

13 years of age had met Neil Christian in New Zealand, so it surprised no-one when they built their own beautiful home, Down the Paddock, in walking distance from the home Debbie had grown up in. She and Neil had two sons, Cameron and Ryan who she loved dearly and was fiercely proud of. Debbie was vibrant and gregarious. She loved country music and fine clothes. She had a wonderful sense of humour and enveloped those around her in her warm and loving personality. Debbie was beautiful to look at and a beautiful person. She will be sadly missed in our community. To Neil, Cameron and Ryan, to Shirlene, Claudine, Kerry and their families and to her many relatives and friends, this House extends its deepest sympathy.

Neil Reynolds was an accountant on the island for many years but following a stroke he had bravely battled with ill health. Neil was President and Treasurer of the Golf Club for many years before he built his dream "Happy Valley Golf Course" where his love and passion for golf as shared with this many friends. To his wife Thelma, to Kim, Stephen, Vicky and to his many friends this House extends its deepest sympathy

Alison was the beloved daughter of the late David and Ellen Jack. Ali was born in New Zealand in 1959 and moved with her family to Norfolk Island in 1977. Ali loved Norfolk and enjoyed many years of good health and great happiness. She was an integral part of the local community and was an honorary member of the Norfolk Island Police. In 1995 she left Norfolk and settled in Queensland with Ellen. Ali passed away peacefully on Sunday 29th May in the Caboolture Hospital. To Alison's mother, to her family and friends this House extends its deepest sympathy

Noel was born in 1956 in Sydney, the second son of Ruth and Baker McCoy. He arrived at the same time as the first Qantas 707 Jet arrived over Sydney Harbour and, to the McCoy family, with their love of mechanics, this was a very good omen. In 1962 the McCoy's came home to live in their home Allendale at Ball Bay. The children went to school here and on completion, Noel moved to Sydney to complete a mechanical trade, at which he excelled. He loved motor vehicles and had a gift of being able to fix anything. In Australia he began lifelong friendships, many of them remaining close to this day. He made his home in Northern New South Wales and lived an uncluttered lifestyle with Jeff and his faithful Dalmatian Cassie, surrounded by a beautiful garden with birds, plants and wildlife. His sister Shell moved to Tweed to be in close proximity and she and Noel were never far apart. One of his recent achievements was to make a tour of Australia with his mother, Ruth. Noel had immense strength of character mixed with a rare courage as he battled with his illness. He passed away peacefully at his home in Stoker's Siding on Sunday 29th May. To Jeff, Ruth, Diz, Jen and Shell who was with him, to Baker and Gary and his family and friends, this House extends its deepest sympathy.

Tony was the loved son of Rose Latham and the late Charles Scown. Tony was tragically killed in an accident on 1st June in Auckland, New Zealand and to his mother, his brother Maurice, his sisters Heather, Yvonne and Sheryl and their families this House extends its deepest sympathy

Ellen Craigelene Parsons was born in 1942 on Norfolk Island, eldest child of Greg and Joy Quintal. Her sister Grace and brothers Reggie and Les soon followed. Ellen and her siblings were raised at Greg and Joy's farm at puppy's point. Ellen went to school on Norfolk and after finishing school Ellen moved to Sydney with Claire Edwards, where she worked and met the love of her life, Garry "Grunt" Parsons. Garry and Ellen married in Sydney before returning to Norfolk Island with baby Donna. Georgie arrived a couple of years later and the family lived in Joy's family home at ball bay. Ellen was a great wife to Garry, and a loving mother to George and Donna, Corinne and Dave. She was a very proud Nan of Korin, Caine, Mitch and Ebony and a loyal daughter and sister. She loved her extended family and always joined in family occasions with gusto. She enjoyed company and spending time with her friends who were numerous and diverse. Ellen passed away suddenly on Friday, 10th June. To Donna and George and their families, to Greg, Grace, Reggie, Les and their families, and to her many friends, 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 CHRISTIAN Mr Speaker I direct my first question to the Minister for the Environment. Minister in a recent press release you announced the Commonwealth Government had agreed to fund a tub grinder for the waste management centre. Has the Commonwealth also agreed to fund all the necessary ancilliary equipment and to replace the tub grinder and all ancilliary equipment when they pas their use-by date

MRS JACK Mr Speaker, the short answer to that would be no. the money for the tub grinder includes the writing of the specifications to ensure that we get the tub grinder best suited to our needs. There will be money left over to assist us with freight and maybe some of the monies will be able to go to, if you mean auxiliary equipment, the loader that you'll need to put it into the hopper, that should be envisaged to have part payment go over there, as for the rest of it, I should imagine full replacement costs would not be a part of it. Repairs and maintenance as it said in the press release, will be up for some of the running costs and repairs and maintenance will come into those running costs Thank you

MR CHRISTIAN Thank you Mr Speaker, this is a supplementary question for the Minister for the Environment, Minister before agreeing to the purchase of a tub grinder was a cost benefit analysis carried out to determine which was cheaper to operate, a tub grinder or a box of matches

MRS JACK Mr Speaker, no it wasn't. what was worked out what would be best for the environment overall for Norfolk Island and a large fire burning didn't seem to me to be an option that one should even pursue. What we are wanting to do is make something usable out of our waste, not something detrimental to the environment

MR CHRISTIAN Thank you Mr Speaker, I direct my next question to the Minister for the Environment also. Minister you have stated that you intend to convert all building waste into fertilizer to be spread around the island. Is it your intention to also spread rusty nails, sharp shredded pieces of metal and glass slivers as ingredients in your fertilizer

MRS JACK I think that could have been better placed in the press release. Mr Speaker the builders waste that would be able to be put through that would be the non CCA items not just general builders waste. What we are hoping to do in the long term is to sort out the CCA treated timber against that which is not treated and from the timber that is not treated to try and recycle as much of that by either replaying or trying to get the community to reuse it. For the CCA treated timber, trying to also reclaim that and recycle it and then one would hope that a couple of years, certainly no longer I would hope that we could afford somehow to put in a high temperature incinerator, that we would be able to put such treated waste and burn it off and then you are left with the ashes which can be then got rid of in a better system then at present which is just burning it in the hopper out at the bottom tip, so no I

would certainly not envisage spreading all that builders waste throughout the community Mr Christian

