being responsible we are going to have growth, growth will mean development and development in some ways will bring on privacy problems which this plan will continue to work and will continue to have control over. Loss of views. That's a very personal issue. A very emotive one. Since I've been fortunate enough to live on Norfolk Island there have been substantial homes being built within my view shed. Does it affect me. No I still have the broader view. If you are going to complain about one or two houses going up, well then perhaps I think you've got to start taking a more realistic view of that concern. Noise. Noise is again a very subjective issue. I find that dot point actually a very emotive one and a very hard one to answer and I would take it that just about every Member around table and every Member of the community listening in today has their own subjective view of that dot point. The third dot point is environmental and social impacts will only get greater into the future as Norfolk Island becomes more developed and planning is required to facilitate consultation and comprise to obtain the best outcomes for all, not just the developer. I have a problem with the use of developer here. What the word conjures up because we are talking about builders who are being employed by Members of the community. The real issue when it does come around and what I hope this matter does make it through and is agreed to by my fellow Members is that this will free up the planning section and allow the planning officer to deal with the real issues and the real problems that are coming before her desk and across her desk, namely the sixteen or so ones for subdivision that will have far greater impact and concerns for Members of the community. I say that the plan continues to facilitate consultation and comprise and that's what we are doing here today. The fourth dot point says building approval alone will not address social and environmental impacts or sustainability issues, and is not sufficient to protect the natural and heritage values of a unique and finite island. I disagree. In the Building Act in section 16, matters to be considered when considering building applications has as clause c, any other matters considered by the chief officer to be relevant. The Chief Executive Officer can simply declare that section 84 of the Norfolk Island plan must be considered. I can do a ministerial that would have that as part of the building application, that those numerous items in section 84 of the Norfolk Island plan would come under consideration and that the delegation of the appropriate officers under the Chief Executive Officer would ensure that all the infrastructure, all the building inspectors, health and quarantine inspectors, would have to consider those aspects by moving from one column to the other, those issues can go with it and by moving that column from column 2 to column 1 Mr Speaker the building inspector is not having his workload overly increased. He's not having more applications come before him, as every application already goes before him. What that section would do, would perhaps add 10% onto his time. I have spoken at length with the relevant officer and he is confident of that. Point five is the Government should not relinquish control over residential development which has high potential for negative impact simply to reduce pressure from developers. We are not relinquishing control. We will retain control through building applications, and through that section 84 and again, the use of the word developers is one I object to. I would like to add that this is only for the first dwelling on the block. If anyone was wanting to put up a second house, that would automatically go as a permitted with consent and

should any of the concerns through section 84 not be met, well then it would still go back to a permitted with consent use. This is allowing what would normally go through, there is no shirking of any matters. Dot point six the plan should either be upheld and properly administered and implemented and rejected but not continually weakened through amendments. I've said in this house when the plan was introduced and through the other amendments that have gone before this Assembly that it is being upheld and properly administered. The ability to bring in draft plans I part of the plan, part of the Planning Act, and I'm going through and using proper process in order to try and get the concerns of the community dealt with and by implementing this change the dot point goes on further Mr Speaker, to say that by implementing this change the objectives of the plan would be comprised. Well I think I've said enough to say that I would disagree with that. The last dot point Mr Speaker is to say that this proposal is a stop gap measure that would negatively impact the silent sector of the community that do not benefit from development. Well all I can say to that is we all benefit from development the way the cash flow of develop works around the community affects most of us and what else can you say. To me it's another emotive issue, but I feel that what is being proposed today is following the intent of the plan. To me it was never set in stone, it was always meant to be fluid, it's coming to us through concerns raised by the community. I would be interested to hear what other members say but I believe it has standing and should be carried forward, thank you

MR SHERIDAN Mr Speaker thank you. Just a brief comment on the proposed change. I myself am a bit wary of hanging the plan as it stands now. I would like to see this proposal amended to leave new dwelling houses in column 2 and to add into column 1 extensions or alternations to existing dwelling houses in the rural, rural resident and residential zones. So that means that people who propose to build a new dwelling stay in column 2 and have to undertake a development approval application but for alternations and extensions to existing houses, they would just be done through a building application. Now the reason why I say this, is in the main, the definition in the Norfolk Island Plan of a residence is dwelling house. In there it also includes use as a family day centre and use to accommodate physically or mentally disabled people. Now they included those two applications you might say under a residence dwelling house and this is what we are proposing to move from column 2 to column 1. now I believe that buildings such as a family day care centre or physically or mentally disabled facilities should undergo a full development application so in that sense I will not be support the amendment as it stands today

