



**NORFOLK ISLAND LEGISLATIVE ASSEMBLY  
11<sup>TH</sup> NILA HANSARD – 16 AUGUST 2006**

**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

**CONDOLENCE**

There are no condolences this morning Honourable Members

**PRESENTATION OF PETITIONS**

Are there any Petitions please?

**GIVING OF NOTICES**

Are there any notices please?

**QUESTIONS WITHOUT NOTICE**

Are there any questions without notice?

**MR BUFFETT** Mr Speaker there are really two areas that are touched upon in terms of the questions just raised. One is the land planning area itself and that is in another ministerial area and I won't try and pre-empt that, and the other is the public service area. Obviously from the Public Service area one would want to try and ensure that there is both continuity and the delivery of service in terms of commitments that have been made. I've got to acknowledge that I don't have the detail in terms of all of the land planning processes to be addressed in all of that, and I don't have the latest detail in terms of contracts that may or may not expire although if I rely on my memory for half a moment I do seem to have in my mind that within a reasonably approaching period some contracts in that area are due to expire. I can certainly examine what Mr Sheridan has raised so that the land transfer arrangements which he obviously seems concerned about and rightly so, are not jeopardised in any way Mr Speaker, and that we might have a smooth arrangement with that, but the other intricacies I would have to do some homework upon and come back and advise him

**MR NOBBS** Mr Speaker I ask the Minister responsible for legal aid, when can his undertaking at the last meeting to provide criteria applicable to accessing legal aid be made available to the community and including in that what checks and balances are in place to ensure that claims for financial assistance made under provisions of the legal aid scheme are in fact appropriate

**MR BUFFETT** Mr Speaker thank you again for that. I think that can be provided reasonably promptly. I apologise for Mr Nobbs. I did say that I would do that when we last met and that hasn't been achieved at this stage but the criteria is something that as I understand it, can be reasonably readily available and I think if I remember correctly I would

also want to give it some publicity so that the community could know what it was. I'll undertake that Mr Speaker

MR SHERIDAN Mr Speaker I have a question for the Minister responsible for the Norfolk Sustainability Levy. Minister with the NSL now instituted within the Norfolk Island environs, can the Minister advise whether there have been any problems encountered with the introduction and if so, when will you be making the necessary changes to the act and the implementation of the full rate so that the NSL will be seen to be a fair taxation across the whole of the business sector of Norfolk Island

MR CHRISTIAN Thank you Mr Speaker, I'll try and tackle all of the components that Mr Sheridan has referred to and if I've forgotten any he might be able to jog my memory. Firstly we've had in excess of 600 registrations for NSL so the registration process has gone fairly well. There have been a couple of difficulties encountered in respect of interpreting some of the legislation. The NSL Working Group met on Monday to work through those and instructions if they haven't already been given are in the process of being given to the Legal Draftsman, to bring about amendments to the legislation and there are also queries continuing to arrive on a daily basis which the Acting Chief Revenue Officer and other Members of the Working Group are dealing with as the queries arise. Thank you

MR NOBBS Mr Speaker if I could just have a follow up to that. Minister what procedures are in place to check claim price exploitation resulting from the introduction of NSL on 1 August last, given there has been reputed major increases well above the 1% in certain areas

MR CHRISTIAN Thank you Mr Speaker, this is one area of the Act that I'm attempting to sort out in a sense. There are two sections to the Act. One refers to exploitation and one refers in another area to a similar thing and they tend to either overlap, or contradict. I'm aware that many people in the business community will probably take the introduction of the NSL to use that as a figure for an all round price adjustment so we will see some price increases. Not all of those increases will be directly attributable to the NSL, we've had rising fuel costs, we've had rising labour costs, we've had rising import costs basically on every ship, so it becomes very difficult for somebody to determine what component is fair for the NSL and one of the changes that I will be bringing forward for consideration by the Legislative Assembly is that the price fixing or price surveillance role within the NSL legislation be deleted. I think they are two overlapping things. I think the NSL is principally a taxation measure, it's not a prices surveillance measure and we need to give that a bit more thought

MR NOBBS Minister how can you explain to the community, one issue that I had was that they went in on the 30<sup>th</sup> July and the price of a goods was \$2.50 and on the 1<sup>st</sup> August it went to \$2.70 and the result of that was that it was claimed to be due to the NSL.. Surely there has to be some process put in place to assess these and if the provider wants to put the price up, well then it be taken out of the realm of the NSL. Surely there will be complaints that the NSL has blown the cost of living out of the water and in all reality, at 1% it shouldn't