MR T BROWN Mr Speaker a question for the Minister for Finance does the mail to Australia still get sent via New Zealand and if so, will the Minister please explain why the mail is not sent directly to Australia on the Government's own aircraft

MR NOBBS Thank you Mr Brown. No, we have a contract with Air New Zealand and haven't even thought about changing the current arrangements at this stage. I haven't had advise in relation to that at this point so I'll take that on notice if you don't mind, thank you

MR T BROWN Mr Speaker this is a question for the Chief Minister as Minister for Tourism. What were the forward tourist bookings immediately prior to the closure of Norfolk Jet and what are they now and have you been able to gauge the effectiveness of the mega famil and your winter campaign

MR GARDNER Mr Speaker in response to that, we have no informed number provided to us other than some numbers from Norfolk Jet Express which gave an indication that a number of tickets that may have been issued or forward bookings that were in the system subject obviously to confirmation of group tour arrangements and those that are aware of the way Norfolk Jet Express ran those bookings, there was a period of some 60 days I believe out from the current date where those group bookings were confirmed, past that date bookings obviously were elastic or rubbery simply because they were unable to be confirmed at that time. However, to answer Mr Brown's question in relation to that as far as an overview, the bookings were not solid, certainly over the next three months but indications from QANTAS that have been gathered since Norfolk Jet Express demise on the 3rd June have indicated that Qantas's bookings were solid from three months in which is obviously in line with the more solid or high season. I might just ask if I could if Mr Brown could just repeat the second part of the question

MR T BROWN What are they now and how have you been able to gauge the effectiveness of the mega famil in your winter campaign

MR GARDNER I don't have the figures available immediately to hand Mr Speaker. I haven't had a report back from QANTAS on the confirmation of the reticketing or the arrangements that are in place to date but I'll certainly make that available to Members as soon as I have my hands on it. As far as the mega famil campaign is concerned it's impossible at this stage to gauge the success or otherwise of that campaign simply because of a number of factors. Part of those and part of the airline services, the general lack of confidence I believe in the destination that had arisen and a number of other factors, too many to discuss at this time, but as I said I'm unable to quantify the success or otherwise of any campaign that we run, I guess that generally that is reflected in the number of bookings that come to hand and I'm encouraged in the last few days the reports that I've had of bookings that seem to be now flowing into the system, whether that's because of the changes circumstances or not I don't know or as we are approaching the high season, I'm unable to gauge and confirm that at this stage

MR T BROWN Mr Speaker another one for the Chief Minister. How much does it cost us so far to run Chief Minister airlines and was it the cheapest deal we could have got, and how is that better than receiving \$60,000 a week late

MR GARDNER Mr Speaker I'm unable to provide an accurate costing of the services that have been provided to date. The air service that has been provided is being provided by Air Nauru is the operator of the aircraft under a co share arrangement with QANTAS airlines. There is no name that's been given to that airline, it is simply an air service that is available to Norfolk Island but at this stage the ticketing and ground handling situations are being handled by QANTAS and as I said the services have been run by Air Nauru

MR CHRISTIAN Thank you Mr Speaker, I direct my next question to the Minister for Finance, Minister will you explore the option of extending the Australian Customs and Quarantine boundaries to include Norfolk Island to facilitate the movement of airline passengers and freight between Norfolk Island and Australia and possibly New Zealand

MR NOBBS Mr Speaker that issue has been brought up in the last week. I mentioned it to Members I believe yesterday. It's something that the Government will be exploring definitely to see whether there are advantages. We believe at this stage that there are advantages, but there are issues that need to be dealt with, including getting the agreement of both the Australian and New Zealand Governments so that it's something that's being progressed and I would hope to have more detail in the not too distant future Mr Speaker

MR CHRISTIAN Thank you Mr Speaker, I direct my next question to the Minister for Finance as well. Minister can you give this House an assurance that the proposed Norfolk Island Sustainability Levy or NSL rate will not exceed 10% and that the levy will not be a compounding one

MR NOBBS Mr Speaker thank you and thank you Mr Christian. In relation to the NSL I've made it abundantly clear that the concept is being refined at this point in time. I can't give an assurance of the rate of the NSL or what process it will be brought in under, whether its compounding, cascading if you like, whether it's a final one off at point of sale, as a retail type arrangement or there will be drawbacks as occurs elsewhere. At this stage I can't do that. I'll be making a very brief statement on the NSL in statement time

MR CHRISTIAN Thank you Mr Speaker, a supplementary to the Minister for Finance. Minister in your NSL deliberations, has any consideration been given to splitting the business sector into two parts. One importers and two service providers and allowing the importers to continue to pay customs duty as they do now and levying the NSL on the service providers at a lower rate in recognition of the fact that their business consumes goods which have already had import duty paid

MR NOBBS Mr Speaker that's been a consideration. That's been one of the particular considerations and one that I know Mr Christian has been a champion off over the past few weeks and the current arrangements really are, what we are trying to find at the present time is to map the economy as it is right across the board whether they be importers or local producers or where we're actually at and we're at that stage now and there are difficulties in that. It's been recognised over the years that because of the fact that businesses don't officially have to submit returns and the like to the Government the Government doesn't have the information at its fingertips and we need to source that from the community and that's an issue that's being dealt with at the present time

MR T BROWN Mr Speaker this is a question for the Minister for the Environment, somewhat of a follow up to Mr Neville Christian's questions. How much will it cost to operate and maintain the tub grinder, what is its lifespan and how much will need to be put away each year for its eventual replacement and where will this money come from

MRS JACK Mr Speaker, plant operation is estimated to be something like \$45,000 per year. These are all ball park figures Mr Speaker. We haven't been able to do total thorough costings as yet, but these have been able to be provided to the Commonwealth, they needed some sort of response by us as we said we were going in, in kind and so these are rubbery type of figures. Maintenance is expected to be something around the vicinity of \$10,000. Resource allocations and reporting \$5000, project management of it all \$15,000, other activities \$90,000. These are over, not just a year, but over a couple of years to we can see the actual running costs they may be less. I would just like to say that I've had some advise back from the service regarding Mr Neville Christian's question and the money that's been put aside in the budget is for the tub grinder and also includes money for a loader which will be required to load the grinder avoiding manhandling, on ground mulching, freight, training using

the equipment properly, a community awareness programme, contract management purchasing activities so that we can go and see these sorts of things in operation over in Australia, green waste bay construction which will be based to hold the processed material prior to distribution and in the several stages of compositing and a machine bay for protection of the machines, thank you

MRS JACK

Mr Speaker, I'll take that one on notice if I may

SPEAKER

Any further questions without notice Honourable Members? No further questions without notice.

