



**NORFOLK ISLAND LEGISLATIVE ASSEMBLY
11TH NILA HANSARD – 20 JULY 2005**

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 Mr Speaker, it is with regret that this House records the passing of Bruce Alexander Griffiths on the 23rd June. Bruce came to Norfolk Island with the Royal New Zealand Air Force at the age of 17 as a meteorological observer, spending 18 months on the island. On his return to New Zealand Bruce met Aileen and they were married in July 1950 in Dunedin where Barbara and John were born. Subsequently transferring to the Commonwealth of Australia Meteorological Service he served in Cloncurry, Queensland, where Pip was born. The family returned to Norfolk at the end of 1963 with the three children. Bruce had strong ties with the community here. He was determined not to leave, but agreed to take a transfer to Sydney in 1972 on the promise he could return, and did so in 1975. Bruce loved developing property and landscaping. In 1964 he purchased the Palm Glen property which he developed into acreage of beauty and later purchased his property in Burnt Pine and carried on to do the same. Bruce was not one to seek power or position. He had a strong sense of doing what was right, serving the community and making the island a good place in which to live. His lateral thinking was often breath taking. Bruce was moral, ethical and honest. He was Chairman of the Hospital Board and the Public Service Board and an unseen contributor to many committees and enquiries. He was a prolific reader and thinker and will be sadly missed. To Aileen, Barbara, John, Pip and their families and to Bruce many friends, this House extends its deepest sympathy.

Mr Speaker it is also with regret that this House records the passing of Jenny Broad on the 30th June. Jenny was born to British parents in south Africa in 1912. sometime later the family moved to Worcestershire in England. Jenny attended the local flying club and while there obtained her engineer's license. In war time London in 1940 she joined the Air Transport Auxiliary. She delivered all kinds of aircraft, including spitfires and Hurricanes, from the factory to Air Force squadrons dotted around England and returning damaged aircraft back to the factory. In 1943 Jenny failed her medical and subsequently worked for British Overseas Airways Corporation (BOAC) in Egypt in their control tower. She co-piloted a twin engined Rapide to Australia where she spent some years until Norfolk island caught her eye. On Norfolk she owned several businesses, the last being "Jennie"s" in Norfolk Village. For the past twelve years Jenny has been living quietly in her home at Longridge. She was a very private person but shared herself graciously with others. She was always concerned with the welfare of the cats on the island was always closely involved in the formation of the Cat Welfare Association. Jenny will be sadly missed by many in our community and to those 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?

MRS BOUDAN Thank you Mr Speaker. I have a question for the Minister for Community Services. Since the 1st July 2004 up until the 30th June 2005 how many medical evacuations have taken place from Norfolk Island and of those medivacs, how many of those recipients have been asked to refund the Government for the cost of the medivacs, thank you

MR BROWN Mr Speaker I will obtain a detailed response for Mrs Boudan about I can say this. There have been a number of medical evacuations during the period and they fall into various categories. Some have had private insurance which has covered the cost of the evacuation. Others have had the cost of the evacuation covered by the Dept of Vet Affairs, for example, gold card holders. Others who have their medical costs covered through our social services scheme have had the cost paid in that fashion because the social service scheme; unlike the Healthcare Scheme does over the cost of transport but for other people we need to be realistic Mr Speaker. The community cannot afford to simply provide free of charge everything that individual people might desire to have free of charge. And medical evacuations are one of those. People generally have the option of waiting to go on a scheduled flight, or of treatment in Norfolk Island. The Healthcare Fund covers \$200 per annum towards transport costs and that's all. \$200, and so quite appropriately if a person is evacuated from the island by charter flight and if that person is not covered by one of the mechanisms which I have mentioned, a bill is sent for the cost of the flight, thank you

MRS BOUDAN Thank you Mr Speaker. A follow up question. Is it so that some of those recipients in the Healthcare Fund have been asked to reimburse the Government and some have not and if so, is there a reason why this is so

MR BROWN Mr Speaker I am not aware during this life of this Legislative Assembly of anyone in the category we are discussing having not received a bill. It may be that some bills are in the course of being prepared and sent, but I am not aware of there being anyone who has either not yet received the bill or is not about to receive one, Thank you

MR CHRISTIAN Thank you Mr Speaker, I direct my first question to the Minister for Finance. Minister the information contained within the budget documents provided by you indicate that the Water Assurance Scheme cash reserves are being consumed by subsidizing the waste management centre. Will you take immediate action to secure and preserve Water Assurance Scheme income and cash reserves while taking whatever measures are necessary to match waste management centre expenditure to income

MR NOBBS Mr Speaker Thank you. Actually this falls within the area of the Minister for the Environment but I will take all measures in my area to do precisely that and I don't know if the Minister for the Environment wishes to follow up on that

MRS JACK Mr Speaker, I certainly wasn't aware that, that was happening but I will look into it and get back to the House

MR CHRISTIAN Thank you Mr Speaker, I direct my next question to the Chief Minister. Chief Minister will you at the earliest possible time introduced legislation into the House entitled "Consultant's Integrity Bill" or some similar title. The purpose of the Bill would be to prevent consultants giving advise to the Norfolk Island Government or Administration from

tendering to implement that advise. This will prevent the foot in the door scenario and ensure that any advise given is factual, unbiased and not designed to fatten the Consultant's pocket further down the line

MR GARDNER Mr Speaker I'm happy to take that on board and obviously consult with my colleagues around the table about the introduction of such legislation into the House and that's what I'll propose to do. We'll have discussion about that and if it's thought that it's an appropriate course of action to take, I'm only too happy to introduce such legislation into the House

MR CHRISTIAN Thank you Mr Speaker, one further question. I direct this question to the Minister for the Environment. Minister on July 8th 2005 you circulate notification that Kingston jetty was closed to lighterage work. Lighterage workers have since indicated to me that Cascade jetty is actually in far worse condition. Will you explore the possibility of making temporary repairs to Kingston jetty to allow resumption of lighterage work pending the full rebuild of that jetty

MRS JACK Mr Speaker, just advising Mr Christian that at several times through desires of myself and the executives we've made further enquiries to the Project Manager of the Kingston jetty project, to look into other matters to try and resolve the problem of shutting it off to lighterage operations. They have continued to come back with concerns over the stability, whether it's on the top or the sides, the metal sheet piling, the ability of the remaining bolts that tie the sheet piling to the jetty, of their condition and they are unwilling to give any further consideration that the jetty can be used. I mean, it's their engineering skills on the line, it's their engineering practice that's behind it all and their name that would be used should anything go wrong for court procedures. I listened to their advise when we've sought further options for broadening or spreading out the weight on the jetty. Perhaps using interim measures. They are unwilling to give it and I must respect that advise and I've had further consultancy with the remainder of the executives and they too have the same view

MR T BROWN Mr Speaker this question is for the Minister with responsibility for the Public Service. Minister now that there is pecuniary interest legislation in place for Legislative Assembly Members does the Minister intend to bring forward similar legislation for the Public Service employees to eradicate actual and perceived conflicts of interest within the Service

MR NOBBS Mr Speaker thank you. There is a probity process which has been brought in, in relation to Members of the Public Service. There are as I allude to a bit later on in a statement, there is currently a review of the Public Sector Management Act proceeding. Whether that comes up as a proposal following that review I'm not too sure because I don't know the full details of what's actually proposed at this point in time, bearing in mind that it's still with the actual Working Group. The situation as far as the question Mr Brown has mentioned, I will pass it on to the Working Group and that's all I can say at this stage

MR SHERIDAN Mr Speaker Thank you. I have a couple of questions. Firstly for the Minister responsible for lighterage. I believe the Minister at this point in time is actively pursuing this question to a degree but could the Minister explain why it is necessary for importers to insure the lighters for \$40,000 for lifts over four tonnes when the lighters are already covered in the Administration's insurance policies, and if this is the case, will the Minister be tabling amendments to the Act in the near future

MR NOBBS Mr Speaker for years now the lighterage fees and charges arrangements which very rarely gets changed, I must admit and I think in the last change that occurred, and gazetted a couple of weeks ago, there hadn't been a change apart from the one some four or five years ago in relation to a wage increase for the workers, there hadn't been a change for something like fifteen years I understand. Now in all that time there has been a charge put on for heavy lifts as far as the lighterage is concerned. The change that was undertaken at the last gazettal lifted the figure to replace a lighter if it was completely lost, was

from \$15,000 to \$40,000. now I don't know when it was last possible to construct a lighter for \$15,000 but I would say it was a considerable time ago. Subsequent to that because the price has gone up, I mean, let's take a step back. I understand there have been issued insurance cover for that, up to the \$15,000 but now that it's increased to \$40,000 the cost of the insurance cover has actually increased. In the meantime I understand that the lighterage company is now fully insured and that all lighters are actually insured but the policy is actually still in place. I've suggested to the service that there are ways of actually overcoming this particularly problem immediately prior to a review being undertaken as far as the costs are concerned and at this stage that's all I can say Mr Sheridan

MR SHERIDAN Mr Speaker another one I believe to the Chief Minister. I'm not actually sure who will be responsible or this but consideration that the executive appointments in the Legislative Assembly are classified as full time appointments, would it not be unreasonable to expect that when executive Members are off island on personal business that they apply for leave or leave without pay as do public servants. Why should the residents of Norfolk Island pay for the Minister's wisdom, particular in these hard times, whilst they are off shore conducting personal business

MR GARDNER Mr Speaker I think it would be fair to say that often executive Members when they are away on personal business do attend to, I guess, matters of state within their portfolios. That's a regular occurrence. I think it's also important to point out that it could very well be argued by my colleagues and predecessors in these positions around the table that I guess the range of benefits that are applicable to Members holding executive office and to Members holding non executive office, would not be regarded as being extraordinary as far as the benefits and pay levels are concerned within the Island's infrastructure. There are no such things a superannuation payable to executive Members, there is no such thing as holiday pay or holiday entitlements, but I guess in answer to that question, that is something that the full Membership of the Legislative Assembly would need to give some consideration to and obviously develop a different policy to that which exists at the moment where there are no real guidelines in relation to that

MR SHERIDAN Mr Speaker just a couple of quick ones, just a follow up to Mrs Boudan's couple before there, one for the Minister for Health. Minister considering the anGST in the community with regards to the payment of medial emergency will the Minister undertake as a priority to table legislation to ensure that a more affordable option is accessible for the residents of Norfolk Island