MR CHRISTIAN Thank you Mr Speaker, I thought I'd dealt with that in my previous answer. Something moved from \$2.50 to \$2.70 is obviously greater than 1% but there are other factors out there in the market place that work other than the NSL and I think human nature being what it is, if somebody can put the price up and blame the NSL well then we will wear the blame. Whether it's price exploitation or profiteering I'm not so certain about. Whilst Mr Nobbs is on that point I'll just make one illustrative point in respect of the NSL and the unfair pricing provisions in it. If we take two merchants in Burnt Pine and these are exact examples, that have been given to me, for an identical product one merchant sells

it for \$15. A second merchant sells it for \$25. now this is prior to the commencement of the NSL so as a result of that price differential and the NSL legislation commencing, am I supposed to send the Acting Chief Revenue Officer up to the guy selling his product at the higher price and prosecute him. I don't think that's the intention of the legislation at all so there will be a bit of settling in period and I gather things will even out, but at the end of the day, a lot of this comes down to buyer beware, shop around, look for the best price and hopefully competition will even things out

MR SHERIDAN Mr Speaker just a supplementary on that last one there. The Minister refers to the Acting Chief Revenue Officer, I believe in the NSL Act it makes allowance for a Revenue Officer but not an Acting Revenue Officer and that the intention of the NSL Act was to maintain that office fairly separate from the administrative type functions down at Kingston here. Can the Minister advise as to who is acting in this role, and what sort of detail and tasks is he undertaking

MR CHRISTIAN Thank you, I may have the terminology a bit wrong but Gizelle Evans, sorry Gizelle Sanders is the...

MR T BROWN Thank you Mr Speaker I refer to Standing Orders 72A naming of a Public Service employee

SPEAKER Mr Brown, 72A is primarily to deal with discussion on the type of employment, conditions of employment and the like. I think the identification in this case of a Member of the Public Service is of beneficial information to the community to identify exactly who is responsible for a function within the Administration

MR CHRISTIAN Thank you Mr Speaker, as I say, Gizelle Sanders is the responsible person in respect of the NSL. All queries directed at her. She's responsible for the management of the NSL legislation and from time to time, Members of the working group who consist of the Acting Chief Executive Officer and Boyd Buffett within the Administration and myself as the Minister for Finance when required, we meet and deliberate on matters. In respect of relocating the NSL office that is still the intent to find a place in Burnt Pine fairly soon, and locate the NSL office out of the Kingston area, and the latest thinking at the moment, and no doubt I will have to bring this back to the wider membership of the Legislative Assembly for consideration, is that it would be unrealistic to position the revenue officer in Burnt Pine, in an office on her own. We may in fact need to position two people there so that when someone goes for lunch or if someone's sick or something like that, we don't have an interruption to the delivery of service in respect of the NSL so they are issues that have come out of the woodwork in the last couple of days and we'll have to toss them around. If I can continue on for a moment, in respect of the review period, what I have asked the Working Group to start work on is to start determining what the final rate for the NSL will be, to turn their minds to working how we can implement an input credits system, and to give me advise as to whether it's possible to bring forward the full implementation process and when I say bring forward, I mean to achieve the full implementation in a time frame that's shorter than was originally indicated and that would be with a review in December, January February, that period next year so it may be possible to shorten it, but I don't make any promises at this stage

MR T BROWN Thank you Mr Speaker I have a question or the Chief Minister. Minister at the last meeting you indicated that a discussion was to be had with the Sydney airport authorities to see whether the current airline schedule which begins this Saturday I believe, could be postponed by an hour or so to make it more user friendly to the local industry. Could the Minister please inform the community as to the outcome of those discussions

MR BUFFETT Mr Speaker I have asked officers to speak about that and that has happened. The response has been that we are not able to adjust the slots in that way, at this time and therefore the earlier projected services will continue in terms of the Friday arrangement as has been advertised, however having said that, there does seem an opportunity, I mentioned it as an opportunity, not as a guarantee because that's the way it has been explained to me at this moment, that there will be an opportunity for a reassessment of that from the airport slots point of view when the daylight saving arrangements kicks in later in the year