PRESENTATION OF PAPERS

Any Papers for presentation this morning.

MR GARDNER

Mr Speaker as has normally been the case I have attempted to provide at each month's sitting visitor arrival statistics and number and for a number of reasons over the last couple of months I haven't been able to or been in a position to be able to provide them simply because of the matters relating to the accuracy of the numbers and the addition in columns but Mr Speaker today I provide the arrival statistics for the month of May not in the normal fashion that they usually are in because of the events over the last couple of weeks but there is certainly from that a further disturbing trend that it out of the norm with the months previous to that which showed that we had enjoyed an increase of visitor arrivals to Norfolk Island in April I understand of some 200 more than the April in the last year but the numbers for May indicate that we have had a significant decline in numbers compared to May of last year of some 1000 Mr Speaker or thereabouts. As I've said I haven't got the other documentation with me to be able to compare those figures. It is a disturbing trend, it is something that has been signified for many months now and certainly well into last year attempts have been made to address those declining numbers. I was asked questions before about the mega famil and the winter campaign. Those appear at this stage not to have provided the necessary sustenance to ensure that the figures reverse the decline, however we are now at the recruitment of the new Tourist Bureau Manager and the expert aviation advise that we are recruiting in the course of the events that have occurred over recent weeks, compel now to have to turn our attention to ensuring that we turn those numbers around, that is obviously in the best interests of the air services that we have serve icing Norfolk Island to date and certainly in the best interests of the community of Norfolk Island to ensure that we reverse those declines and I table that paper. As I said, not in the normal form. We haven't received those to date but as soon as they are they'll be circulated to Members, Thank you

MR NOBBS

Mr Speaker I table the revenue fund financial indicators for May 2005 and the indicators report is based on the revised budget which was accepted by Members on the 3rd February 2005, authorised virements and carry forward from 2003-2004 financial year of \$96,900 in appropriations. As at the 31st May 2005 the revenue fund overall income is 97.5% of the revised budget, that is, \$263,000 short. Customs duty in the income side of course is \$415,000 short of budget and the sum total of other taxes categories is \$47,000 short of budget. Departure fees are \$80,000 short and FIL receipts are \$221,000 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 May 2005 is on a pro rata basis about 5.2% is \$638,000 under the revised budget. For the pro rata period to May 31st the revised budget is in deficit of 1.605m which on the pro rata basis it's some \$375,000 less than that budgeted. Thank you Mr Speaker

SPEAKER

Are there any further Papers for tabling? Are there any regulations for tabling?

MR NOBBS

Mr Speaker table the airport landing fee exemptions for the period 1st July 2003 to 30th June 2004. We are required annually to table exemptions that have been made under the Norfolk Island Airport Act and it was discovered that they weren't

tabled for the financial year 2003-2004 and I am tabling those now. They amount to some 1497 passengers were FOC during that financial year

SPEAKER Any further Papers. Honourable Members we move to Statements of an official nature

STATEMENTS OF AN OFFICIAL NATURE

SPEAKER Any Statements Honourable Members?

MR GARDNER Mr Speaker thank you. I wish to make a brief statement in relation to air passenger services to Norfolk Island. The community is aware of the circumstances leading up to and surrounding the cessation of flights by Norfolk Jet Express and I don't propose repeating those events today. I do however wish to take this opportunity to thank all those people and organisations who have provided support to the Norfolk Island Government to ensure the continuation of passenger air services to Norfolk Island. Mr Speaker time doesn't allow me to mention everyone but I would particularly like to extend my appreciation to the Chairperson of the Norfolk Island Government Tourist Bureau the staff of the Visitors Information Centre, local travel agents and the tourism industry. I also extend on behalf of the Norfolk Island Government our thanks to Alliance Airlines and to Qantas for their prompt response, co-operation and assistance in ensuring that in the short term passenger air services were not interrupted and the inconvenience to travelers were minimized and also Mr Speaker to thank Qantas and Air Nauru for their ongoing commitment in providing passenger air services which will commence the restoration of confidence in our tourism industry. In addition I would like to extend our heartfelt thanks to all our visitors who despite the uncertainties have continued to visit Norfolk Island and we look forward to welcoming them again in the future

MR NOBBS Mr Speaker I wish to advise that the concept of a broad based consumption tax for Norfolk Island is still being progressed. As Members are aware there has been concern expressed over the years that due to the lack of official requirements to divulge business information details of the islands actual economy was scant. The Commonwealth was requested to provide assistance in mapping the island's economy as such information was critical to the settling of a levy rate. The Commonwealth provided three Public Servants who visited the island two weeks ago for three days. Whilst assistance by the Commonwealth is much appreciated to date I have not received a report on their visit. I will have more details for Members and the community following the receipt of this report and subsequent discussions with the NSL implementation group, thank you Mr Speaker

SPEAKER Thank you Mr Nobbs. Further statements?

MR GARDNER Mr Speaker thank you. Just a statement if I may in relation to the commencement of the Legislative Assembly Register of Members Interest Act of 2004. the remaining sections and provisions within that act are proposed to be commenced on or about the 24 June this year. That piece of legislation that I'm referring to was passed by the 10th Legislative Assembly as part of the good governance package that was being pursued at that time and other than dealing with the establishment of a Code of Conduct of Members of the Legislative Assembly and how they present themselves to the community in this forum and elsewhere also deals with a Register of Members Interest and those are where people may have issues arising that conflicts might arise so that it is very clearly details for the public. Members have had discussion in recent days about the commencement of the remaining provisions of that legislation which will bring into effect the requirements to lodge returns under that legislation. Those returns will need to be provided within 30 days of the 30th June this year for the period commencing on the 27th October last year up until the 30th June and they deal with a whole range of issues whether you have shareholdings or trust accounts, where you may have received income from or any beneficial interest in companies, holdings in companies, directorships and positions within company structures. As I said it is proposed that at the next meeting to the executive council the Administrator will be asked to bring the balance

of that act into force and to make the regulations. As I said both will have effect from the 24th June. If there are any things that change in a given period, there is also the ability under regulations to put in an amending form to the ordinary return that a Member may make, if circumstances change, if for example they divest themselves of interest in properties or no longer hold positions in company structures and the like, or any other thing that a Member considers is necessary to declare or alter in the returns that they have made, those forms when they are completed, will be copied and held by the clerk in a loose-leaf folder which will be the register and that will be open for inspection as provided for under the provisions on the act and will not be transcribed to a separate book. The purpose of making that statement today is to make the community aware that those very worthwhile provisions will be commenced on the 24th June and that there will be a Register of Members Interest that will be available for public scrutiny supporting the good governance initiative and the accountability and transparency of the Members who make up this forum, thank you