MR BROWN Mr Speaker I have endeavoured to gain agreement to introduce a scheme which could be called an insurance scheme but unfortunately whenever you need to pay for something you need to raise the money with which to make the payment. The suggestion which I made was formulated after consideration and insurance quotation which I did manage to receive and after considering either two or three much earlier quotations. Those earlier quotations if my recollection is correct, was in the region of half a million dollars per year plus the Government pay the first half million of costs in any particular year. The more recent quotation which I sought and obtained myself would have involved payment of \$1 per visitor night, plus \$120 – I may stand corrected on the precise figure but it was in that region – per resident, that is residents, GEP holders and TEP holders, above the age of six months, so whether you were a social service beneficiary a Member of the work force, a mother looking after young children at home or a six month old child, that figure would be paid. That added up to quite a bit of money. I reviewed the history of evacuation clients over recent years and I concluded that if \$5 per visitor that is under \$1 per visitor night, was charged and I suggested by adding it to the departure tax, that would enable us to cover all of our visitors and I suggested that if the Healthcare Levy was increased by \$100 per year, that is, \$50 per levy period, that would enable us to cover all residents, GEP holders and TEP holders but it would not require a non working mum to pay, it wouldn't require a six month old baby to pay and it wouldn't require a social service beneficiary to pay. But times are a bit tough and when I put the proposal I was unable to obtain the agreement of my colleagues to that and it's been suggested that I look at other possible mechanisms to fund the scheme. What I'm looking at, at

their employment on the island, in one instance a year before a pension would have been available and have moved back to the island, have immediately sought a special benefit because only having been here a short time they weren't entitled to a normal aged benefit and then once the then years had passed, moved to an aged benefit, so there was no taxation contribution to the island on the way through and instead of taking that pension benefit from the place where they did pay the tax, they moved back here and claimed it not only once they were entitled to an aged benefit but claimed it immediately by way of a special benefit. Well I don't think we should be encouraging that. Others have a number of houses. In some cases there are even tourist accommodation and the returns, I'll leave the tourist accommodation aside for the moment, but in terms of houses the returns that are declared from those Houses are at the kindest Mr Speaker, an indication that the real estate portfolio's are being mismanaged. There is frequently confusion as to who received the rent. It would not be unique to find that a child received the rent from two or three houses, and the parent declares that he or she received no income and therefore is in need of a social services benefit. If we look a bit further and look at our HMA scheme, we need to be asking ourselves whether it really is still properties that we bear the complete cost of someone being hospitalized on a long term basis without any contribution. In some other jurisdictions the community stands there as a career of last resort as it were, but a person is expected to use his resources to fund his own care until he reaches a stage where he no longer has resources and at that stage it is clearly a community responsibility. But here you could imagine a situation where someone might have moved to the island relatively late in life, after ten years retired and sought a pension benefit because the monies that they brought with them were used to buy a house and are no longer, after taking account of the house and the car, are no longer significant in retirement terms and yet our present system says we will accommodate that person without charge or with modest charge, at the hospital for life if it is necessary, and we preserve the house or houses to go to nephews, nieces, grandchildren whatever, who might never have bothered visiting the elderly relation and is it the role of the Norfolk Island community to subsidise the inheritance of those nephews, nieces grandchildren whatever. They are hard questions Mr Speaker but they are questions that we are going to have to start addressing. Where someone has a significant property, which let's say could be sold for a million dollars, it might be a few houses on a few blocks of land, but it might be a bit run down and genuinely earn nil revenue, we need to be deeming an income to be earned on that. You can't just sit back and say well that's okay, we'll pay. All of those issues will be dealt with in stage 2 of the proposed social service reforms. Many of them have been the subject of comment in the report of the social services board which was in fact put together a couple of years ago and we are now going through the implementation phase of that. Mr Speaker, if there are issues that Mr Sheridan is aware of that I may not be aware of then I would be delighted to hear it but I do hope that within the next three months we will not only complete our dealings with the first reform bill but we will have the second reform bill before us in order to cater for all of the remaining recommendations of the social services review, Thank you

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

PRESENTATION OF PAPERS

Any Papers for presentation this morning.

MR GARDNER Thank you Mr Speaker. In accordance with section 41 of the Interpretation Act 1979 I table the Legislative Assembly Register of Members Interest Regulations 2005 and move that the paper be noted that they be noted

SPEAKER The question is that the paper be noted

MR GARDNER Mr Speaker Thank you. These regulations have been developed, obviously with the passage of the Legislative Assembly Register of Member's Interest Act late in the life of the last Legislative Assembly and as I've said in the House before Mrs Jack was instrumental in ensuring the passage of that piece of legislation, very keen to see

matters such as transparency and accountability provisions made for those type of matters properly provided for in legislation in Norfolk Island. The regulations Mr Speaker, the object of the regulations obviously are for prescribed forms of return to be completed by Members of the Legislative Assembly to lodge their register of interest. That's done through the office of the clerk and just a gentle reminder to Members of the Legislative Assembly, thirty days from the 30th June this year, within that period of time is a requirement to have an ordinary return lodged with the office of the Clerk and that is for the period from 27th October 2004 up to and including the 30th June 2005, Mr Speaker

SPEAKER Is there further debate? The question is that the Paper be noted.

QUESTION PUT
AGREED

The Paper is noted. Are there further Papers

MR NOBBS Mr Speaker I table the Public Service Annual Report and that move they be noted

SPEAKER The question is that the paper be noted

MR NOBBS Mr Speaker each year the Public Service Board is required to provide to Government a report of its activities in the previous twelve months. I take the opportunity to thank Members of the Board for their contribution during the previous year and I look forward to working with them in the future. The board comprise the Membership of three, with each Member having alternates who may act on their behalf as required. As a consequence there are six persons actually involved. The Board under the Chairmanship of Mrs Lozzi Cuthbertson is operating very effectively and the early provision of their annual report is an example of the Board's excellent work and obvious efficiency. An issue which is mentioned in the Board's report concerns the Board's request for amendment to the Public Sector Management Act in relation to repeals which the report states, has been ongoing for the last three or four years. I discussed the issue with the board earlier this year and referred their request to the service for comment and action. It appears that there are a number of additional amendments required of the Act. Subsequently and in light of problems with the Act a working group was established to undertake a full review of the Act. The final report on the recommendations is not as yet available although I understand there will be significant amendments proposed if not a virtual rewrite of the act. A major concern expressed was specifically to ensure that provisions are more user friendly and a simplification was generally required, thank you

SPEAKER Is there further debate? The question is that the Paper be noted.

QUESTION PUT
AGREED

The Paper is noted. Are there further Papers

MRS JACK Mr Speaker, I would like to table the Statement of Reasons for decision under section 341j of the Environment Protection and Biodiversity Conservation Act 1999 and ask that it be noted that they be noted

SPEAKER The question is that the paper be noted

MRS JACK Mr Speaker, this document that I've just referred to as been sent to me by the Australian Minister for the Environment and Heritage, Senator the Honourable Iain Campbell. He signed this document some two weeks ago today. The

document, some twenty pages in all, explains why the Minister has decided not to include some six areas on Norfolk Island in the Commonwealth Heritage List. Mr Speaker this statement is the result of an application made in February 2004 to the Federal Minister seeking that those six areas, some forty portions in all, be included in the Commonwealth Heritage List. When the application was forwarded to the Minister and accepted statutory requirements and time frames came into being and earlier this year consultants visited the island and produced a report to the Federal Minister. He has examined that report and made the decision not to include, as I mentioned before, those six areas. This application came about through concerns of various societies or individuals, that the transfer of crown lease to freehold would endanger the overall scenic beauty, cultural aspects of Norfolk Island. It also meant that there were two groupings of leaseholders who came about that were formed. The first lot I would say referred to those not included in those six areas. The second those included in the six areas and the six areas I may as well state, were the Norfolk Island coastal land, the Red Road Cascade area, Bloody Bridge landscape area, the western landscape area, Duncombe Bay landscape area and Mission Road landscape area. The Federal Minister for Territories, the Hon Jim Lloyd, decided to hold off sending out applications and as a result of this statement coming from the Minister for Environment and Heritage, the first lot of letters making the offer to crown lease holders to take up the freehold have been sent out and I understand that the acceptance by many will occur. I can tell those that were included in the six areas that their letters should be being forwarded to them within eight weeks but this decision is final and I congratulate those people. I would also like to thank the Federal Minister and all his assistants in getting this programme through. It's been long and involved and it just shows you that patience has been rewarded. Certainly there have been hiccups in it for all parties on both sides, but each concern has been worked through and a decision has been made, thank you

MR GARDNER

Mr Speaker thank you. I welcome the news in the document the Minister has tabled this morning and just want to add a few comments in relation to the impact of that and what it brings to the future of Norfolk Island. I think it's important to point out that the process that's been followed is the appropriate process under the Environment Protection and Biodiversity Conservation Act, a piece of Commonwealth legislation that extends to Norfolk Island and has been in place I believe, plus amendments which were made later, but since the year 2000 or thereabouts. It's pleasing to note in that report Mr Speaker or in the Federal Minister's statement of reasons that he is confident that the protection afforded under the EPBC Act is not diminished in any way to areas of significance on Norfolk Island by this decision and certainly my interpretation of his comments and his reasons that he is afforded some comfort by our own assessment protection processes offered under our own Heritage Legislation in Norfolk Island and that's a recognition I guess of the veracity of that legislation that we have in place. As I've said the decision does not affect the operation of the EPBC Act in Norfolk Island and it's also important to point out Mr Speaker that from my understanding the application that was lodged with the Federal Minister was I guess what could be best termed the final hurdle in the land transfer process or what would be viewed by some certainly as the first stage of the land transfer process in Norfolk Island and should evidence the transfer of all of those leasehold blocks to freehold that have been identified by the Minister and the department over the last few years in relation to blocks of land on Norfolk Island identified for transfer. That obviously raises the question of what are the other aspects of the land transfer that were originally agreed to and agreed to be pursued between the Norfolk Island Government, the Federal Government. Those things are obviously still on the drawing board and will require a consultation, consideration by this community, obviously the Federal Government and those relate to things such as roads and reserves and parks and other areas considered appropriate for land transfer. I applaud the outcome of this. It's gone through a process that demonstrates that the process does work, the assessments have gone through the right procedures, they've been followed to the letter of the law and the Federal Minister for the Environment in his infinite wisdom has seen his way clear to uphold the belief that our own Environment protection mechanisms in Norfolk Island are sufficient going forth from hereon and for any of those properties that were the subject of the application, thank you

MRS JACK

Mr Speaker, I think it also wise to say that the monies coming from the transfer of crown lease to freehold would normally go back to the Australian

Government. They are actually waiving acceptance of those fees and the money will be going into an environmental trust named after my predecessor Mr Ivens Francois Buffett in his honour and will be made up of a group of people overseeing that fund and for the betterment of further aspects of the environmental nature of Norfolk Island. I think that also needs to be commended. I do so in this place and I just hope that everybody takes up the offer and also assists us in earmarking areas of need or concern that they think that trust money could be spent, thank you

SPEAKER Thank you Mrs Jack. Is there further debate? The question is that the Paper be noted.