MR SHERIDAN Mr Speaker again a question for the Chief Minister with responsibility for the airlines. Chief Minister at the last Legislative Assembly meeting you undertook to provide appropriate financial figures for the operation of the airlines for the first twelve months of operation. Chief Minister are you able to provide those figures now

MR BUFFETT Mr Speaker no I'm not able to do that. I mentioned at the last time that I would endeavour to do that and that has not been achievable for this sitting. I continue to work towards that so that it might be helpful

MR SHERIDAN Mr Speaker supplementary on that. Chief Minister can you confirm that officers of the Administration have been requested by you to provide these figures

MR BUFFETT Mr Speaker I have not talked with the Finance Manager at this time about those. What I have done is assessments as to how that might fit given the figures that are available to me in various forms. What has been asked for is a public layout of various accounts and there is an assessment on my part being made as to whether that can be done in whole or in part, whether there are any commercial aspects that might relate to that and a range of other things. As I say I'm reasonably confident that our next sitting will find some answers to those

MR NOBBS Mr Speaker just a further question for the Chief Minister. Who is actually running the airline given that there has been only one meeting of the Airline Committee since you took the position of Chair of the Committee two and a half months ago

MR BUFFETT Mr Speaker we have appointed to have oversight of the airline operation, and that's Mr John Carlos, and that is known to Mr Nobbs who has raised the question to me, and of course is known to the Airline Committee. I am the Minister with responsibility for that and so I carry out those functions as well. The Airline committee which is one which has functions to advise both the Minister and the person who operates the airline, I have already indicated to Members of the Legislative Assembly that within, I'm just trying to get the dates now, I would say about 24, 25, 26, of August, a predicted meeting of the airline committee will be called and the dates I have just quoted relates to some other activities in which we are aiming to gather a number of people together that might be useful at the having of that meeting

MR NOBBS Mr Speaker a supplementary. Chief Minister is there an approved budget for the airline for the current financial year and who approved it

MR BUFFETT Mr Speaker there is a proposed budget. There is in fact two documents around. One is one, that has been prepared by the service, and there is one that has been prepared by Mr Carlos who is the person that I've just mentioned with oversight of the airlines. We are in the process of melding those two budgets, so that they might be approved and then people can continue to work to them. Obviously at this stage, there are parts that are being pursued of that budgetary arrangement. Also Mr Speaker, I am also consulting with my colleague, the Minister for Finance because Members will recall

that the airline operation is operating out of the GBE, the airport arrangements, and Mr Neville Christian as the Minister for Finance has carriage of that particular arrangement, so there is a co-operative arrangement in how this matter comes together and the two Ministers are discussing that and we have highlighted that, that is a matter that we need to tidy, and that has been pursued

MR NOBBS Mr Speaker, Minister am I correct in thinking that two months into the financial year there is no approved budget for either the airline or the airport

MR BUFFETT Mr Speaker in the formality of things I think that can probably be said, and it could probably be said for maybe a couple of other GBE's for that matter, not that, that is to be applauded, but that doesn't mean that one can't operate

MR SHERIDAN Mr Speaker again for the Chief Minister and it's to do with the airline again, Chief Minister during the past two months the airline operation has been offering seats at the price of two for one in the main and I acknowledge this, is in response to the low season that Norfolk Island encounters at this time of the year, but considering that I believe this has been extended to the end of September from Australia to Norfolk Island only, can the Minister assure the listening public that the airline during this period is not running at a loss due to the low airfares and table financial figures to support this

MR BUFFETT Mr Speaker there are periods of the year in which the airline might not be above the break even line and I think that we have experienced that in the low season. The period of time in which we come out of that, I would need to be checked, so that I could give you the exact detail. I would be surprised if it moves into the September period which is the period that Mr Sheridan has asked me about, but certainly I can double check that. In the September period we are lifting out of the low graph period and we are starting to build our figures for the higher graph period of the year but I'll double check that to make sure that, that is the case

MR NOBBS Mr Speaker just for clarification, Minister I couldn't quite understand that answer, is it correct that what Mr Sheridan said that the fares will be in this, what you call incentive fares I think at the last meeting for September from Australia to Norfolk Island but not from Norfolk Island to Australia, are you saying that that's correct, or are you saying that you're not too sure