MR TIM BROWN Mr Speaker thank you. I'm glad Mr Tim Sheridan spoke before me today because basically he's said what I was about to say. I understand the want to move the section where you are doing an alternation to an existing dwelling into the as of right, but when it's a new dwelling I'm a little more skeptical, thank you

MR GARDNER Mr Speaker just an interesting point in relation to that. Mr Speaker there are different size dwellings already in existence on the island. Some of them not much bigger than probably four or five metres by about four or five metres and by doing this I think Mr Sheridan's proposing basically opens up the potential for some of those very small dwellings to have significantly greater impact of being dealt with under a planning application than a new dwelling going through a development application because we are not talking about any controls on size or area or whatever in relation to an extension or further development. I remember one house in the last couple of years that was supposed to be just I guess a refurbishment and it basically doubled in size which was right on the side of the road and so I guess what I'm trying to express is that there is real potential unless there is significant controls with the proposals that Mr Sheridan's proposing to put in place, that there is real potential for it to really not deliver I think what Mr Sheridan's looking to. I just wanted to raise that because I don't think it's quite as simple as restricting it just to new developments because existing developments or extensions can be significantly greater than just having a new house put in place

MR SHERIDAN Mr Speaker just on what the Chief Minister has raised with his concerns with regards to alterations or extensions to an existing dwelling, getting out of

hand, then there's no reason to move anything from column 2 to column 1. Just leave everything as it is

MR GARDNER Mr Speaker I didn't express a concern with that, I expressed a concern with the proposal that was made. I have no difficulty with the proposal to move these items to column 1. my concerns I guess deal with other activities that can happen on a property that may be, not included in column 1 but need to be addressed under clause 89 or 81 under the plan where things are exempt and the potential for some of those things to actually or be required to be dealt with in a different way as well, but this is a step in the right direction as far as resolving some of the problems that we have encountered over the last twelve months or so. It's something that we are going to need to see, whether it does have negative impacts. I don't believe it will. If it does we are certainly empowered to come back and address that if we need to

MRS JACK Mr Speaker, Mr Sheridan raised his concerns over the extras in residence dwelling house. Those are for uses, not development. So if you have an existing house and you are wanting to use that house the use as a family day care centre for the reception etc, about the family day care centre and the use to accommodate physically or mentally disabled people. I would read that as a use for not a home occupation use, but use as an existing. I could have that clarified certainly, you've raised it, so that I can have a correct answer but that would be my interpretation

MR NOBBS Mr Speaker I think we've just highlighted the difficulties that I've always had with changing a plan in mid stream. I think there's far more involved in assessing the impacts of a change than just looking at a one off arrangement. The plan took considerable time to put together, there have been complaints in relation to the plan itself in the past, well it didn't please everybody I can assure you of that. The plan was brought in and I don't think any document would have pleased everybody, but so be it. It was accepted by the Assembly and put in place and I don't think we should go to changes willy nilly. We've had a few. One I did support was an obvious mistake in the maps accompanying the plan which was fine. That was an obvious mistake but I don't intend to support this proposal put up and I understand where the Minister is coming from. Maybe we should look at the processes involved in supporting this plan and the support mechanisms for the particular planning process and that might ease some of the problems that are being encountered at the present time. I understand that in the review of all the Administration that this particular aspect is being looked at, but I'm not privy to any recommendations etc as yet. Thank you Mr speaker. I say that. I've had plenty of recommendations from time to time but no official recommendations as yet, in relation to this particular area

MR BROWN Mr Speaker it seems that this motion requires quite a deal more discussion before we vote on it. I wonder if the best course would be for us to adjourn it today and if no other Member wishes to speak I'll be happy to adjourn it

MR GARDNER Mr Speaker I just want it noted that I think just today there has been more discussion and debate in what appears in columns under this plan than there was when we considered the plan in its entirety. I've been critical with the process about the plan in the past. I'm very clearly of the understanding that there was a real need to have a plan in place, but really just to highlight the fact that there's been more debate about what appears in columns here than there was in any of the development as far as members of the Legislative Assembly were concerned in the original Norfolk Island plan

MRS JACK Mr Speaker, I just also wanted to say that this is to be proposed as a staged release for want of a better word, that three zones out of something like thirteen, were considered. It wasn't just to be across the board and the reason why we chose those three rather than the commercial mixed use was the concentration aspect of allowing dwellings to go in where perhaps the concentration can add to strains on infrastructure issues like that Mr Speaker. It was just a staged release to see how it went, thank you