QUESTION PUT
AGREED

The Paper is noted. Are there further Papers

MR NOBBS Mr Speaker on Monday last I received a letter as did all other Members of the Legislative Assembly in relation to the dishonouring of tickets held by a former executive of Norfolk Jet Express. The complaint I guess in the letter suggested vindictiveness on behalf of those who made the decision and there was also an indication that there was some role that was played of the passing of judgement. I was concerned with this because in effect the decision involved the CEO who had discussed the issue with myself and whether he had discussed it with any other Members of the Airline Working Group I'm not too sure but I referred the matter for consideration as to whether it was a probity matter to the appropriate people in the other compound through the Legal Services Unit and I've received a confidential memorandum which is not for circulation and I thought that the most appropriate method, seeing as how it involved me, and there was no probity issue for the CEO to answer, but as I said, it did involve me...

SPEAKER I wonder if I might just interrupt there at the moment. We are at Papers at which time appropriate people are to lodge papers with the Legislative Assembly. Am I interpreting correctly that the letter you are referring to is the paper that you wish to lodge

MR NOBBS Mr Speaker I wish to lodge with you because it's a confidential memorandum, but it should be accessed by all Members of the Legislative Assembly the response to the original complaint, my referral and also the confidential memorandum which was a response to that and I table those

MR BROWN Point of Order. Mr Speaker if I understand Mr Nobbs correctly he is wishing to table a paper but not have the paper available to the public and I'm uncertain as to whether there is an ability to do that

SPEAKER Yes, there is an ability to do that

MR NOBBS I understand that is so. We've been through that in the past Mr Speaker and I understand that you are the one that says whether the papers can be distributed or not. Am I correct

SPEAKER Can I address this in two parts. I understand what Mr Nobbs is doing now in terms of lodging the paper that he is referring to. There are really two papers. One is the letter and one is the commentary upon the letter. He is seeking as I understand it that the commentary to the letter would be available to Members of the Legislative Assembly but would not necessarily be available wider than that. There is a process for documents that are tabled to be accessible by the public provided there is approval from the Speaker. The Speaker would normally give approval for that access unless there is some request by those who may have lodged the document for specific purposes and it would be

within the Speaker's authority to heed Mr Nobbs' request in that context . Thank you Mr Brown. Thank you Mr Nobbs. Are you concluded on that

MR NOBBS I am concluded on that Mr Speaker

SPEAKER Are there any further papers this morning

MR NOBBS Mr Speaker I have two other issues. The first one relates to the list of funds which have been transferred by way of virements since the meeting of the House on the 13th April 2005 and I table those.

The second one that I wish to table for the benefit of the public is a letter received from the Public Service Association which states in part "we appreciate the financial strain placed on the Norfolk Island Government and the Norfolk Island community and the Public Service Association in good faith wishes to defer an application for a wage adjustment. We would like to revisit our application in six months where a further decision will be made that is subject to the financial situation of Norfolk Island". I wish that to be tabled as well Mr Speaker. It was received on the 24th June

SPEAKER Thank you Mr Nobbs. Any further Papers. Honourable Members we move to Statements of an official nature

STATEMENTS OF AN OFFICIAL NATURE

SPEAKER Any Statements Honourable Members?

MR NOBBS Mr Speaker I've got a couple of statements and I guess that I'll leave the longest one til last if I can last that long. At the last meeting Mr Tim Brown asked me a question as follows, please explain why the mail is not sent directly to Australia on the Government's own aircraft. I've received an answer from the Public Service which I'll read out in full. It has been decided to leave in place the current arrangements for outgoing mail with Air New Zealand for the following reasons. Firstly, the present price per kilogram with Air Nez Zealand is a good rate and much more attractive than was available from other airlines who have offered prices. Secondly, Air New Zealand has been extremely reliable providing an excellent service. Air New Zealand is expected to continue with the present schedule thereby ensuring certainty of delivery and service well into the future.

Thirdly, It is not known how long the Government will be underwriting the Airline and therefore how long the existing arrangements will be in place for what Mr Brown referred to as "the Governments own aircraft". In summary there is no reason to change a long standing arrangement that is working well at very competitive rates for a short term possible benefit which might need to be changed again when the situation changes. Thank you Mr Speaker

MR BROWN Mr Speaker I move that the Statement be noted

SPEAKER The question is that the Statement be noted

MR BROWN Mr Speaker that's an interesting response to the question which was raised on the last occasion. We are told that the service which is being provided by Air New Zealand is cheap. Mr Speaker nothing can be cheaper than a service which is free and that's the service that is available using the Government airwing. Let's not kid ourselves. If no other carrier comes along, we are stuck with operating that service indefinitely. We are told that the Air New Zealand schedule is in some fashion superior. Mr Speaker it operates twice per week, on Wednesday and on Sunday. The Government airwing operates twice per week on Wednesday and on Saturday. I fail to comprehend the difference between the two. We are told that the Air New Zealand service is reliable. Well Mr Speaker time after time we hear horror stories of mail which has been sent via New Zealand taking weeks to reach destinations in Australia

MR NOBBS Mr Speaker Point of Order. I don't think that's actually been raised that it takes weeks to get here via New Zealand. I've never heard of that

SPEAKER Yes, if you wish to address that point I'll get back to you and give you an opportunity to do so Mr Nobbs. No Point of Order at this stage

MR BROWN Mr Speaker thank you and my friend the Minister for Finance has possibly just given us an indication of why he hasn't realised the importance of this question. He has by the sound of it not heard any of the complaints which I have constantly heard about the delay which is involved in sending mail via New Zealand. Mr Speaker during the time of the previous carrier there is no doubt that there was a stubborn refusal to consider sending the mail on that carrier but that carrier has gone now

MR NOBBS Mr Speaker I don't think the Minister has the right to say that there was a stubborn refusal. It was explained at length to him why this process was put in place

SPEAKER Mr Nobbs I understand you may have that view and as I've said earlier I will provide you with an opportunity to put your view. That doesn't really enter the stages of raising a Point of Order

MR BROWN Mr Speaker thank you. In previous times we were told, if my recollection is correct that change could not be entertained because of a contractual arrangement. Today's reasoning makes no reference to contractual arrangements. We are taking money out of our own pocket by refusing to send the mail on the Government airwing. We are denying the community a faster mail service by refusing to send the mail on the Government airwing. When we move into the busier part of the year, the Government airwing will operate additional services each week. I have no idea what days they'll be but quite clearly, there will have to be a move to not less than three return flights from Sydney. There will have to be a continuation of not less than two return flights from Brisbane and the likelihood is that for the busier parts of the year there will need to be considerably more because in the absence of considerably more seats being available Mr Speaker we are creating our own disaster. There is simply not enough seats there at present to give the island the kind of occupancy which was anticipated in the Unity 2005 document and which was thought at the ...

MRS JACK Mr Speaker Point of Order. We are talking about Unity 2005 and I thought we were discussing postal services

MR BROWN Mr Speaker with the greatest of respect...

SPEAKER Yes, Mrs Jack thank you. This can be reasonably wide ranging but I do ask Mr Brown if he would confine his contribution to the question which is the question of mail

MR BROWN Mr Speaker thank you. Mr Speaker the listening community will not be having great difficulty at the moment in concluding there is a stubborn refusal on the part of some people to tackle this mail problem. And it's time that the situation changed. I'm going to help it to change. I'm giving notice now that at our next meeting I propose to move a motion seeking agreement of the House to request the relevant executive Member to cause the mail to be sent on the Government's own aircraft to Australia, thank you

SPEAKER Mr Nobbs I said that I would turn to you immediately Mr Brown concluded so that you might have an opportunity to put your view on a number of things that you have raised

MR NOBBS Mr Speaker thank you. I think that the first issue that I objected to was that there was delay in providing ongoing I think it was, by providing a service

and the way that it was done. My understanding is that is not correct. That Air New Zealand had provided and still provides an excellent service. There was mention of a stubborn refusal to change. That is not correct. The two airlines at the time were asked for quotes in relation to carriage of the mail and one was far cheaper than the other. Something about contractual arrangements and I'm not too sure what that was in relation to but there was an arrangement with Air New Zealand as I said, they came in at a far less rate than the other one and the faster service is questionable. I understand that mail arrives in Sydney the next morning after it departs here, that's my understanding. If there are other Members who may have other information that's not available, I don't mind looking into it, in fact I would be pleased to look into the particular issue but that was in response to Mr Tim Brown's question. I said I'd get back to him and the response was sent across by the Public Service and I read it out in full thank you Mr Speaker

MRS JACK

Mr Speaker, a concern that I've had comes from personal experience in using the Australia post system and having items forwarded to me and that my mother in this case, was told that she couldn't put this heavy item into the post, it had to go express post. Now this item consequently shot up to I think \$40 to send and she said no, put it in normal post but no, it had to go this way or it goes by sea so I think there's also a need for education or some awareness just on where Norfolk Island is placed, that we are part of Australia, that the express post doesn't guarantee delivery of service next day, which is what you are paying for, and which doesn't necessarily happen, so it's those matters to that need to be clarified when the Minister responsible looks into it, and those issues I would certainly want looked into because in many aspects, I agree with what Mr Brown is saying

MR BROWN

Mr Speaker the Minister for the Environment has raised a really interesting issue. Mail from Australia to Norfolk Island even if it's an envelope comes on an aeroplane direct from Australia to Norfolk Island and the flights from Australia to Norfolk Island take just over two hours, they don't take overnight. Similarly the flights from Norfolk Island to Australia only take a few hours. Even in the days of the DC4 you can spend the night in Noumea and be in Australia by the morning but today's flights, they are jet aircraft, they only take a couple of hours, but if someone wants to bring something bigger than a normal envelope from Australia, they can do it in a number of ways. They can send it by air freight and that's jolly expensive. There are a myriad of charges such that a one kilo parcel can easily cost you \$100 on occasions, and if you have had to have it picked up by a courier and delivered to the airport depending where it's coming from, you might be paying \$150 for your 1 kilo parcel and if it was late in the day when it had to be picked up by the courier, you'll pay a surcharge on that courier, I've forgotten what it's called, some call it jet something or other, speed bags, they've got all kinds of names. That causes people to think in terms of post but parcel post to Norfolk Island quite rightly comes by sea Mr Speaker. The funny thing is, that if someone goes to a post office and says, I wish to send this by air parcel post they will be told there's no such thing and even if the post office does think that such a thing exists and charges them heftily for it, it won't come by air. I received a package only in the last few days which I had asked to be sent by express parcel post and the cost was fairly significant, but when I asked for details of the express parcel post number I was sent a different form and on looking at it I quickly concluded that the goods had actually been sent in a fashion that would cause them to come by sea, but express parcel post does work Mr Speaker. It isn't guaranteed to come overnight because it can only come on the next available flight, but it works quite well. Express post envelopes work quite well and in general the mail system from Australia coming direct to the island works quite well. There's not room for a bag to be offloaded in another place, there's not a need for a bag to remain overnight in that other place, and the mail coming from here direct into Australia get directly into the international system and gets processed fairly quickly, thank you

SPEAKER
Statement be noted.