SPEAKER Thank you Chief Minister. Further statements? Then we
Further statements? Then we have concluded Statements

MESSAGES FROM THE OFFICE OF THE ADMINISTRATOR – NO 14

SPEAKER Honourable Members I have received the following
Message from the Office of the Administrator which is Message No. 14. On the 25th May 2005 pursuant to section 21 of the Norfolk Island Act 1979 I declared by assent to the Healthcare Levy (Amendment No 2) Act 2005 which is Act No 11 of 2005. The message is dated the 5th May 2005 and signed by Grant Tambling, Administrator

We are at Notices Honourable Members

SUPREME COURT ACT 1960 – APPOINTMENT OF PERSON TO ACT UNDER SECTION 23

MR GARDNER Thank you Mr Speaker. I move that for the purposes of
section 23 of the Supreme Court Act 1960, the House resolve to appoint Peter Hamilton MacSporran as a person who may file an information for an indictable offence triable before the Supreme Court

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

MR GARDNER Mr Speaker thank you. It is a requirement of the Supreme
Court Act that this House approve the appointment of a person who may file an information for an indictable offence. That ability is currently held, or the appointment is made to the position of Crown Counsel who is currently off island for a period of three weeks or so. Even though it is hoped that it is envisaged that the provisions contained in this motion won't need to actually be switched on so to speak, it really is just a safety net measure to ensure that if anything were to happen in the period in the absence of the Crown Counsel that there is a person who is acting in the Crown Counsel's position who is able to receive those documents and also file information. The receiving of documents in relation to those matters is something that is done under the auspices of the Acting Chief Executive Officer and is dealt with in another way but there is a requirement of the Act that there be somebody appointed. Hopefully, it won't be required to be used in the absence of the Crown Counsel but it's just a necessary precaution and I commend the motion to the House

SPEAKER Thank you Chief Minister. Any debate. The question is
that the motion be agreed to

QUESTION PUT
AGREED

Thank you Honourable Members, that motion is agreed to

SALE OF TOBACCO (AMENDMENT) BILL 2005

MR BROWN Mr Speaker I present the Sale of Tobacco (Amendment) Bill 2005 and move that the Bill be agreed to in principle

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

MR BROWN Mr Speaker the modern trend in other jurisdictions is more and more to ban smoking in public places. In Norfolk Island there has until now been a provision enabling premises to be exempted from the no smoking rules. That provision has not worked well in Norfolk Island Mr Speaker. There have been a number of applications for exemption. One application has been dealt with, the remainder have not been dealt with. It's inappropriate that people be in a position where one premises is able to allow smoking and non of the other premises are allowed to do likewise. It is also inappropriate that we not keep pace with the changes in other jurisdictions. Today is the first reading of this Bill Mr Speaker. I'm certainly not seeking that it be dealt with on an urgent basis

MRS JACK Mr Speaker, I'll just declare a perception of a conflict here and will not be voting on this bill at all

MR SHERIDAN Mr Speaker I realise the Minister is going to leave this on the table and is not going to bring it to a conclusion today but I don't see any necessary requirement to actually implement this change to an Act that was only implemented twelve months ago. As far as I am aware, there has been no problem with the Act. There has been no prosecutions for people not complying with the Act and as the Minister has stated, he believes that it is unfair that one premises is allowed to have an exemption whereas others have not been able to do so. My comment there would be that if those other premises would like to get an exemption then they would have to comply with the regulations that go with the Act and they would have to improve their facilities so that they can actually let their smokers enjoy the practice of having a smoke. Also you might say that since this Act did come into force in the middle of last year, numerous clubs around the island have gone to great expense to try and comply with the Act. Some clubs have spent over \$10,000. Clubs have installed extractor fans at great expense to clubs that you might say over the whole of Norfolk Island don't have a great profit margin so introducing something twelve months ago and the clubs have gone and expended their moneys and now find that they are going to withdraw that possibility of having these exemptions granted I think is very unrealistic and as I stated there's been no problem with the act thus far so I don't see any reason to implement any changes, thank you

MR BROWN Mr Speaker it might be helpful for Mr Sheridan if I let him know that I have received a constant stream of complaints about the differing treatments of differing premises. It might also be helpful for me to let him know that I do not propose to renew the exemption for any premises when the exemptions come due at the end of this month in any event. The purpose of this bill is simply to tidy the issue for the future so that the ability to apply for an exemption will simply not be there. Having said that Mr Speaker I move the adjournment

SPEAKER The question is that this matter be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting. I put the question

QUESTION PUT
AGREED

The ayes have it thank you, that matter is so adjourned

We have concluded Notices for today and we commence Orders of the Day

SUPPLEMENTARY APPROPRIATION (NO. 2) BILL 2004-2005

SPEAKER Honourable Members we resume debate on the Supplementary Appropriation (No. 2) Bill 2004-2005 from 18 May 2005 on the question that the Bill be agreed to in principle and Mr Nobbs, Minister for Finance, you have the call to resume

MR NOBBS Mr Speaker at the last meeting I referred this to Mr Brown as actually in the welfare area. It's a Supplementary Appropriation covering medical expenses overseas of \$100,000 and patient travel costs of \$20,000 for a total of \$120,000. I think we discussed it at length at the last meeting, but if Mr Brown has anything to add to this, he may wish to at this stage