SPEAKER Thank you Mrs Jack. Anything further before I return to Mr Brown. Mr Brown you foreshadowed an adjournment

MR BROWN Mr Speaker I move the adjournment

SPEAKER Thank you. There being no further debate I put the question that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

QUESTION PUT
AGREED

That matter is so adjourned Honourable Members

EXEMPTION FROM PAYMENT OF CUSTOMS DUTY

MR NOBBS Mr Speaker I move that this House recommends to His Honour the Administrator that, acting in accordance with section 2B of the *Customs Act 1913*, he exempts from duty under section 2 of *Customs Act 1913*, goods within the following specified classes of goods —

Plant and equipment, and spares for those items, and all materials (excluding fuel and oil) which are imported into Norfolk Island for or in connection with works for the Norfolk Island Kingston Pier Refurbishment Project, on condition that:

1. written details of all such plant and equipment, and spares for those items, and all materials and their date of arrival on Norfolk Island are provided to the Collector of Customs, in accordance with the directions of the Collector of Customs; and
2. unless sold after importation, such plant and equipment, and spares for those items, and materials shall not, except with the executive member's written approval, be used otherwise than for or in connection with works for the Norfolk Island Kingston Pier Refurbishment Project; and
3. subject to any approval granted by the executive member under condition 2 herein, or unless sold after importation, the plant and equipment, and spares for those items, and all materials shall be exported from Norfolk Island upon completion of the works for the Norfolk Island Kingston Pier Refurbishment Project; and
4. where the plant or equipment, spares for those items, or any materials are sold in Norfolk Island duty shall be payable on the value at the date of importation into Norfolk Island of any such plant and equipment, spares for those items, or materials in accordance with section 2C of the *Customs Act 1913*; and
5. where there is any dispute as to whether plant or equipment, or spares for those items, or materials are goods within the specified classes of goods herein, the decision of the Collector of Customs shall be final and binding.

Mr Speaker I think that was enough said. It's fairly long and a convoluted motion. I don't recall having one so long on a similar subject in the past but anyhow, I suppose they are dotting the t's and crossing the i's in relation to the import of goods for use on the Kingston pier refurbishment project

MR GARDNER Mr Speaker motions like this have come before the house in relation to a number of different projects that have occurred over the island over a number of years and I think it's fair to say that every endeavour has been made to ensure that equipment and materials and the like that are already on island, the project managers of those types of projects have been encouraged to utilise those as best they can. I think it's also fair to say that to a large degree we haven't really explored or exhausted the options for utilising local plant and equipment, materials and the like and I don't know whether it would be appropriate. I know there's no urgency with this but maybe some adjournment would enable us to give some consideration to the motion to ensure that there are provisions in there that will ensure that the

process of accessing and utilising plant equipment and materials on island that are already here is exhausted. Now that can become a little complicated because if we are to say well without charging duty you are going to have to use somebody's truck and that the cost for utilising that cost will escalate out of sight overnight simply because we've gone and put a barrier up to bringing something in but I think if we can work on the words and get it right to ensure that it is the Legislative Assembly's intention to ensure that equipment on the island is utilised in these projects I would be far more comfortable with the proposal than I am at present, however I understand that this is not a project that Norfolk Island is funding but still it is important that we utilise those resources that we have currently available on the island to the best of our ability

MR NOBBS Mr Speaker I'm really surprised that that was a particular issue with the Chief Minister. It's in his area and as far as I can recall this project's been around for a number of years now and if there is a need to put something like this in a customs motion seeking exemption from customs duty well that's fine but I thought that the contract arrangements would be in place for that, but if they are not, well we can certainly cover it by the end. The proposal was to conclude this as I understand it, this morning, and if there is a need to hold it over until next week, I think it's been around for a little while although it's just come to me as the minister responsible for customs, but if there is a need to hold it over, that's fine with me and I'll move accordingly in due course

MR GARDNER Mr Speaker that's fine and normally I wouldn't raise it, because in other areas we have tried as best we can to utilise whether its contract arrangements or project briefs or whatever is required when we go to tender but normally there's been a two liner of words to the effect please make sure that you do utilise as best you can local equipment and resources. I think too often that's been slipped by. It hasn't been given the weight that it should be and I don't want to see that occur again because in the last Government I think we were bitten a couple of times where I don't believe the process was exhausted in ensuring that we were utilising local resources to the best of our ability