Is there further debate? The question is that the

QUESTION PUT
AGREED

The Statement is noted. Are there further Statement

MR NOBBS

Mr Speaker I wish to make a statement on the NSL. In April at the sitting of this House I announced a proposal to amend our revenue collection by broadening the collection base, replacing a number of charges which are not fully effective or which impact unfairly on one section of the community, also to help restore stability of Government finances, return the Revenue Fund to surplus and assist in funding vital public infrastructure. The proposal announced was the development of the Norfolk Sustainability Levy or NSL. At the time I also advised the community rigorous and wide ranging reviews would be conducted into all aspects of the public sector. The reviews included:

- A review of all expenditure in 2004/05
- A group comprising representatives from the Public Service Association and senior executives were identifying productivity measures and ways of achieving efficiency savings
- A small group was exploring the option of corporatisation of Government Business Enterprises
- A complete review of the overall structure, classification levels, career paths and functions of the public sector
- A review of management training in the public sector

To-day I wish to address progress in the development of the Norfolk Island Sustainability Levy by tabling several documents. The first document tabled is titled – Norfolk Is Chamber of Commerce Position Paper on Proposed NSL – prepared by the C of C it was received on 15 June last. The Paper was considered by the NSL Working Group and I thank the Chamber for their contribution and look forward to meeting with their various working groups. The second document I wish to table is a report of the visit of the Australian Government Advisory Group dated 21 June. Following my seeking advice from both the Australian and New Zealand Government, the Australian Government agreed to provide an Advisory Group and New Zealand deferred to this decision. My reason for seeking this advice was fairly simple for as a result of its relative tax-free status, businesses on Norfolk Island have lower record keeping and Government reporting requirements compared to many other economies. This low level of reporting has resulted in the Norfolk Island Government having minimal knowledge on the size of the economy and the sectors within it, particularly the services sectors. This lack of information on the Norfolk Economy made accurate modeling of the proposed NSL difficult. It was felt that such a group as the Australian Government Advisory Group with cooperation of the private sector could achieve sufficient data from interviews to plug major gaps. Their visit was initially set at one week but then changed to three days and whilst there was excellent response from the private sector to my request for assistance, the limited time and being side tracked onto other issues resulted in the Advisory Group being unable to provide adequate data. Their report reflects this. A lot of detail in the report was well known and was being addressed, notwithstanding this, very useful advice was provided to the NSL Working Group. May I at this point thank the Australian Government for the prompt response and also the members of the Advisory Group for their effort. late last week I met with representatives of the Chamber of Commerce and was provided with a document which contained revenue raising solutions and alternative financial arrangements. The working group felt that revenue solutions suggested had either been worked through earlier in assessing alternatives to the NSL or were work on going such as call centres, leasing numbers & cruise ships. It is interesting a proposal related to FIL included a requirement for all businesses to register and be audited – precisely the requirement of the NSL. Alternate financial arrangements proposed included levies of \$250 on fulltime workers and on each land titles, double the workers comp levy, increase by 20% customs duty, FIL, Departure Fee, Bed levy, liquor licences etc and a \$1m saving from the public sector although no detail was provided. This was estimated to return \$3.7m. I have real concerns with this approach but believe this proposal was developed as a one off hit and not to be maintained past year one. As was alluded too earlier past assessment of the Island has consistently come up against a serious barrier in the lack of information on the Islands economy. Reports such as those by the Commonwealth Grants Commission, The Australian Treasury, JSC and many private consultants have all referred to a lack of sufficient readily available information to map the economy. Basic economic data is available in a variety of

locations within Admin and whilst adequate to establish the concept, it is inadequate to provide for the setting of the NSL % and deal with attendant issues. The Australian Government Advisory Group being unable to map the economy adequately recommended in their report that the % initially be established at nil or a low %, to allow information to be gathered on the economy. Such a recommendation is not new as 1% was suggested when the proposal was initially being worked up some seven or more years ago and whilst the current NSL Working Group was aware of previous recommendations it felt there were other means of achieving adequate data and chose the Australian Government Advisory Group, as discussed earlier. When I first announced in this House that Members had agreed to progression of a concept of an NSL, no % was set and it was intended to aim for a start date of 1 October next, the announcement certainly generated some lively discussion. I appreciate those who contributed to the debate in a meaningful manner but I am really appreciative of those who were not swayed by misinformation, who realised and stated something had to be done and were prepared to allow development and fine tuning of the proposal. Fine tuning is at the stage where to progress further we need to lay the cards - in the form of draft legislation and a Guide, on the table. And as a consequence I table an exposure draft of Legislation and the Guide. The NSL Working Group now recommends that an initial trial period be initiated with the specific aim of gathering as much data as possible. The start date has been reviewed for whilst we are on schedule with Legislation and attendant documents which were to be before the Assembly in July – this month - it is felt additional time is required in the education/development stage. It is now proposed that registration of businesses commence on 1 October and the trial period commences on 1 December 2005 & extend to 30 June 2006 and that:-

- The NSL will be 1%
- Customs duty on goods certified for resale (except certain goods such as tobacco and alcohol) shall be reduced by 1% to a business once it is registered
- The NSL applies to the sale of goods and services for consumption, use or enjoyment in Norfolk Island
- Some goods and services are exempt from NSL, they include tobacco on which duty is paid, fuel on which fuel levy has been paid, fees and charges paid to Admin, gifts, court fines, postage stamps, some real estate transactions
- There is an ability for supply of certain goods and services to be charged at zero percent including some insurance premiums, bank charges, funeral expenses, travel to Norfolk Island

The trial period of 7 months will allow :-

- The gathering of key economic data;
- Monitoring of movement in the economy;
- Businesses to improve their record keeping and accounting systems;
- An additional education period for the community;
- An opportunity for hardship and exemption applications to be submitted
- A transition between existing taxes to be repealed and the NSL.

What is in the Bill. The Bill introduces to Norfolk Island a new revenue charge based upon the turnover of business which is intended to be simple of calculation, simple of payment and simple of collection. A primary objective of the Bill, other than that of broadening and expanding the Island's revenue base, is to develop sufficient information about the economy of the Island to enable informed decisions to be made that may enable the abolition of a number of existing government fees and charges and replace them with a single levy at a level that does not adversely affect the economy. People who are at present able, by so arranging their affairs, to legally escape some current fees and charges, will be brought back into the process whenever they spend money. In practice the levy will be included by suppliers of goods and services in their sale price. However this does not mean that all suppliers must add 1% to their prices because they are free to absorb some of the levy if market conditions allow or require it. But whether or not sellers include an amount of the levy in individual prices, a seller cannot charge a price and then require the purchaser to pay an additional amount for NSL or misrepresent the amount of NSL included in the price. Businesses will be readily able to calculate their gross receipts on a monthly basis. It is intended that random audits will be conducted from time to time. The levy will be payable monthly and may be paid by electronic transfer. Provision will be made to discourage exploitation of consumers. The Bill establishes the post of Chief Revenue

Officer a statutory position responsible to the Parliament, in line with recommendations of the Australian Advisory Group. The NSL is payable, as already stated, on a monthly basis on gross revenue (turnover). From the total amount only revenue from zero-rated sales (if any) are deductible. Because of the lack of information about the Norfolk Island economy and the setting of the NSL at a minimum rate, the effectiveness of the legislation and the information gleaned will be reviewed in 6 months time commencing from 1 May 2006. The review which must include at least one public meeting must be completed and recommendations made to the Legislative Assembly by 30 June 2006. If this does not happen the legislation will expire.

Outline of the Bill

Part 1 deals with the usual introductory matters but contains detailed and important definitions of terms and expressions used in the Bill.

Part 2 establishes the NSL, registration of businesses and associated persons.

Part 3 establishes the obligations of registered persons to keep records and provide monthly returns.

Part 4 deals with exemptions by way of zero rating.

Part 5 deals with disputes with the Chief Revenue officer when a review of an assessment has been made.

Part 6 deals with price exploitation, the provisions of guidelines to establish what is exploitation, prosecution of offenders, monitoring prices, confidentiality of information provided and reporting.

Part 7 deals with administration of the legislation and establishes the Chief Revenue Officer and provides for acting appointments, delegation and the provision of secrecy generally.

Part 8 provides for secrecy (with stringent penalties), misrepresenting prices, Regulation making and for the review of the legislation and its possible termination.

Financial impact

Cost to the business community of compliance with the legislation is considered to be minimal. The likely impact of the NSL upon the community at large is considered to be low. Assuming that businesses all increase prices to recover the amount they must pay, a person spending \$1000 per week will incur an additional \$10.

Registration costs are expected to be small and the cost of compliance with the requirements to display the NBN on various documents should be very small. Many businesses will be able to make slight changes to standard computer generated documents while others can obtain stamps of various kinds or even hand-write the detail.

The principal benefit to the community apart from the collection of revenue is expected to be the gleaning for the first time of sufficient information about the business economy of the Island to enable future decisions to be made with a higher degree of certainty than ever before and to better control the nature and number of revenue raising activities that are in force at present.

The final document is a Guide to the NSL – a document in two parts

Part 1 specifically relates to the period from the present until the end of the proposed trial period on 30 June 2006 and deals with the development and implementation of processes, educational commitments as well as requirements related to registration, lodgment of data and the proposed review.

Data collected will be modeled and the following tasks will be performed in preparation for the period after 30 June 2006:-

- Model the revenue received at 1% based on proposed model;
- Review the minimum threshold for a registered person;
- Make determination on hardship applications;
- Make determinations on exemption applications;
- Determine NSL funding required
- Consider Inflationary Effects; and
- Calculate the new NSL rate.

Part 2 of the Guide refers to the first draft of a proposed NSL model for implementation following the trial described in Part 1 and does not come into operation before 1 July 2006. The draft includes how the NSL will work and makes reference to issues such as pre-paid duty, NSL exemptions, proposal related to departure fees and provides a checklist of transactions and their NSL status.