MR BROWN Mr Speaker thank you. It might be worth telling Members a little about what's being done to control these expenses. I'm very hopeful that it will not be necessary to expend the whole of the moneys which are subject to this Supplementary Appropriation Bill. A number of tasks are being undertaken at present. The first is being to hold discussions with the Queensland Government about putting in place an arrangement similar to that which exists in New South Wales whereby although Norfolk Island residents are charged more than is charged to a New South Wales resident, we are charged less than is charged to other overseas people and that in part recognises the extensive trade and the extensive long term connections which have existed with New South Wales and I would hope that the Queensland Government will take a view that the extensive trade and goodwill between Norfolk Island and Queensland is equally relevant. One of the difficulties with HMA in recent years has been that it has not been as tightly controlled as it could have been. In order to ensure prompt treatment, people have been sent to private hospitals, for example, which are much more expensive than public hospitals. Particularly in the case of a patient requiring an operation of any kind, the theatre fees which are charged by private hospitals, but are not charged by public hospitals, can easily add more than \$10,000 to the cost of a treatment. Unfortunately I have received a letter from the Queensland Minister for Health this morning advising that in his view the Queensland legislation and policies do not enable an arrangement to be put in place with Queensland along the lines of the New South Wales arrangement. That is indeed disappointing because many of our visiting specialists come from Queensland and there has been a much greater connection between Norfolk Island and Queensland in recent years than had been the case in the past. I propose to speak with the Queensland Minister within the next few days to seek a further consideration of our request, but in the absence of progress there, it will be necessary for us to require that all HMA overseas treatment take place in New South Wales and that it takes place on a shared ward, public hospital basis, and in the event that a patient wishes to be treated elsewhere the patient will need to pay the difference between what would have been the New South Wales costs and the cost elsewhere so controlling the expense in terms of the hospitals and facilities to which patients are referred will be an important part of what we are doing. Controlling the decision to refer a patient offshore will be similarly important and both in terms of healthcare and HMA and for that matter, workers compensation, a far tighter system will need to apply if we are to be able to continue to afford the treatments which we are wishing to fund. There have been suggestions that at the hospital the HMA scheme may have been funding items in the pharmacy area, which are perhaps not appropriate for HMA to fund. I have made enquiries about that and I am satisfied that the hospital is not providing items at the cost of HMA which are inappropriate but nevertheless in order to ensure that at a future time that problem cannot arise, there will need to be a tightening up. It has been recommended by the Social Services Review if my recollection is correct that we require a co payment towards the cost of pharmaceuticals and perhaps towards the costs of medical visits. Co payments are now required in terms of Department of Veterans Affairs beneficiaries, and part of the thinking behind it is to ensure that people have to think for a few moments before they wander into the Pharmacy and collect an item from there at the community's cost. I certainly propose to introduce a co payment requirement or to seek to introduce a co payment requirement in terms of pharmaceuticals and I propose that the requirement be identical to that in relation to Department of Veterans Affairs beneficiaries. I am presently seeking advice from

the Director of the Hospital as to the wisdom of investigating a co payment arrangement for doctors visits. One frequently hears suggestions that at present people might go up to the hospital to visit the Doctor as a social outing rather than as a need. Now I've got no evidence of that having happened but again, it's important to have a precise and tight system that is easily understandable by everyone and if I am advised that it would be wise and consistent with practices in other places to seek to introduce a co payment arrangement for visits to the doctor I will certainly seek to do that, but unfortunately the cost of health is one which continues to rise significantly throughout the world. As we all live longer and longer and get older and older, our health requirements increase and in this time of rapid advances in medical science and in other areas, the general expectations of Members of the community increase and we need to do the best we can to satisfy those expectations within the parameters of the community being prepared to pay for what they are expecting so in summary, although I believe it is necessary to pass this Supplementary Appropriation bill I'm very hopeful that we will not need to use all of the funds which are being provided, thank you

SPEAKER Thank you Mr Brown. Any further debate. The question is that the Bill be agreed to in principle

QUESTION PUT
AGREED

SPEAKER Do you wish to dispense with detail stage Honourable Members. Then we move to a final motion please Mr Nobbs

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

SPEAKER Thank you Mr Nobbs. The question is that the Bill be agreed to and I put that question

QUESTION PUT
AGREED

Thank you Honourable Members, that Bill is agreed to

APPROPRIATION BILL 2005-2006

SPEAKER Honourable Members we resume debate on the Appropriation Bill 2005-2006 from 18 May 2005 on the question that the Bill be agreed to in principle and Mr Nobbs, you have the call to resume

MR NOBBS Mr Speaker I spoke at the last meeting in relation to the budget for the upcoming financial year and my displeasure at such a large deficit. The budget actually shows a revenue of \$10,367,500 and expenditure at \$12,589,800 and this leaves a deficit of \$2.2m in rounded figures. We are taking measures at the present time in relation to this and I said at the last meeting that I would hope that in three months time we would be bringing in a supplementary budget which would take account of some changes that will be made. There are reviews progressing as far as the Administration is concerned and other issues of course are being dealt with as well as Mr Brown has just alluded to a few minutes ago and there are other areas that are being looked at. These reviews are gradually coming together and I would believe that by the end of this month we would have something definitive to put to the community. In relation to the Appropriation Bill there was concern expressed at the last meeting that the schedule wasn't as clear as it should be and this has been changed and at the appropriate time I will seek an amendment to supplement the schedule which is dated 13th May 2005 on mind and will be replaced by the reformatted schedule dated 2nd June 2005. this will be a line by line exercise and it is very clear for what the total cost is for the particular cost centres and the like in the Administration and it is my intention as is usual for me anyhow, to be placed in the gazette so that the whole community can have a look at it. So at this stage Mr Speaker I have nothing further to say on the matter

MRS JACK

Mr Speaker, thank you, I thank the Minister for Finance in discussions we actually had while he was away from the island but we spoke with the head of accounting in the Administration and I spoke with my fellow executives, the Chief Minister and Minister for Community Services in bringing in a line by line budget and I thank them for agreeing to that. I just feel that it gives more power to the budget and less uncertainty and I agree with Mr Nobbs that the way it's looking is grim and I foresee many changes, or the high possibility of changes coming in, and some of them will be hard but nonetheless, necessary, Thank you