MR CHRISTIAN Thank you Mr Speaker, it's heartening to hear the Chief Minister basically go into battle for local industry and certainly if this is going to sit on the table for another month or so I would actually be suggesting that this exemption from payment of customs duty be amended so that it actually becomes a prohibited import to import anything into the island that could be got from local suppliers at a commercially competitive rate, thank you

SPEAKER Thank you. Any further debate. There being no further debate I look to you Mr Nobbs

MR NOBBS Mr Speaker, I move that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

SPEAKER Thank you. Mr Nobbs is moving an adjournment and there being no further debate I put the question that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

QUESTION PUT
AGREED

That matter is so adjourned Honourable Members

AIRPORT (AMENDMENT) BILL 2005

MR NOBBS Mr Speaker I present the Airport (Amendment) Bill 2005 and move that the Bill be agreed to in principle. The bill is introduced to allow an increase in

landing charges for aircraft that at present are capped 1.8 fee units or \$32.40 under the current arrangements or .8 per fee unit or \$14.40 per 1000 kilogram of maximum take off weight of an aircraft whichever is the higher. At the present time the Airport Act says that the maximum amount that can be charged as a landing fee at the Norfolk Island airport and as I said is 1.8 fee units per person per movement, this amount of 1.8 currently represents the maximum landing fee payable of \$32.40 per person per movement although the current charge is somewhat lower than this at \$26.50 per person per movement. The purpose of the proposed bill before us is to increase the maximum landing fee restriction to a more realistic amount based on future expenditure predictions at the Norfolk Island airport and in particular the runway upgrade that is currently taking place. A 15 year forward financial plan has been prepared for the Norfolk Island airport in conjunction with the Commonwealth Department of Transport and Regional Services as part of the runway upgrade loan application process. This plan responsibility forecasts loan repayments and future expenditure requirements over this fifteen year time frame. It is anticipated that the landing fees at the Norfolk Island Airport will need to be increased to between \$30 and \$40 per person per movement to fund this plan, and in particular the runway upgrade. I can say that no definitive figure has been established to date. Both major passenger airlines flying into Norfolk Island have I understand been consulted with regards to this pending increase and this consultation has been over the previous two years. The proposed bill will increase the maximum to \$50.40 based on the current fee unit but as I said it is not anticipated that it will be anywhere near that figure, thank you

SPEAKER Debate Honourable Members. No further debate? Mr Nobbs

MR NOBBS Mr Speaker, I move that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

SPEAKER There being no further debate I put the question that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

QUESTION PUT
AGREED

That matter is so adjourned. Honourable Members, we have concluded Notices for today and we commence Orders of the Day

PROCUREMENT OF FULL TIME COUNSELLING SERVICE FOR NORFOLK ISLAND

SPEAKER Honourable Members we resume on the question that the motion be agreed to and Mr Sheridan has the call to resume. Before you do resume Mr Sheridan may I say this to you Honourable Members, that given our last debate on this matter there were a number of points which were raised with me which relate to 72a, our Standing Orders 72a which relates to Conditions of Service and Conduct of Individuals who may be within the Service and I've made enquiries since then and as far as I am able to understand in this matter we still have in the employment a person who may well, given the context of debate last time, be identified as such. It will depend how the debate progresses today of course as to whether that continues to be the case but if it does continue to be the case then I will need to firmly draw your attention to 71a and 72a of course means that we need to suspend and exclude strangers if the debate moves in that direction

MR BROWN Mr Speaker I wonder if I could move that so much of Standing Orders 72a as may be required be suspended so as to allow full discussion of the motion

SPEAKER You certainly may do that and that is a motion now before us Honourable Members, and I put that question to you

QUESTION PUT

Would the Clerk please call the House

MR BUFFETT	NO
MR GARDNER	NO
MR SHERIDAN	NO
MR NOBBS	NO
MR CHRISTIAN	NO
MRS JACK	NO
MR TIM BROWN	AYE
MRS BOUDAN	NO
MR BROWN	AYE

The result of voting Honourable Members the ayes two the noes seven. The noes have it thank you, and therefore Standing Orders are not suspended in the context of the proposal put to us. We will not draw upon 72a at this moment. I foreshadowed that it would depend on how debate progressed. Mr Sheridan you have the call to resume in this matter