It should be pointed out that part 2 of the Guide is a first draft and will be subject to change, particularly during the review of the trial period. Mr Speaker I've asked the community to be patient on detail and I appreciate and thank them that the majority have been prepared to give the NSL working group a go. I would also express my appreciation to the working group. They've worked extremely hard under pressure and at times under very pleasant conditions. It has not been easy and we are only partly along the way. I urge the community to support the proposal as we move to and during the trial period as the results are not only required in the development of the NSL but are essential and long overdue in the planning of our island's economic future. Thank you Mr Speaker

MR BROWN

Mr Speaker I move that the Statement be noted

SPEAKER

The question is that the Statement be noted

MR BROWN

Mr Speaker I certainly supported the investigation of a GST and that's what this is. Let's not kid ourselves. This is a GST. I did not. I have not. And I do not, that is I did not support, I have not supported and I do not support the introduction of a bill to introduce it. As far as I can see the investigation hasn't been completed and we are not in a position to form a view one way or the other as to whether it's wise, but I certainly do not support hitting the community by seeking to introduce a GST at a rate of 1% when Blind Freddy or not Blind Freddy sitting down the back of the room can tell that the 1% will eventually increase. Different people have made suggestions as to alternatives and many of those suggestions are equally dangerous Mr Speaker. Some have suggested oh well, maybe income tax is the answer. Well I'm not so sure about that but what I am sure about is that income tax would be an extremely expensive option which would over time become more and more expensive. Some have said oh well, you can have income tax but not charge if over \$50,000 of income. Well that might be all very well for us to think about but no future Legislative Assembly would be prevented from changing that to \$100,000 or \$200,000 or removing the cap altogether. Similarly no future Legislative Assembly would be prevented from saying well look, once you get to \$50,000 the rate is doubled which is a similar concept to what has always been the case in Australia. It's clear that some people have spent a lot of time working out the proposal that the Minister has tabled as an exposure draft today. But wow. When you have a look at it it's a really interesting set of documents. Section 4 of the proposed bill subject to the provisions of this act there shall be a levy that shall be paid at the rate of 1% of the gross revenue, and if we go down to subsection b, derived outside of Norfolk Island by or on behalf of or for the benefit of a registered person. Let's assume I'm Westpac and I'm registered in Norfolk Island. Are we really seeking to impose this on the whole of the turnover of Westpac. Let's assume I'm a person who has a business in Norfolk Island and quite a substantial business in New Zealand. I won't give you names but there's a number of them. Are we wanting to impose this on their business in New Zealand. Now the Minister will say to me oh don't be so stupid. It's only on gross revenue. There's a definition section Mr Speaker. Gross revenue. Means the total revenue derived from all sales after deduction of revenue received etc. the Minister might say see, I told you, it's only in relation to sales. So look on page 3 of the bill and blow me down, there's no definition of sales so the Oxford Dictionary definition has to apply to that. There is talk on page 2 of the leviable sale, but that can happen outside of Norfolk Island too, but there's no reference in section 4 to leviable sale. That's talking about gross revenue and gross revenue in the definitions talks about sales. I don't think that we have been shown anything which is simple. I don't think we have been shown anything that is fair and with the greatest of respect for the Minister I don't think we've shown anything that is well thought out. The Minister just told us for example that if you spend \$1000 per week you'll pay ten bucks. Well the whole concept for this is that it can apply at a number of stages of the chain. So the price to the consumer if the particular goods have been hit two or three times on the way through might be far more than \$10 out of every 1000 but the biggest problem is that I have consistently said that the community will not accept any new taxes or increases in existing taxes until such time as we show that we are wisely spending the money which the community is entrusting to us now. And what's before us does not touch upon that in any way and in case I haven't made it abundantly clear in the past, hell will freeze over before I will support this legislation in the absence of the community having been shown that every cent that is entrusted to us now is being wisely spent.

That's not an impossible task. If we had spent the time that's been spent on working out these documents in ensuring that we removed waste from the public sector, that we really looked at what parts of the public sector should be contracted out, that we really looked at what parts of the public sector perhaps no longer need to continue, if we really looked at the numbers of staff and whether we could afford or need to continue to have that number of staff, we could have done all of those things in the time that we've spent on this but we haven't. The Minister is obviously at liberty to introduce this as a bill at our next meeting. I'm at liberty to oppose it but I hope the Minister will heed what I've said and do something about giving the community value for the dollars that they are spending now, thank you

MR NOBBS

Mr Speaker I'll just respond to a couple of issues there. The first one relates to the expenditure side of things. As I said right at the outset there was a number of issues which have been dealt with. The Legislative Assembly have before it now some report in relation to the majority of those, one report will be coming through I understand next week from the Public Service Association and senior executives but there is a report before them now and I'm waiting for it to be either accepted or not and it's been sitting there for about four weeks now so please don't start saying that I've done nothing. We've been playing at the edges with overtime and those sort of issues but the report before them actually deals on a far wider basis, and as I've told the community in the past, unless we can show that we can expend our funds correctly, and that they are not wasted, that I will not be wishing to bring in any additional charges on a community but it's like this, that the Minister for Finance can only do so much. I've a proposal before you whether its accepted or not is up to the membership concerned. I've put proposals before you in relation to expenditure and they still need to be addressed. This particular proposal is an exposure draft. I haven't introduced it, I've left it as an exposure draft. It can go out to the community, out to the Chamber of Commerce, out to the service sector and they can now have a reasonable look at it. I asked them to be patient, to allow the development of this particular proposal and I said I would have it in about mid July, well it's mid July now and that's what we've done and I think we are fairly well on course in relation to what I've stated on the expenditure and revenue sides but there are other areas within the Government that I don't have full control of and those are areas that we need to do. There are significant expenditure in the areas as follows, education, health, tourism, social services. That's over 60% at the present time in a very tight budget and I would have thought that it was probably closer to 80% if all the bids were taken into account in relation to that and it may be with the escalation in social services over the past years that maybe it will be 70% to 80% of our revenue by the budget review in January next year so I mean there are particular issues concerned. This is only one part of getting and efficient and effective sustainable Government for Norfolk Island. There have been a lot of things brought up and I think Mr Brown brought up income tax. Why should it be cut off at \$50000. I think Mr Brown's figure was actually \$60000. why should it be cut off at \$60000. the proposal that was put up was that it started at \$25000 and finished at \$50,000. For sure and for certain that all those on a definite wage would be captured but what about the rest of them. You see that with income tax in Australia so there are a lot of alternatives but as I said at the outset. What we are trying to do is broaden the collection base and replace a number of charges which are not fully effective which impact unfairly on one section of the community. We've got complaints now from the tourist accommodation people about the levy problems there. Now there's a proposal that I read out here that's a proposal to increase the bed levy by 20% and when you go through the figures as far as accommodation and take a punt and that's all you can do at this point in time is take a punt on what you think the charge per night is, you will find that some of those people in the bed levy arrangements are paying quite significant percentages of their take on the bed levy. Others are paying a very small percentage indeed. Surely this proposal that we put here, provides that if you use a bed or if a product is consumed, you pay for it and it goes right across the board and the initial period we state quite clearly, that there will be a trial period until the 30th June next year from the first December and there is a requirement in the legislation for this period to be reviewed and if it's not reviewed, if the Legislative Assembly doesn't feel like reviewing it, then the legislation dies. But it gives us the opportunity, whatever information or whatever the Members of the Legislative Assembly who may be whether this is still this group or another group by June next year, and whoever the Members of the Government are and the Ministers are at that time by the 30th June next year they will have adequate

some work into, the previous Legislative Assembly put some work into in trying to retrieve as much information as we could about the current status of our infrastructure and what that's going to cost to maintain and replace over the years. We have a developing asset management plan at the moment that has surprised me. I think the drafts of those are indicating to us many, many millions of dollars per year that this community is going to have to find to maintain its infrastructure at a standard that is acceptable to the community and acceptable as an industry standard generally in any other jurisdiction. That is of immense worry to me. I guess my snapshot view of what we were requiring to raise in this community was somewhere between \$3-4000000m. I think there had been suggestions of as much as \$6000000. I appreciate what Mr Brown has to say about the need to demonstrate to the community just how wisely we are spending current dollars. I accept that and I believe that there have been serious efforts both by the Minister for Finance, the current Acting CEO the senior management and the service themselves. The Minister for Finance has tabled a letter from the Public Service today indicating their willingness and their recognition of the fact that times are tough and their willingness to defer their wage increase claim through the Public Sector Remuneration Tribunal. There have been and continue to be significant efforts I believe in trying to reduce our expenditure. I guess my biggest concern is even if you were to save the \$6m or thereabouts that we expend in our education salaries, in our Public Service salaries and wages and conditions or thereabouts and in our Government Business Enterprises that's probably not even going to be enough to make ends meet as far as infrastructure and asset replacement are concerned over the years to come so there's only so far that you can cut those expenses. I think it is very clear certainly from my reading and understanding of the situation that there is a need for extra revenue and I take on board Mr Brown's comments that we need to continue to explore the expenditure side of things and I believe that's happening. Getting back to the process over the last eight or nine years, what the Minister has brought to the House today is the closest we've ever got in 8 or 9 years of actually seriously addressing the issue of revenue requirements for Norfolk Island. We are 8 or 9 years too late. We are 8 or 9 years behind the eight ball as far as that's concerned. We have a lot of catch up work to do as over those last 8 or 9 years we should have arguably probably spent over \$30 or 40 or \$50m in investment in the island. We haven't done that and somewhere along the line there's going to be a requirement to have to provide that sort of support. Now whether we are going to draft that out of this community I'm not sure. But it does bring me to the point that the introduction of an NSL or any other further revenue raising measures are going to be significantly restricted if we don't get the industry that we base all our taxation arrangements on right and functional and that's the tourism industry. If we don't turn that around we've already got a sliding economy, sliding downhill. Unless we turn that around, we aren't going to have anything to tax. We aren't going to be able to replace our assets and our infrastructure over the years ahead and that has been my primary concern in this period of time is to try and address that and I believe it is the responsibility and the primary concern of everybody within this chamber and within this community to attempt to do their best to turn that around. Put a bit of team effort into it, and see if we can turn it around and I'm confident that we can. If we don't pursue something like this, and I understand that there have been a number of proposals put up and the documents that the Minister has tabled today, there are revenue raising solutions and alternative financial arrangements, I think it's been referred to, and a paper generated by the Chamber of Commerce in conjunction with the Norfolk Action Group and it provides a significant number of alternatives and I think the Minister touched on those. I think the figures that they've used certainly it's obviously difficult for a group outside of the Administration or the Government to get their hands on the correct figures that might attach to each of those suggestions and I note in that paper a suggestion that we collect over \$1.3m in departure fees. That equates to a little over 40,000 people departing Norfolk Island. Those figures clearly are not correct because I think in the last financial year as far as visitors were concerned, there were about 32,000 coming through Norfolk Island and even if you were to add a percentage of local people to that departing the island I don't think you are going to reach those figures so certainly in those groups who are attempting to assist the Government and I think they are genuine attempts and offers to assist which we've recognised, it might be incumbent on us to try to ensure that those sorts of organizations get the correct figures when they are obviously keen to assist us and the difficulties that we are in but those other suggestions are adding additional impacts to already struggling industries. I met with the ATA yesterday. They have