MR BROWN

Mr Speaker we need to pass the supply bill by the 30th June so I don't intend to vote against the Bill. However, aspects of it disturb me. This is not a Government budget, this is a Public Service budget so let's make no mistake about that, and let's make no mistake about the fact that much of what has been taken out from the budget bids if not all of it, has been taken out by the Public Service and much of what's been stuck in has been stuck in by the Public Service. Let me give you just one example. The hospital receives a subsidy each year. For the current year a detailed bid for \$903,000 was provided. The Public Service took \$60,000 from that and so the budget before us today is to provide \$843,000 for the hospital. I have asked the responsible director within the Administration if he could let me know just what it is that's been taken out because this doesn't tell me that the Legislative Assembly is being asked to fund two less nurses, or that the Legislative Assembly is being asked to say no, that capital work that you require will have to wait another year. I'll work through all of that. It may be that it is necessary to increase hospital charges in order to pick up the extra \$60,000 but at the same time if we turn back to cost centre 270 which is welfare we see that notwithstanding the fact that prior to the budget there had been a decision to replace the counselor with a part time counselor, leave aside the discussion as to whether that should change, but lo and behold the same officer who took \$60,000 from the hospital has put in \$60,000 for a counselor and more interesting still, before we saw these documents, someone had told Mr Sheridan, that, that \$60,000 figure was sitting there. I've got no problem with Mr Sheridan knowing what figure was there. My problem is that he knew before I did. So I have a difficulty with the way the budget is prepared and I have a difficulty with many of the items where the budget provides for an amount less than the amount which was sought. The Chief Minister has told us a short time ago that visitor numbers for May were down by something in the region of 1000 passengers compared to the same month of last year. That's a devastating number and it is clear to many of us that the numbers for June, July, August and at least the first half of September are going to suffer a similar fate unless we are able immediately to begin to promote those periods to the market place with airfares and packages which are going to be acceptable and attractive to the consumer. The Tourist Bureau had sought \$1m. now this request was made before all of the current problems came about and it was made in an environment where it probably wasn't clear what would happen later this year once we get to the high season from mid September onwards and my own observation for the bookings for that high season at present, indicate that it too will be somewhat disastrous. Those bookings are well below the level of which they stood at this time last year and we need to be taking immediate action which is going to cost real money, in order to try to overcome that. We did have a situation where there were a number of partners in much of the promotion. There was the bureau using funds provided by the Government. There were the wholesalers and they used part of their own funds and partly they went to the industry and would say to an accommodation house, look if we feature you in this particular promotion are you prepared to come to the part with some funds, and the airline contributed some funds. Well just at the moment the Government is both the airline and the Tourist Bureau and we are looking at needing to supply very significant funding at least during the next six months, but instead of providing the Tourist Bureau with the \$1m requested, we've chopped it by \$200,000. again it's been done by the Public Service. There is no piece of paper as far as I'm aware that any of us have seen, in which the Public Service seeks to give advise that \$200,000 of the spending was unnecessary and worst still, there has been no urgent memorandum to the Chief Minister or to any of the Members of the Legislative Assembly saying look, in considering this budget, you need to bear in mind that you might need to put back that \$200,000 and add \$400,000-500,000 for the next however many months. And we can go through the whole of the document and find issue after issue where the budget is simply unsatisfactory. Youth Centre construction, that

was something that you would have thought would have been carried forward from last year. \$250,000 was sought. Zero has been provided. Then Mr Speaker we look at the revenue side of things, and we will recall that when gaming was introduced the Legislative Assembly was if my recollection is correct, unanimous, in expressing the view that gaming revenues were uncertain in terms of long time continuation and that they should be used sparingly. They should not be used from the current expenditure but they should be used for perhaps significant capital projects or perhaps even accumulated towards one large capital project but as I read the documents, gaming revenue is now forming part of the normal revenue fund. That's another problem with this budget. Those gaming revenues should be pulled back out of the revenue fund and put into a trust fund, from which they cannot be taken until they are required for a significant capital project. We have seen that as at the end of May, even after tipping gaming revenues into the revenue fund, we were showing a deficit in the current year of \$1.6m. now it seems to me unlikely that the June month is going to improve on that, and it seems to be quite likely that having regard to the current difficulties with visitor numbers the deficit by the end of the year will be well in excess of the present \$1.6m. And if we look at the budget that is before us at present, admittedly we are talking today only of the spending component of it, but it's important to bear in mind where the income had come from, and there is a very significant deficit for which we are budgeting today. We are voting on a budget which will cause us to be some millions of dollars in the red by the 30th June next year if we don't tackle the problem. Now I'm aware that the Minister for Finance has been reviewing various areas in an endeavour to begin to tackle the problem but let's make it very clear that there will be a need for another Supreme Court proceedings within a few months time to appoint a provisional liquidator to the Administration if we do not tackle these problems within the next few months. The medicine is going to be harsh if we do not do this properly. In my view we cannot simply say well an NSL will solve our problems. We'll tax you all a bit more because the community will not accept that until we show them that we are spending their present dollars wisely. And any new taxation measure even at that stage will have to be seen as fair by the community. So although I'm supporting the budget today I'm certainly not supporting the concept of simply going out and spending whatever money has been voted for. I would hope that the Minister for Finance will actually put a freeze on all spending from the 1st July and ensure that only necessary spending occurs until such time as we have reviewed the total situation, made the changes that need to be made and brought the Administration back to being a viable operation, thank you

MR GARDNER

Mr Speaker Thank you. Mr Brown's comments and sentiments that he's expressed today have echoed to a large degree those that I provided at the last sitting of the House in relation to the preparation of the budget and obviously some of the difficulties that we are going to encounter over the next twelve months. Mr Brown has touched on tourism and although the bid was there for \$1m and had been endorsed by me as far as the provision of the budget into the system was concerned, I still to date have not received an explanation of why it has been cut to \$800,000. Mr Speaker it certainly doesn't give any comfort to the Tourist Bureau who have prepared a budget and a plan and as Mr Brown points out, well in advance of the current difficulties that we are facing, just to see us deliver a product over the next twelve months if all had remained the same but I did advise at the last sitting of the House that in all likelihood I will have to bring back to this House at budget review time a bid for supplementary appropriation to ensure that those funds are available and particularly in light of more recent events, a requirement to put in place a promotion and marketing package that is going to ensure that we fill some of the hollows, that we have in front of us and I believe that can be done and in relation to that there will be an industry meeting taking place in Sydney on Monday to try and address as best we can as an industry as a whole, those problems that are in front of us and have been with us for quite some time. I did indicate at the last sitting of the House that in my reading of the budget, there had been no provision made for the costs of jailing, detention of prisoners. That was brought to my attention by the Minister for Finance at that meeting that those that we are currently aware of, yes there had been some provision made which is comforting, however there is no provision made for matters which are still under consideration by the Supreme Court but we need to be aware that there is potential in some of those proceedings for further costs to be incurred and again, that may require a further supplementary appropriation during the year in relation to that. Mr