MR SHERIDAN Mr Speaker in continuing on with the discussion with regard to the requirement for a full time generic counselling service to be based on Norfolk Island so that the community can access this service as and when required I can assure this House that I won't take up too much of their time. I intend to stick to the facts and do not intend to let personal emotions obscure these facts. At the last sitting discussion wandered off the path as to whether the counselling service was a necessary service and one that the community wanted. I believe that digression into personalities, homosexuality, pornographic radio programmes, do not enhance the objectives that this community wish to achieve. I believe that the issue here is not whether or not the island requires the services of a counsellor because I believe that we all agree that the service is required. The real question is whether or not that service is to be full time or part time. Mr speaker in support of a full time service, one can only raise for discussion what has been reported upon and in this instance the final report from the outgoing counselling indicates by the use of data and statistics coupled together with recommendations from people in professional fields, all validate the need for this service to be continued as a full time counselling service and health education/promotion. Although the outgoing counsellor provided a final report that was not as comprehensive as one would hope, the collection of data and statistics indicate that there was a total of 76 people who accessed the service over the past eighteen months. Of these 32 were male, 44 were female. Ages of those accessing the counselling service were from ages 15 years to over 60 years of age. One can only ascertain that this service was seen by the community to be that they all could access whether male or female and by any age group. This full time service has also been supported in full by the doctors from the hospital, the Hospital Director himself, the police sergeant, customs manager and the Norfolk Island Central School and most importantly the Members of the community who took time to sign the petition in support of a full time counsellor. One can only be inclined to believe that this full time service is of vital importance to the community of Norfolk Island. During the last sitting the Minister indicated that the cost of providing a full time counsellor could be prohibitive and that cost cutting may be necessary if the Legislative Assembly decided to go down the path of providing full time services. The Minister's preferred option is to provide for a monthly service by the Salvation Army for a week at a time. One question that I would put to the Minister is whether or not the Salvation Army is prepared to send an officer to the island for one week a month and if they were prepared to do so, when would the first visit be considering that the last counsellor departed last month, although I believe she was only on leave at the time, she left the island last month. Mr Speaker the problems that I see with this option is that the island is not guaranteed of a dedicated service. Salvation Army officers may be reluctant to visit Norfolk Island systematically because of their own clients needs on the mainland. If they could be released the Salvation Army officers may not necessarily be the same person each visit and this would tend to not be conducive with Norfolk Island clients building up a relationship with their counsellor. It would also almost guarantee that the community would not access this option as readily as an on island full time

counsellor because of the lack of continuity. This option would I believe also be a very expensive one when comparing costs to the actual time on island, considering that the island would only have a counsellor on island for a period of twelve weeks over a twelve month period. Indications from the service indicate that the cost for providing this service would be in the vicinity of \$40,000 for a service that is providing 25% coverage over a year. On the other hand costing from the service indicate that the past full time counsellor approximately \$63,000 over a twelve month period. This \$63,000 included her salary, relocation expenses, rental assistance, gratuity, car hire, phone charge, workers comp etc. Mr Speaker, this equates to approximately 50% more costly over a twelve month period for a service which will be four times as great or will give 400% better coverage. I believe that the extra \$23000 would be money well spent. As for where the funds would come from to maintain this full time counsellor I believe that there has been \$60000 budgeted in the 0506 financial year budget to facilitate this service. On winding up I would like to say that this Legislative Assembly has a responsibility to the community to provide services for their needs and I believe that the community has demonstrated that requirement is necessary and to pinch a line from a letter of support, "health and education are two vital services that should never be comprised." Mr Speaker the Minister responsible should be insuring that the community has access to personal counselling services on island on a 24/7 basis, thank you