real concerns about the cold bed levy. The suggestion from the Chamber of Commerce and the Norfolk Action Group paper is that the cold bed tax be increased by 20% and an already heavily struggling industry to impose an extra 20% I would suggest would have a few of those paying the \$30 departure fee and leaving Norfolk Island at the end of the year and I'm serious about that. I do recognise the difficulties that are out there. To suggest that you are going to impose another 20% on duty levels and not to take into consideration the negative effect of an impact like that, and what I mean by negative affect is the fact that as a retailer I would have to seriously look long and hard as to whether I maintain the same stock levels, as to whether I actually buy three bags of fertilizer instead of six bags and any additional impact that you place on top of duty just simply cannot expand out to suggest that if you increase it by 20% you are going to get 20% extra income. It's more than likely that you are not. It's more than likely that any movement in that area is probably going to see an overall reduction in income I would probably wager that because it imposes significantly further burden on people. To suggest that the Administration, I don't know where they got the figure from but to suggest that you are just going to make a \$1m improvement in the operational efficiency of the Administration would be good if we could have some background, some basis. It appears that it is more just a guesstimate than based on any hard or proven facts but I guess what I'm saying there is that I recognise the effort that people have put into trying to assist the government in what are difficulty times and to reinforce the fact that the implementation of an NSL is something that has been on the drawing board for 8 or 9 years. The Minister should be commended for trying to get some action on it because we've thought about it, it comes up, it drifts away but I think that the hard cold facts of reality are going to dawn on us and we are going to see with the finalisation of our asset management reports, the finalisation of those other things, that the hard decisions are going to need to be made sooner rather than later. I think the Minister for Finance is quite correct in suggesting whether it's this group that sits around this table in June of next year or a new group or a new group of Minister that at the end of the day those very very difficult decisions and hard decisions are going to have to be made. I think Mr Brown earlier alluded to the options of income tax. Certainly that's one that I as a Member of the Legislative Assembly and I'm sure others have had included in correspondence from Members of the public that might be a more palatable option, whether its going to raise the necessary dollars and cents I don't know. I can't make that assessment because the frustrations of the Minister for Finance and his working group have found over the time that they've been working on this, the information is just not available there to make a real assessment of just what that would bring in. they are guesstimates and I would hasten to probably add they are not even best guesstimates, but it makes it very difficult for them to be able to settle on figures and what a rate should be for example of an income tax arrangement. There have also been in correspondence sent to us, suggestions that we would be able to solve all our problems just by the implementation of land rates. That's obviously a particularly emotive issue. Again, yes we have locked into place a fairly safe level of the numbers of properties that are on the island. We know that. That is one of the few facets that we absolutely have some certainly on but again there's the long term impact. There's the cultural impact. There's all sorts of impacts that go hand in hand with the introduction of that type of arrangement here in Norfolk Island. Probably a simple one to collect but whatever it is it's going to have to be a sufficient amount to be able to sustain Norfolk Island, that's why the NSL or the GST as it's referred to was call the NSL because it's for the sustainability or sustenance of Norfolk Island in the forward years. Conversations with me by tried and true Norfolk Island people show that they are now questioning the cost of self Government for Norfolk Island and can we afford to continue along the lines that we've been pursuing because we can clearly now see what the costs are and I think the Minister for Finance discussed those earlier. There are enormous costs in our continuation of self Government and it is a worrying trend when its now raised so often. No doubt this is a repetition of hard financial times this community has experienced with the booms and the busts and the impacts its had on the island as a whole. I believe if the right proposals are put before them and at times unpalatable proposals are put before the community I believe the long term benefits to the community as a whole will be recognised. And we are criticized for going offshore and using consultants and then we are criticized for using our own people because they are not the people to provide us with advise so betwixt and between we find ourselves and it certainly does generate its own unique set of problems. However in saying that there has also been a degree of representation that's been made to me about whether the

introduction of such a significant change to our revenue raising measures on Norfolk Island should be the subject of referendum. Some would suggest and I would strongly suggest that if you put any new taxation measure to referendum it will probably be defeated because people don't like to pay tax, as simple as that. But at least there may be some merit in some of the matters attaching to the Bill itself may be should be more widely discussed in the community and may be some of the concepts tested by referendum because I think my biggest fear is that no matter how much hard work we put into this and how much we think that we've provided the community with information there's going to be a tremendous section of the community that are probably going to argue that it's not enough. If we try to railroad this through without going through some type of referendum process we may well find that we'll have our hand forced in relation to that because we do live in a democracy and if our constituents out there feel strongly enough or enough anGST against something then as we all know it's very simple and a very quick process on Norfolk Island to put pen to paper not necessarily asking us not to progress with it but probably asking us to think long and hard about whether we wish to retain office or whether we should all be replaced. There's plenty of examples in the recent history of Norfolk Island to suggest that I'm not wrong in saying that. I apologise. My comments were supposed to be general and I've been dealing with a bit of the detail of the process before us but I don't want it to be lost on people that there have been a significant number, including the minister himself and his working group and people within the Public Service and within the community that have put a lot of effort into trying to assist the Government to make sure we make the right decisions and get an outcome that is going to secure our sustainable and viable future in Norfolk Island and not to throw all of that hard work away but to see how we can build on that and also I guess the warning I need to issue is that we've got to make sure we get this right because we are only going to get one bite at this cherry. If we fail in it then I think Norfolk Island fails with us. Thank you Mr Speaker

MR CHRISTIAN Thank you Mr Speaker, what the Minister for Finance has done today has obviously spooked some of my colleagues around the table. I don't share their fright. I think what the Minister for Finance has done today is democracy working at its best. Time and time again in the past Vicky Jack's words, fait accompli we presented with pieces of legislation introduced at one meeting passed at the next. If you look at the poor bloke who wanted to import a helicopter he never even got to first stage. What we have here is the Minister for Finance working on his version of what we should do to improve the Government's collection of revenue. What he's chosen to do this time is to release it as a statement as a public exposure draft. I think that's a good thing because what happens in this situation is that the Legislative Assembly Members don't actually have it for a month or two to toss it around before it is released to the community. The community actually gets it at the same time as the MLA's and I don't have a difficulty with that. Releasing something as an exposure draft does not of itself imply guaranteed support from the MLA's sitting around the table that such a piece of legislation will in fact get up. I think in all probability the releasing of this today will almost certainly ensure that it never gets up. I think if you read the Norfolk Island Sustainability Levy Bill 2005 in conjunction with the report to the Australian Government Advisory Group and you read between the lines, that Advisory Group is actually cautioning us not to proceed down the path that we are proposing to. And we will let the Members of the public read the report for themselves but they basically say that it's all very well and good to collect all this fancy information but in an economy as small as ours what real good will it do you where you pay out a fortune to collect that information. They also suggest that possibly rather than the NSL concept with the cascading effect that it has that we should just be looking at a retail sales tax and that to me was what we originally started of looking at. Something that was not compounding applied at the end of the process and not inflationary of itself but sort of attached to the rest of the economy that wasn't a direct importer, however, we seem to have strayed a bit beyond that. Having said that thought I have no difficulty with what the Minister for Finance is attempting to do today. There is no guarantee of support that goes with what he is attempting to do but I think it's healthy that this be released to the public as soon as possible so that the public can be in there with us working on it. Some people will support it. Other people will bag it. It will live or die by the quality of it, Thank you

MR D BUFFETT

Mr Deputy Speaker, there has been a lot said and rightly said in Mr Nobbs introducing this exposure draft. My contribution is probably brief but I would like to make it. Without a doubt Norfolk Island does need to generate additional revenue. I think that's beyond doubt and none of us argue that point. I think there are two important factors that need to be identified in this broadening of Norfolk Island's revenue base and the first is that any taxing measure really needs to take place where the money moves and we need to look how the money moves in this community. It may well be that any impost such as the NSL might do this but what it needs to recognise is that our existing arrangement does not do this. Our existing arrangement is based on how money moved in this community a number of years ago, decades ago, 70 80 90 years ago. There have been some more modern adjustments but they have not really tackled the matter of examining where all of the money moves in the community because some sectors are taxed at present but those sectors that are taxed, are taxed differently. In other words at different rates at different places and of course others may pay little or pay nothing and so you can't say that our taxing regime at this moment is a fair or equitable one. Nor does it take into account where the money moves. So I make that first point about a regime that looks at where money moves in the community. The second is that no matter which regime we have we need to generate an economic climate in which people can afford to make community imposts. To make their contribution by whatever taxation system is called. Taxes aren't designed to put people out of business. They aren't designed to create social problems that people can't afford to pay for things but we need to have an arrangement of an economic climate where a community portion can be drawn for essential needs such as health and education, social welfare. All of those things that have been mentioned by others. We also of course need to have funds that will market and promote this island and so out of all that, one of the important things to recognise is that a key factor in all of this is to lift our present industry arrangement which is a visitor industry, tourism. Unless we can lift our present visitor number, attract those who have greater disposable income by increasing our flights, marketing and promoting to bring visitors in, our principal industry won't be able to support a taxation arrangement. That is a key factor in all of this and unless we get on about that, in conjunction with the revenue base, then in fact we are not creating a climate in which all of this is affordable. It has been mentioned and this seems to be getting away from the real point but I think it deserves a mention. What about self Government in this. In this environment I've got to say Mr Deputy Speaker it's very easy to lose the vision. When time gets tough and you're under pressure. Because we have costs increasing at this moment and our present income is precarious. That's without a doubt. But let me say that times will improve because we have been through difficult times before and in terms of self Government don't give it away just because we are having a bad patch. Now that's the real test for self Government. If we can rise to meet the occasion then we deserve it. If we don't we don't deserve it. I of course have always held a view that we can. Don't be doomed by the doomsayers in all of this. Some want us to fail. Don't prove them right. I think some of us are spooked to be quite frank and I think some in the community are spooked. That was Mr Christian's term. I think it's a good one to raise in this context but don't be misled in all of that. Now having said all of those broad spectrum things, can I come back to the proposal that's been put on the table. Mr Nobbs has made an exposure draft available to us. It may or may not be the one that we want to settle on. A number of people have raised the matter that we haven't seen this finest detail that he has given us until yesterday and that's very true and so we can't be expected to make a decision in terms of every particular detail and give significant comment in respect of that. And so we will be making comment with other Members of the community as to how it all fits or if it does not fit and it may be that it needs adjustment or significant adjustment but without a doubt it will need something that will address the broad spectrum of how money moves in this community and if we are to do it in whatever measure we decide to do so because we must decide to do something then we need to ensure that we are at the same time ensuring that our industry is brought to a level where people in the community can be a participant with reasonable means to be making the contribution that we are asking of the community purse.