Speaker one other issue and it's my turn to apologise to the staff in relation to the Museum budget, because of events over the last two weeks I've had to continually delay discussions with them over the museum budget but I am very conscious that they have a number of issues that they are passionate about dealing with. Some of those relate to Memorandum of Understanding between eh Norfolk Island Government and the Commonwealth Government that are some fifteen years old now in relation to the preservation and the management of the KAVHA collection under the control of the Museums and also the Sirius collection. Both of them require work, significant work in some instances Mr Speaker and unfortunately because of the way the budget is structured there hasn't been provision that has been made for those, however, I have given an undertaking to Mrs Eve Semple who is the curator of the Museum that, that is a matter that I will discuss with the Commonwealth, with the responsible Minister, in this case the Senator, the Honourable Ian Campbell, Minister for Heritage and Environment about just how we can continue to jointly manage those collections under the arrangements. That may need some revision to the Memorandum of Understanding but certainly to ensure that they don't deteriorate in any manner, so I'll be exploring as best I can in the interim period those measures that will enable those collections to be managed appropriately and in accord with those Memorandum of Understanding in the absence of the adequate funding being provided by way of subsidy to the Museums and of course the Museums are going to have to look long and hard internally at their own budgets and forecasts in the activities that they undertake to see whether they can evidence savings in their own activities so that with some luck and some assistance they will be able to address some of the concerns in relation to the collections. Mr Speaker there is a small amount provided again for the support of sports. It's something that the Government has come under criticism for in recent years that we don't promote that as much as we possibly could because there is a recognition certainly by my office that sporting events that are maintained on the island and managed on the island are a significant draw card to the visitors that come into the island and certainly have provided a significant number which underpin the economy of Norfolk Island obviously. Unfortunately we can't be everything to everybody and certainly in light of the forward projections I appreciate the fact that we can't be as generous as we would like to be. I am pleased however to see that the support will continue for one of the youth programmes that we have on the island which is the Cadets Unit which arguably has been a great benefit, long term benefit to the island and is very well supported within the community. Disappointed that the culture and heritage vote has been reduced from \$10,000 as it has been for a number of years to \$5000 in this financial year. Obviously that's going to require some work, particularly in relation to the recognition of the Sesquicentenary celebrations that are taking place in the 2005 calendar year. The \$5000 that are provided for the support of that is not going to go a long way however it is envisaged that through the tourist promotion and actually because the event is occurring, we may be able to make some mileage in some areas in support of those activities which will be the singularly most significant celebrations in 150 years of settlement on Norfolk Island. Mr Brown made reference to the Youth centre construction and the \$250,000 being sought in the budget and nothing being provided. The \$250,000 figure when these papers were presented came as somewhat of a surprise to myself having been in the previous Government where an agreement had been made to commit to the expenditure of \$150,000 for the construction of that, not the \$250,000 that somehow had appeared in the budget papers, however, the funding of that project was entirely and at all times subject always to the sale of a housing asset of the Administration of Norfolk Island. In recent weeks because of the changing dynamics of where the Youth Centre had been housed, there have been approaches made to utilise one of the Administration houses that it owns as an interim arrangement for the Youth Centre until such time as those assets can be disposed of and the Youth Centre can be constructed and I think that was roundly supported by Members of the Legislative Assembly so there's some positive news there for the Youth Centre, however, as far as the budget is concerned there is no provision made in there as I've explained, that is entirely subject to the sale of an asset before those monies would actually appear on the books. Mr Speaker spoke at length at the last sitting about the budget. There are enormous difficulties and hurdles that we face over the next twelve months as far as trying to ensure that we have a figure, and I am pleased to have been part of a number of discussions that have taken place and certainly in more recent days, discussions about a number of significant and important proposed strategies with some of the cost cutting measures as far as the works undertaken by the Administration are concerned and

the long term structure of the Administration and Government on Norfolk Island. I don't have to say any more other than that it will be imperative that those are given the attention that they deserve and even further than that, Mr Speaker, that those things are implemented and we don't just pay lip service to the need to have to implement some of those measures to ensure that we do have a figure ahead of ourselves, thank you

MR NOBBS Mr Speaker there's a couple of things that came out of that and certainly for me, the budget was prepared by the Public Service. It's actually a follow on of what's been happening in the last couple of years. In this current financial year we have a deficit in the revenue fund at the moment of \$2.2m. We now have an appropriation of \$120,000 so we have a \$2.3m deficit proposed for this financial year. We are a bit ahead of that. We've managed to save a few dollars and hopefully it will come out at less than that. I won't say a lot but it should come out at less than that. The current budget that we have before us now is the one for the next financial year. It's an estimate of \$2.2m deficit. I'm not happy with it, as I expressed at the last meeting, and I'll say it again. Mention was made of gaming funding. This was something that was brought in, in the last budget, that gaming money was used. I appreciate what Mr Brown said that it was to be used in special areas, that's what we thought at the time when gaming was first looked at. It hasn't turned out that way but it's something for the future. What's come out of it from the speaker's before me is that there is a need and I gather from what they said, a real will to tackle the problem and that's something that we need to do and we need to do it very quickly. I appreciate that there are people within the service who are passionate about their areas. I would say that most of them are passionate about their areas, but as the Chief Minister just said, we can't be everything to everyone and there is a need to trim, to get within this figure. The actual figure that we were looking at was considerably more than the \$2.2m deficit that we ended up with so there is a problem and there is a need to tackle that problem. They've come home to roost all of a sudden and hopefully we can do something that will put us on a sustainable basis. The NSL is part of the answer. It's not the full answer and as I've said, we've been in this place for must be eight years now and I've said all along, that the community will accept increases if they see that what they are putting into the hands of the Assembly and the Public Service is utilised efficiently and is utilised honestly. Now we are looking at, I don't believe that there's been any dishonest use of money within the Administration and I can assure you that I believe fervently having been a Public Servant for thirty odd years, that there are always areas that you can improve on and these are the things that we need to do and hopefully, and I'll say that again, hopefully, over the next couple of weeks, the Legislative Assembly Members will take the bit between their teeth and really do something for this island. It's something that's been needed for a little while now and whilst it may not be pleasant in some areas, in the long run I think it will be the best for the island, so Mr Speaker that's all I've got to say at this time