MR NOBBS

Mr Speaker I 'm not patting myself on the back but I can tell you that the original DAA Working Group was an initiative of Mr Sheridan's brother and a few other people who I can't name because they're in the service, but they came to me and suggested that as I was the Minister for Finance at the time that we should look at the particular problems. The DAA Working Group was established and being the Minister for Finance I was able to scrounge some funds to actually get an advisor over here to address the group and have a look at the island and that was done through the Salvation Army and the head of their project side in this area, came over and he spent a week here. It didn't cost us a lot of money, I think it cost us an airfare, that's all, if that then we had the proposal to have a professional come over and actually sit down and assess the views of the people and look at the particular problems we had. Miss Deb Church was put on. We managed to scrounge a few more dollars and she spent several months here and put together a very comprehensive report including an area from a survey which was done which the community contributed to magnificently actually. I was quite staggered by the response. Miss Church then provided a report. I got kicked out. The next Legislative Assembly came along and they weren't too keen on providing the service at the time. The DAA Working Group actually looked around for support, they got support from the Lion's club and others to actually bring somebody over for a three month period. This happened and then the Government took it on board and they extended the appointment of the counsellor for a further 12 months. The current Government came in. the Counsellors' time was due to run out, it was discussed by the government and the Minister for Health had fairly strong views and other Members of the Government had views, that's the four ministers may I add for the benefit of the listening public, and I believe that we came to an agreement, and this is what I believe I was left with, that we would support the proposal put by the Minister for Health provided that the head of the Salvation Army's section in that area came back in the first week and provided a report to us of exactly where we were going. Now subsequent to that I've been a bit tied up in a lot of other things so I'm not too sure where we are going on it apart from the fact that we have not been able to source that particular person. My suggestion is that if that is the case and I understand from some discussions we had at a meeting – the DAA Working Group is still going, they meet every month, they are wonderful dedicated people and they just keep turning up and they do a very good job for the community and I would like to thank them for their support over the last five years, but the situation is that where we are at, at the present time now, I ask two things. Firstly would Members please not take this in a personalized terminology in any way and get down to some of the debate that went on at the last sitting which wasn't really good. We don't need to get that. Would we please get above it. I believe that the government needs to review where it is now and that's the four minister's. I think it should be passed back to the four Minister's to come to an arrangement or to make a decision in the next few days as to where we are actually going with this particular issue. I'm fully supportive of a counsellor being made available to the island. The Minister for Health suggests one form and there are other diverging

views in the community. All I ask is that we not politicize this whole saga at the moment and that we go back, let the government sort it out and come back with a recommendation to the Legislative Assembly, thank you Mr Speaker

MRS BOUDAN Thank you Mr Speaker. I would be happy to see a full time counseling service on the island. I'm not sure if we've had any calling from any of the areas that would be aware and might even request that there be such a service full time, may I ask has any investigation been made in the area of the hospital or anywhere else as to this requirement, please

MR BROWN Mr Speaker I have no difficulty with the suggestion of the minister for Finance. If at the end of the day the Government wishes to pay the cost of a full time counsellor and believes that, that is a more important way to spend money than perhaps other competing requests, then so be it. But I think that the House needs to think carefully before passing a motion of the nature of that which is before us because it is very easy to come to this place with demands that money be spent on x and y and z and everything from a through to t but just as we have established an impact of bills committee,; just as we are trying to ensure that we understand the financial impact of legislative proposals, we should understand the financial impact not only of Mr Sheridan's proposal but of every other proposal which is before us. Members can rest assured that there is no shortage of worthwhile courses which will be promoted to us. Members can be assured that the school can do with an extra two remedial teachers, Members can be assured that the school can do with four or five additional specialists teachers in various areas, Members can be assured the hospital would love to have far more staff, a brand new building and beautiful new equipment. Members can be assured that I would like to be able to do far more for our social service beneficiaries that we do at present but all of those things have to be looked at together. We've got to work out which are the most valid of the competing courses and we've got to work out what we can fund and what we simply can't afford to fund. At the end of the day if we say yes to everything Mr Speaker, there is no doubt that we would have to introduce each and every tax that is experienced on the Australian mainland because it is only by doing that, that we would be able to look after every whim of every Member in the community and even in the Australian environment, you only have to look at the newspapers day after day and the television night after night to see that not the whole of the community there is satisfied with what's being provided, but I'm quite happy, if the House decides it wants to do this, I just like the House to tell me what it would like to cut out to allow the costs to be paid if the proposal of the Minister for Finance that the Government address the issue again is the wish of the House then I'm quite happy with that. Mr Sheridan did ask if the Salvation Army is available to provide the service. Mr Speaker Members may be interested to know that it was I think as long ago as December that we started talking about this and at that stage if my recollection is correct, the Government formed a view that a part time replacement service was, to use in the words of the Minister for Finance, the way to go. That was a long time ago but unfortunately it seem that little was done in order to implement that. What occurred rather than implementing the decision was the gradual assembly of a group of people who had a different view and did not wish to see that decision implemented the costing from the Salvation Army was only obtained in quite recent times. A costing was provided and the service did not understand when it tried to tie that costing together, for example that every air ticket from Norfolk Island does not cost \$1300 and yet the service had twelve air tickets at \$1300 and had twelve lots of accommodation. It had twelve lots of rental car hire. Well many of us around this table will be aware that the newspapers week after week have special holiday packages which include airfare, accommodation and car for well under the amount that the service thought at the time would be the cost of the airfare. So its obvious that the numbers prepared by the service need some review and I've drawn that to the attention of the service, but the response I received very late yesterday, was to the effect that, that all doesn't matter because the Salvation Army doesn't have anyone available to do the job. Now I have asked for the contact details of the Salvation Army so that I can speak with them myself. I do not know whether that is a finite statement by the Salvation Army. I would be most amazed if it is because I'm well aware that they have been extremely helpful in the past and this is not a situation where they are being invited to do something on a charitable basis. This is something that is intended to be a cost recovery