MR BROWN

Mr Deputy Speaker I certainly agree with what's been said by the previous speaker. I've said today that I don't think people would be prepared to pay additional taxes until they can see that the present money is being present wisely. But I did

encouragement for their self Government arrangements. However, by about the mid 1980's, about ten years into self Government things were really tightening up. There were some massive changes, there was a lot of retrenchments within the Public Service and the story was simply this, you've got to pay your own way and the same will happen here. If you throw out what you've got at the moment, what do you really have. You will have a GST of 10%. You will have income tax where every salary earner on the island gets belted and I can tell you that from experience. You will pay as you earn. You don't see it brother its just gone before you get the money. That's what it will be for sure there will be money but who will be paying the majority of it. The community will be paying. This community will. I'm not kidding you. I'm not trying to scare anybody although I think there's been some fairly spooked arrangements going on as my colleague has said a while ago in relation to the NSL but I can tell you a fact, that if we can't manage our own affairs, we will be copping all this and there will be seat belts and what have you and they'll say no money will go into roads here unless you have seatbelts. Bang. Immediately of course there'll be seat belts and all these other road issues that the community didn't want a few months ago, and so I mean, we need to do something. Everybody says we have to do something. I might have been wrong in jamming this through and saying that we are going to achieve the papers to the Legislative Assembly in July, well if I am wrong I'm sorry, but I'm not sorry to say to you now that unless we make some decisions and pretty soon, not only in relation to the NSL but also some support for those who are trying to make changes within the Public Service and that we have apart from thinking about the people in the next compound along the road, that there are other areas which the Government controls and I've said it before, where we need to have the same sort of assessment, the where we've said do we need this, do we need that. It all seems to be Admin this, Admin that. We can't increase the things because of Admin. That's fine. But all I can say to you is that we have to do something and as the Minister for Finance I put these things up. You tell me. Thank you Mr Deputy Speaker

DEPUTY SPEAKER
that the statement be noted

Any further debate Honourable Members. The question is

QUESTION PUT
AGREED

The Statement is noted. Are there further Statements. Then we have concluded Statements

MESSAGES FROM THE OFFICE OF THE ADMINISTRATOR – NO 15

SPEAKER Honourable Members I have received the following Message from the Office of the Administrator which is Message No. 15. On the 7th July 2005 pursuant to section 22 of the Norfolk Island Act 1979 His Excellency the Governor General declared his assent to the following, Norfolk Island Planning and Environment Board (Amendment) Act 2005 which is Act No 15 of 2005 and the Planning (Amendment) Act 2005 which is Act No 16 of 2005. The message is dated the 12th July 2005 and signed by Grant Tambling, Administrator

We move to the Reports of Standing Committees Honourable Members

REPORT OF STANDING AND SELECT COMMITTEES

Honourable Members, are there any Reports of Standing and Select Committees this morning

MR D BUFFETT Mr Deputy Speaker, may I provide a report from the Impact of Bills and Subordinate Legislation Committee. Mr Deputy Speaker and Honourable Members, Members at our sitting in April of this year referred the Social Services Amendment Bill 2004 to the Impact of Bills and Subordinate Legislation Committee and it asked if possible the Committee report back to the house on its deliberations and recommendations at the June sitting just passed. A number of public

sittings have been conducted, in fact as late as last Friday the committee was receiving public submissions on the impact of this bill but that has concluded the submissions that we have planned to receive. The committee is working towards tabling its report at the August, that is the next sitting of this House but that is subject to lodgment to the committee of documents and papers that have been promised to it for it to further its deliberations and I make that report which is really an interim report to the House in terms of the this committees consideration of the Social Services Amendment Bill 2004

SPEAKER

Member we are now commencing Orders of the Day

ORDERS OF THE DAY

PROCUREMENT OF FULL TIME COUNSELING SERVICES FOR NORFOLK ISLAND

Honourable Members, we resume on the question that this motion be agreed to. Mr Sheridan you have the call to resume

MR SHERIDAN

Mr Speaker just continuing on with this motion of mine, I think I've covered nearly everything that really can be said about it, but just reviewing the notes last night, and I'll just make a few comments. One has to wonder at the Minister's sincerity in providing any type of counseling service to Norfolk Island, whether it be full time or part time

SPEAKER

Mr Sheridan can I ask you to pause. Please don't create imputations in terms of those who hold executive office or indeed any other Member but please continue with your debate with that in mind

MR SHERIDAN

Thank you Mr Speaker. The Minister has been throwing this issue up since December 2004 with apparently, or from my perception, no action on his behalf. In the 16th March sitting of the House the Minister states, for the next six months the counseling service will continue on a part time basis. Well where is that service Mr Speaker. In the 20th April sitting the Minister refers to various complementary services which are already available and as the Minister rightly states, these services are complementary to existing services, or does he mean that they are free to all. I would assume that these complementary services that he alludes to are the 1800 numbers which are available to access from Norfolk Island and over the past twelve months there have been some 200 calls made to those numbers with 48 calls made since April until 31st July 2005. This demonstrates to myself that there is a requirement for counseling on Norfolk Island whether it be full time or part time. There are people out there in need but it also must be noted that these phone lines are really for crisis counseling and do not address the long term psycho social care of individuals and that research shows that clients will re-access the service of face to face counseling. To leave these clients who already have access to counseling services is not indicative of good health care. People like to talk face to face. Again in the same sitting the Minister states my own impression is that there is minimal demand. How does the Minister justify this comment in the face of all the statistics and data from the highly skilled clinician who was appointed to the role of counselor and which backed up the research conducted by Deb church with the doctors and other professionals. Mr Speaker the Minister also asked if I could consider how the counselor could be paid for. I'm not in the same frame of mind as the Minister but I believe that a vital service to this community must be a priority and funds allocated as a right not as the Minister suggested during the 20th April sitting, cut back two doctors from three and in a memorandum dated 24th June with regard to the hospital budget if the Legislative Assembly decide that it wishes to engage a full time counselor I will be grateful if you would let me know whether the hospital is to further reduce its expenditure in order to cover that cost. Again Mr Speaker I believe that the minister is scare mongering, because the funds allocated for the counselor does not come out of the hospital budget, but the welfare and services budget so therefore the hospital will not have to cut anything back at all. May I suggest that the cut back to the hospital budget was part of across the board cuts. Again Mr Speaker the Minister states in the 18th May sitting in part, that it was I think as long ago as December that we started talking about this but unfortunately it seems that little was done in order to implement that". Mr Speaker the service

cannot implement anything without direction and that is what the service did not get. Again, on the 18th May the Minister states "but the response I received very late yesterday was to the effect that all doesn't matter now because the Salvation Army doesn't have anyone available to do the job. The Minister states the Salvation Army is unable to provide the service. Also I have asked for the contact details so that I can speak with them myself. Yes I believe that the Minister did contact the Salvation Army some weeks ago when the officer concerned was away. The Minister left a message saying that he would recontact but unfortunately up until yesterday morning I believe that no contact had been made. I suppose the Minister would like to have somebody to do the counseling, like the counselor who was on island this week doing courses for one of the church groups for \$400 for a weeks programme, telephone counseling for \$80 per hour. This is all very well and good in a cashed up society but usually the people who are at wits end, have few answers to play with, little money to spend and can ill afford to pay for the counseling, are the ones who require that counseling. They require that counseling face to face. These people need to be supported today and not tomorrow. All this shows is that a considerable time has passed and the Norfolk Island community is no nearer to accessing counselor services then they were months ago, and I believe that the community of Norfolk Island are entitled to a full time counselor and that it is the Minister for Health's responsibility to ensure that the island's needs are fulfilled. Therefore Mr Speaker I would like this House to direct the Minister to provide on a full time basis an on island generic counseling service, Thank you

MR BROWN

Mr Speaker I'm deeply disturbed by many of the things that have just been said by Mr Sheridan. There are confidential telephone numbers which can be used without charge to access counseling on the mainland but I do not receive statistics and I was unaware until right now that anybody else did of the number of people who used them. I'm wondering whether Mr Sheridan also has a list of the people who called Mr Speaker. There is obviously a deep throat somewhere within the public service and I suggest that, that deep throat should think very carefully about the information which he is choosing to provide to Mr Sheridan, obviously in order to further some personal ambition. I must say that I have great difficulty with the service in relation to this issue because there are many within the Public Service in Norfolk Island who do not understand the role of a Public Servant and who use their position to push the barrow of their own ideas without providing an executive with objective advise, with an objective idea of the options of which are available, with an objective assessment of costing of them. Now in terms of costing, the advise which was provided at one stage was that the part time service which was proposed and which for Mr Sheridan's benefit the service did virtually nothing about implementing, sure later on, I got a note saying oh we were waiting for you to do such and such. I don't recall having been told that on the way through. But what I do recall in recent days is having the same sort of issue arise in a different environment where I received a note from the service telling me something had been done and I thought to myself, that's funny, I haven't seen that, and I went back through the particular file, and I found that at one stage I was being told that I hadn't responded to a memorandum dated the 2nd June. Now I was told that in a memorandum dated the 17th June which attached the 2nd June note. I made a very careful search and I didn't have the 2nd June note and I suspect I was being set up, just as I suspect someone is endeavoring to set me up over this issue. And I don't mind that Mr Speaker I've got broad shoulders. But 48 people have used the telephone service Mr Sheridan tells us, between April and July. I think that's excellent, because that's a service which has been provided and those 48 people have been shown that it's a service that can work. Mr Sheridan wants Members to believe that I'm scaremongering about the issue. Well use whatever terminology you like but last December we agreed that there would implement part time service, bear in mind, that when the previous counselor was engaged she was engaged on a short term trial, that was then extended and from recollection was extended again. I eventually received a report about her term and to be frank Mr Speaker it wasn't a very convincing report but nevertheless one shouldn't judge an issue such as this on the basis of one person. It shouldn't be personalized, we should be looking objectively at the total issue and I'm endeavoring to do that. I only with the Public Service would do likewise. Mr Sheridan