SPEAKER Any further debate? No further debate. Honourable Members, the question before us is that this bill be agreed to

QUESTION PUT
AGREED

We move to the detail stage. Mr Nobbs I suggest we tackle your foreshadowed amendment first and I will ask you to address that and then we'll vote upon that and then we'll look at the remainder of the bill

MR NOBBS Mr Speaker I move that the schedule dated 13th May 2005 with the reformatted schedule dated 2 June 2005

SPEAKER Thank you. That is the first amendment that we have to look at. Any debate in respect of that. I put that question to you Honourable Members, that the amendment be agreed to and I put that question

QUESTION PUT
AGREED

Thank you. Honourable Members, I ask you whether you would be comfortable now to agree to the remainder of the Bill. Are Members agreed. Members are agreed thank you. I now seek a final motion that the Bill as amended be agreed

MR NOBBS

Mr Speaker I so move

SPEAKER

The final question is that the Bill as amended be agreed to, is there any final debate? I put that question

QUESTION PUT

AGREED

Thank you Honourable Members, the Bill as amended is agreed to

AIRPORT (AMENDMENT) BILL 2005

SPEAKER

Honourable Members we resume debate on the Airport (Amendment) Bill 2005 from 18 May 2005 on the question that the Bill be agreed to in principle and Mr Nobbs, you have the call to resume on this matter

MR NOBBS

Mr Speaker thank you. We dealt with this at the last meeting. It's in relation to allowing the extension of the capping on the fee unit equivalent for landing fees and now it goes from 1.8 fee units or .8 fee units per 100,000 kilograms, of maximum take off weight to 3 fee units or 1.5 fee units per 100,000 per maximum take off weight. This is to allow for the proposed increase in the landing fees to take account of the additional costs of refurbishing the airport, thank you Mr Speaker

MR BROWN

Mr Speaker I wonder if the Minister could clarify for our benefit and the benefit of those who are listening, whether it is intended that this bill provide a maximum level to which the charges can increase over time, or whether it is intended that the charges increase to that level immediately

MR NOBBS

Mr Speaker thank you and thank you Mr Brown. It is the maximum that it can be increased over time. The present arrangement I would hope would be far less than that Mr Brown

MR BROWN

Mr Speaker on the basis of the Minister's explanation I don't have a difficulty in supporting the Bill. I certainly would have a difficulty in agreeing to increased charged to that level immediately. We do need to bear in mind that we are in difficult times and every dollar that we add to a Government charge, particularly a charge in the nature of an airport movement charge or a departure tax, or customs duty, every one of those dollars is an extra reason to cause someone to decide to go to a destination other than Norfolk Island and everyone is an extra reason to cause a local resident to feel that some pasture future away might be a little greener than Norfolk Island is at present, but on the basis of what the Minister has said, I'll support the Bill today

SPEAKER

Thank you. Further debate. Honourable Members, the question is that the Bill be agreed to in principle

QUESTION PUT

AGREED

Thank you. Do you wish to dispense with the detail stage. We so dispense with the detail stage and I seek a final motion

MR NOBBS

Mr Speaker I move that the Bill be agreed to

SPEAKER
agreed to and I put that question

Thank you Mr Nobbs. The question is that the Bill be

QUESTION PUT
AGREED

Thank you Honourable Members, that Bill is agreed to. We have concluded our Orders of the Day and we are now fixing our next sitting day

FIXING OF NEXT SITTING DAY

MRS BOUDAN
rising adjourn until Wednesday 20 July 2005 at 10 am

Thank you Mr Speaker. I move that the House at its

SPEAKER
There being no further debate I put the question that the motion be agreed to

Thank you. Any further debate Honourable Members .

QUESTION PUT
AGREED

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

ADJOURNMENT

MR T BROWN

Mr Speaker I move that the House do now adjourn

SPEAKER
now adjourn. Any adjournment debate

Thank you Mr Brown. The question is that the House do

MRS BOUDAN
air services from Australia to Norfolk Island. I believe that it was a sad day for our Island and our community when Norfolk Jet Express announced on Friday 3rd June that it was ceasing operations. Many of us have had very high hopes that our own airline would grow and prosper, and that it would bring increasing numbers of visitors to experience the delights of Norfolk Island and to contribute to the development of our tourist industry and indeed the whole economy of our Island. I am personally sad that the closure of Norfolk Jet Express has resulted in a number of loyal employees losing their jobs, and many individuals and businesses facing some financial losses. All of those people and enterprises deserve our sympathy and understanding, and I am confident that the community will show them the level of support for which Norfolk Island is famous. Mr Speaker, I believe that it is a credit to the Chief Minister, the Norfolk Island Government and this Assembly's air services working group, that there has been such quick action to ensure that Norfolk Island will continue to have reliable air services to and from Australia. It is quite remarkable that almost all people who held Norfolk Jet tickets have been able to travel at the times and dates for which they originally booked. Looking ahead, from this Saturday we will have regular services from both Brisbane and Sydney using larger and more reliable planes than we have seen in recent months. I am hopeful that the air services announced last week will result in the stabilisation of our tourist industry, and perhaps lead to growth in numbers over coming months. I also expect that we will now experience more reliable incoming services for freight and mail. I understand that the government is looking into options for enabling travel pass holders to be able to gain benefit from those passes, and trust that satisfactory arrangements will result. Mr Speaker, the events of the last two weeks have tested the resilience and determination of our government and our wider community. I am pleased that workable solutions seem to have been found and put in place in such a short time. I congratulate all concerned and will do my best to facilitate and support our new air service arrangements. Thank you, Mr Speaker.

SPEAKER
Members

Thank you Mrs Boudan. Any further debate Honourable