situation so I can't answer Mr Sheridan's question today Mr Speaker. I'm stunned that the issue was raised for the first time yesterday after almost six months of the issue being well known within the service, but as I said, I will be happy to implement whatever decision may be made by the House. I think that my preference however is along the lines of that expressed by the Minister for Finance that in light of the representations that have been made, the Government review the situation during the course of this week, and I don't think there's anything more than that, that I wish to add thank you

MR SHERIDAN Mr Speaker just continuing on, I find it very surprising that when the Minister first proposed this scenario, as he said December last year, well some four or five months ago and at the time yes, I was in agreeance with it. I believe circumstances have changed since then to facilitate the move for a move time councilor. What I do find surprising is that this was first voiced by the Minister in December and it's only yesterday that we have had word from the Salvation Army that they would not be prepared to send someone over for a week at a time. Now I know the Minister has stated that he hasn't spoken with them directly but its under his portfolio to make this happen. Now this is five months down the track. We all knew the counsellor was leaving and there were moves afoot to change the system. I would have thought that if we were to change the system, the Minister responsible would have had details in place well before she left and that the first visit from the Salvation Army would have been programmed shortly thereafter her departing this island.

MR BROWN Mr Speaker Mr Sheridan is being critical of me and he's entitled to be as critical of me as he wishes to be at any time however it's important to understand that the role of an executive in Government in Norfolk Island must be carried out in the context of having one Secretary to Government, one Research Assistant and no other staff. Work in Norfolk Island as in other places is done by the Service and Mr Sheridan wishes to enquire as to why it is that things took so long in the service, well he's welcome to do that and I'll certainly make that enquiry for him, but the facts of the matter are that it is in quite recent times that the service agreed to seek a price from the Salvation Army to do the work, the Salvation Army did provide that price and it is only yesterday that the service has advised that on whatever basis, the Salvation Army is unable to provide the service. Now I haven't yet had the time to follow that through. I asked yesterday for the contact details for the person who declined to provide the service so that I can check whether that is a problem that is going to exist for a week or a long term problem or whether it's a real problem at all. I have conveyed to you the best knowledge I've got at the moment but I've not had the time or the opportunity to follow it up

MR NOBBS Mr Speaker, I move that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

SPEAKER Thank you. Mr Nobbs is moving an adjournment and there being no further debate I put the question that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting

QUESTION PUT
AGREED

That matter is so adjourned Honourable Members

HEALTHCARE (AMENDMENT NO 2) BILL 2005

SPEAKER Honourable Members we resume debate from 20 April on the question that the Bill be agreed to in principle and Mr Brown has the call to resume

MR BROWN Mr Speaker there is nothing that I wish to add today to what was said at our last meeting. This is a minor amendment to the Healthcare legislation and I seek the support of Members to it

SPEAKER Thank you Mr Brown. Any further debate Honourable Members. We have a question before us that the bill be agreed to in principle and I put the question

QUESTION PUT
AGREED

That matter is so agreed. The detail stage? Do you wish to dispense with the detail stage Honourable Members. We so dispense therefore I seek a final motion Mr Brown

MR BROWN Mr Speaker I move that the Bill be agreed to

SPEAKER The question is that the Bill be agreed to. Any final debate? There being no further debate I put the question that the motion be agreed to

QUESTION PUT
AGREED

I think the Ayes have it. The motion is agreed to.

FIXING OF NEXT SITTING DAY

MR SHERIDAN Mr Speaker before I move that can I reflect back to the start of the this meeting when the questions without notice were tabled and one of the Ministers wasn't here. Would I be able to ask a question now?