Mr Speaker, believes that cost is not an issue. If we adopted the view that every desirable facility should be provided and the cost would not be an issue, the Minister for Finance wouldn't be talking about 1% with his GST, he'd be talking

about 21% because out spending would be totally uncontrolled. I make no apology for asking whether Members will want to fund a particular amount of money by taking it out of the hospital or by taking it out of anywhere else, because eventually one and one do make two, they don't make three and if you are needing to spend three you have to work out how you make do with your one plus one and you do that by cutting votes in various areas. The current situation with this is again it would seem that confidences are being breached. I did have a discussion with the Salvation Army. I've forgotten what time yesterday but it's fairly obviously that someone is ringing the particular gentleman at the Salvation Army to check whether I've bundied on. Well I bundied on, okay. I spoke to him yesterday and the executives are holding a telephone conference with him tomorrow at ten o'clock Norfolk Island time. I'm quite happy with whatever decision the House eventually makes bout this. It is a matter for the House to decide. If the House want sot spend money in this fashion rather than by using a part time service which has been proposed, and frankly, the report of the outgoing counselor in my view does not indicate that anything greater than a part time service is required, but if Members wanted that, that's fine, and if Members want to abandon the various other mechanisms for counseling that are available that's fine, we can save a few thousand dollars a year by getting rid of the 1800 phone line but that's a matter for the House Thank you

MRS JACK Mr Speaker, in view of what the Minister for Community Services and Health has just stated I would like this to be adjourned for another month and allow the executives to have their telephone discussion with the person from the Salvation Army and have some of their concerns answered and if any of the other Members have concerns that they would want raised through the executive Members to put those concerns through and I would like that to take place before a final decision is made in this House

SPEAKER Thank you. Is that a formal proposal

MRS JACK Mr Speaker, yes it is

SPEAKER Thank you. The question before us Honourable Members is that the debate be adjourned and resumption of debate be made an order of the day for a subsequent day of sitting. Then I put the question for debate to be adjourned for a subsequent day of sitting

QUESTION PUT

Would the Clerk please call the House

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

The result of voting Honourable Members the ayes seven the noes two. The ayes have it thank you, the motion is agreed to

AGREED

The ayes have it thank you, that motion is adjourned

SALE OF TOBACCO (AMENDMENT) BILL 2005

Honourable Members, we resume on the question that the Bill be agreed to in principle and Mr Brown you have the call to resume

MR BROWN Mr Speaker Members will recall that this bill is to remove the ability to exempt certain premises from the rule against smoking and this in particular will have application to clubs, bars, restaurants and those types of premises. I don't wish to add anything to what I've said on the previous occasion save to say that at an appropriate time I will seek leave to move one amendment so as to delete clause number 5 which is no longer relevant in that it was a transitional provision to cover the possibility that the bill may be passed and assented to before the 28th June just passed Thank you

MR NOBBS Mr Speaker I support this proposal because smoking's a terrible exercise I can tell you that, having smoked for about 26 years and before I gave up and as you can hear, my voice is not the best now neither are my lungs and I trained incessantly the whole time I was a smoker and I can assure you it doesn't do you any good. It still comes to get you after a while. I think we need to do more in relation to tobacco smoking and I say that very sincerely and I know that the Minister for Finance should not be knocking smoking because we're supposed to get all this money from it but unfortunately the cost to the community of smoking is very high and that money would be money well saved if we could stop the results of smoking particularly occurring particularly at a later age like me. I've got no problems with this at all but I do believe that whilst we say you're out the door smokers, we do need to do more in relation to smoking and one of the issues that's been dealt with earlier is counseling and that sort of arrangements, that's the most important part of counseling arrangements, is to deal with issues such as this and that's why I support Tim because we've been fooling around too long and whilst I support Mr Brown on this motion I didn't support him on the last one but we need to do far more than we are doing now in this area in helping people to stop smoking because it's one of the most difficult things that you can do and some can do it and some just can't. Some do it after a long time and eventually they give it up but I think we need to start a preventative arrangement in the schools and really hammer it as much as we can and anything that would say that it's not acceptable is something that needs to be done in my belief and I'm not criticising people who smoke because as I said I did it for over twenty years, and I found it very difficult to give up and I know the way they feel and I believe we should do more to help them thank you

MRS JACK Mr Speaker, people are well aware of any conflict they may consider I have outside this chamber in dealing with tobacco, cigarettes whatever. Mr Nobbs has raised community awareness and better education for preventing people from taking up cigarette smoking. I would also like to see that extend to better consumption of alcohol. We have a problem in this community of acceptable alcohol intake, driving whilst under the influence and other issues associated with alcohol just as we do with drugs within the community and all those issues need to be covered with the same intensity because they all cost this community and they are all equal in those costs whether it be a death on the road or with early age onset of dementia through inappropriate drug taking in the youth of this island, all have the ability to cost this island tremendously in ways we haven't even begun to understand and I think they should all be attacked with the same vigour, thank you

MR SHERIDAN Mr Speaker although it may be perceived that I have an interest here because I manage a club that had the exemption last year, I don't... and I'll say that I'm a non smoker so it's neither here nor there to me. I don't fully support this action because it, as I mentioned last month, it was only twelve months ago that this Act was introduced and the clubs were given a chance to segregate part of their clubs so that the smokers could enjoy a beer and a fag at the same time which traditionally has been going on for many a year. Now as the Minister said last month the modern trend in other jurisdictions is for more and more to ban smoking in public places and I'm aware of that but in New South Wales, Mr Brown refers to Australia a lot, they are just now enforcing no smoking in the majority of clubs and pubs in New South Wales and they are leaving one area for smokers and that's creating a lot of problems in itself. So whether to stop Mr Speaker. Do we ban smoking in pubs and clubs, next thing you know it's in public places down the beach. I think in some

places in Australia they've already tried that or attempted to do that. In open shopping malls, in all public places so you wouldn't be able to go to a barbeque and stand in the open and have a fag. There's people who have tried to ban smoking in cars when there's children inside where people are driving cars with children are inside. There are so many possibilities but until they ban smoking altogether I can't possibly see how we can on one hand accept the revenue that smoking generates and on the other hand say gee it's bad for you. You should stop this. And then restrict where they can smoke. I think it's very hypocritical. The Act in itself is badly worded where it gives the Minister of the day absolute power because it states the Minister may grant an exemption or the Minister may grant a license to even sell tobacco. Maybe that should be changed to shall so that once people comply with the act then there is no reason for him to say no. they've complied with the policy provisions. It's like somebody applying for a license to sell cigarettes and if the Minister doesn't like him or her, whoever they may be, he could just say sorry, you're not going to get a license to sell tobacco. But that doesn't seem to be a factor in the last twelve months because I know there's establishments and one of the biggest sellers of cigarettes on the island who they didn't license last year. Clubs were made to have one but it doesn't seem to carry on past the clubs. It just seems to me that all these little actions that are taken by Governments to restrict smoking and the other Minister just talking about alcohol. Slowly but surely the clubs on the island will die and these clubs on the island have been the lifeblood of this island for many a year. It's a social and recreational ground for the whole of the island, for the majority of the island to get together, socialize, party, just watch sporting games, have a chat and a quiet beer after work and they've always enjoyed a smoke with it, the majority of them. I've seen what's happened in the last twelve months where pubs have been forced to ban smoking in certain areas and the downturn in the clubs have been horrific and I just see this as another nail in their coffin and if we keep going down this road, the clubs will not survive and what are we going to be left with, another part of the community that will be gone forever, Thank you Mr Speaker

MR BROWN

Mr Speaker I'm certainly not intending to be hypocritical about this. I see smoking as something that is not good for your health. I see smoking as something that costs money at the hospital and HMA and in the Healthcare scheme and if I have my way smoking will have imposed on it a fairly hefty sin tax. If someone wants to go outside and have a fag provided they've paid all the taxes, that will be their business but just like it happens in other places, the taxes of cigarettes will get higher and higher, that will be intended to be a disincentive in terms of smoking and it will be intended to grab hold of some of the money which will be required in order to treat the sicknesses of the people who are busy puffing on the fags and frankly, we need to be doing something similarly with liquor because what we have done in the past is to provide the cheapest spot in the south pacific in which you can get lung cancer and the cheapest spot in the south pacific in which you can get a hellova headache and I'm not sure if either of those is really sensible for the reasons that the Minister for the Environment mentioned and for others but if there is no further debate at the appropriate time I'll move the amendment Mr Speaker

SPEAKER

Further debate. I'll put the question to you that the bill be agreed to in principle. We'll tackle the matter of your amendment at the detail stage Mr Brown. I put the question to you that the Bill be agreed to in principle

QUESTION PUT

Would the Clerk please call the House

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

MR BROWN

AYE

The result of voting Honourable Members the ayes seven the noes one, one abstention, ayes have it thank you, therefore the Bill is agreed to in principle and we move to the detail stage. Mr Brown can I give you the opportunity to now propose your amendment

MR BROWN

Mr Speaker thank you. I seek leave to move the following amendment, namely that clause 5 be deleted. Thank you Mr Speaker I so move. This is simply to remove the transitional clause which had been inserted to cover the possibility that the bill would be passed and assented to before the 28th June which is no longer relevant so it is appropriate that it be removed, Thank you

SPEAKER

clause 5 be deleted

I put the question to you Honourable Members, that

QUESTION PUT
AGREED

Honourable Members, I now ask you if you would agree the balance of the bill. We'll take it in block I think if there are no other matters to address. Do Members agree the balance of the Bill

QUESTION PUT
AGREEDMR SHERIDAN VOTED NO
MRS JACK ABSTAINED

We will record your votes Honourable Members, and the balance of the Bill is therefore agreed. I put the final motion to you that the Bill as amended be agreed

QUESTION PUT
AGREEDMR SHERIDAN VOTED NO
MRS JACK ABSTAINED

Thank you. We will record your votes and the bill therefore as amended is agreed to Honourable Members

We've concluded Orders of the Day. Fixing of the next day of sitting

FIXING OF NEXT SITTING DAY

MR CHRISTIAN

Thank you Mr Speaker. I move that the House at its rising adjourn until Wednesday 17 August 2005 at 10 am

SPEAKER

Thank you. 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 SHERIDAN

Mr Speaker I move that the House do now adjourn

SPEAKER Thank you Mr Sheridan. The question is that the House do now adjourn. Any adjournment debate. Then I put the question

QUESTION
AGREED

The motion is agreed to. Honourable Members this House stands adjourned until Wednesday 17 August 2005 at 10 o'clock in the morning