SPEAKER To be quite frank I'm not of a mind to rejuggle the order of debate. However, can I draw your attention to the fact that we still have an adjournment debate and if in fact you would like to utilise that opportunity you can certainly raise the matter. Whether the Minister would be in a position to respond would be up to him

MR SHERIDAN Thank you Mr Speaker. I move that the House at its rising adjourn until Wednesday 15 June 2005 at 10 am

SPEAKER Thank you Mr Sheridan. Any further debate Honourable Members. There being no further debate I put the question that the motion be agreed to

QUESTION PUT
AGREED

I think the Ayes have it. We are agreed on that matter

ADJOURNMENT

MR BROWN Mr Speaker I move that the House do now adjourn

SPEAKER Thank you Mr Brown. The question is that the House do now adjourn. Any adjournment debate

MR BROWN Mr Speaker I have a commitment at the school in five minutes time. I'm aware that Mr Sheridan has a question

SPEAKER I will turn to him first if I may

MR BROWN
if you would excuse me

Mr Speaker certainly, and after I respond to that I wonder

MR SHERIDAN
Mr Speaker thank you. I'm sure that the reply won't take long and I'm sure the school may very well be listening so they'll understand why you're a bit late there Minister. Just a quick question in the context of medical evacuations from Norfolk Island. Is there any progress on the proposal forwarded by the Administration last year to the Minister for Health with the suggestion to increase the Healthcare Levy to ensure that no resident was presented or liable for a large expense bill when faced with medical evacuation from Norfolk Island

MR BROWN
Mr Speaker the proposal that was put up by the service last year was one could say a very early draft in a very lengthy discussion. What the service did was to look to the cost over recent years of medical evacuations, divide that by the number of healthcare Members and suggest that the healthcare Levy therefore be increased. My response to that was that firstly the paper did not address the issue of social service beneficiaries, secondly it did not address the issues of managing the costs. What's being done since is that I have obtained a number of quotations which were sought I believe by the hospital at earlier times, and they were from recollection in the region of half a million dollars per year and did not provide massive cover. In particular the island would have had a very substantial excess to pay before the insurers cut in. I then went to one of the travel insurers and had personal discussions and invited them to provide a proposal for an all inclusive insurance policy to cover medical evacuations from the island. It took quite a bit of work and quite some time for that to come back, and the proposal came back in three parts. The first was a premium per visitor and added to that would be a premium per resident above the age of six months and the final part of it was a proposal to manage the decisions of our evacuations so that, that decision making process was taken from the shoulders of the doctors and the doctors could get on with their jobs and someone who could handle medical evacuations 24 hours per day every day of the year would assist in terms of deciding whether an evacuation was necessary, and if so, what type of evacuation. A charter aircraft at the top end of the scale, stretcher on a scheduled service, and then walking wounded using an ordinary seat on a scheduled aircraft. I'm about to bring a proposal to Members to adopt part of that which is to adopt the management component, and to either increase the departure levy by \$5, or in the event that the Minister for finance proceeds with his plan to take the Departure Tax back to zero my proposal will be to leave it at \$5, paid by everyone who comes and goes, together with an increase in the healthcare levy probably of \$50 per six months with a requirement that a person use his travel or private health insurance before calling on the fund and with the intention of minimizing the number of charter evacuations in the course of a year. Acquiring two approved aircraft stretchers, obtaining the cooperation of the airlines in using those stretchers and providing a comprehensive medical evacuation service rather than simply taking no action to manage the cost, no action to provide expertise in deciding just how the service should be run and a knee-jerk reaction of simply saying, one at stage the proposal was simply to increase the departure tax by I think \$15 and the more recent Administration proposal had been to increase the healthcare levy but that's the situation which it has reached at present

MR SHERIDAN
Mr Speaker if I could please follow up on that. Just going on from that Minister it's great to hear that there are moves afoot to alleviate this problem that we do face but the problem that we do face is that the past practice has been for the Administration to cover the cost for medical evacuation. What I'd like to know now is what is the current policy with regard to medical evacuation from Norfolk Island

MR BROWN
Mr Speaker for a short time the Government had a policy of covering evacuation costs. That policy was introduced for a very short period with the intention that a long term be put into place as soon as possible. Unfortunately that long term scheme was never put in place. Prior to that change the position had always been that if an airfare aircraft did not provide assistance the patient would be required to pay the cost unless the patient was an HMA beneficiary. Now the patient may have paid the cost through having travel insurance, a health insurance which included an emergency evacuation cover or simply

received the bill and that's the way it is today. If a person requires evacuation, does not have insurance cover, the Government picks up the cost of the flight so it operates but the person receives a bill for that amount and I'm aiming at improving on that situation as soon as possible. Improving on that situation in a properly funded and thought out fashion as soon as we can and it may well be possible to achieve that before our next meeting, thank you

SPEAKER Thank you Mr Brown. Any further debate Honourable Members. There being no further debate I put the question

QUESTION
AGREED

The motion is agreed to. Honourable Members this House stands adjourned until Wednesday 15 June 2005 at 10 o'clock in the morning