MR BUFFETT Mr Speaker I don't recall addressing one way or the other. As I understand it, the fare has applicability to go into the market place for people to travel to Norfolk Island

MR NOBBS But not from Norfolk Island to Australia

MR BUFFETT Yes, you are quite right, I need to double check that Mr Nobbs, but that's as I understand it

MR BUFFETT Mr Speaker I wonder if I could just refer to an earlier question that was raised of me, and I apologise to Mr Nobbs for not having got the detail but I thought it might be reasonably readily available. That related to legal aid. I just went out of the Chamber a short time ago, to see if I could secure that for Mr Nobbs and for the House. I do now have in front of me an application form for a grant of legal aid which gives guides to apply for legal aid in Norfolk Island and it provides some information about that. As an interim measure I table this document so that it might be at least in part a response to that question and might be useful, and if I examine it a bit further because I'm not going to sit and read this four or five page document at this very moment to see if it gives a full answer,

but if it does I'll give it some press publicity also so that it might be useful in the wider context of the community

**SPEAKER** Thank you Mr Buffett. I don't think that there is a need to move that the paper be printed. That paper I understand is available widely in the public domain

**MR SHERIDAN** Mr Speaker just a supplementary to the airline question. Chief Minister considering that you are not sure whether or not the airline in the last couple of months has been operating profitably mainly due to the very cheap airfares that are in the marketplace, does the Chief Minister believe that this is in the best interest of the airline operations, considering that the airline is utilising public monies to operate

**MR BUFFETT** Mr Speaker no, the interpretation that Mr Sheridan has given is inaccurate. The providing of incentive fares is not the reason, is not the reason, that the airline necessarily might not be making a profit at this time. The low season means that in the normal set of circumstances it would be very hard for the airline to make a profit during that period to try and assist the recovery programme, one enters into incentive fares arrangements. Now that doesn't mean that you bring the airline necessarily into profits but it might prevent it from making less of a profit in that set of circumstances so the incentive fares have been to try and assess that situation but it also is an effort to bring additional people into the island when traditionally we don't have a lot of people so there are a couple of reasons which you address when you introduce incentive fares, it's not just about profitability of the airline although that is a factor

**MR SHERIDAN** Mr Speaker a last one, virtually a supplementary on the airlines there for the Chief Minister, can you update the listening public on the freight arrangements for the Norfolk Island operation and assure them that the freight is being carried on all flights

**MR BUFFETT** Mr Speaker I'd have to check whether freight is actually being carried on all flights of recent times. It's my understanding that this is the situation. That we have an airline that can carry a good number of passengers, that's between 106 and 108 people that in that set of circumstances we are able to carry all passengers baggage, and that in addition to that we may be able to carry say, 1000 kilos of freight. Now that's the theory in terms of the aircraft that we've got at this moment. Sometimes there may be hiccups to that, whether any hiccups have occurred of which I'm not aware over the most recent few weeks I'm willing to check about that, but that's the general theme of airlines we have operating at this moment. If there are some specifics about concerns about that and you'd like to identify them to me, I can certainly enquire about those

**MR NOBBS** Mr Speaker referring also to the Minister responsible for the airlines, Minister did you check on certain answers to questions you provided at the last meeting, and I refer to 1. Is it correct that the cheap fares which you refer to as incentive fares are only available to specified wholesalers and their associated travel agents and not available to independent travellers. Is that correct? And you were to advise us of the list of those wholesalers to which these deals were available. You were going to provide that. Have you had a chance to do anything about that

**MR BUFFETT** Mr Speaker to my regret I've not been able to tidy that. I will try and do that in the next few days. No. No. The next few days are very committed. Could I undertake that, say towards the end of next week to try and tidy that for Mr Nobbs

**MR T BROWN** Thank you Mr Speaker I've a question but it's not about the airline if another Member has a question about the airline I'd be happy to defer. Thank







Island wants to buy two a week, of those same units, he's not going to be able to go to the manufacturer in China I want the same deal that you give to Harvey Norman and that same distribution chain thinking applies in the travel industry. When we turn to the Tourist Bureau that's a totally separate consideration. The Tourist Bureau does have an ability to deal more widely than the airline might in terms of its co-operative efforts, and my understanding is that the Tourist Bureau's proposed co-operative funding does indeed stretch more widely than that of the airline, but at the end of the day, we will in the current financial year, have massively less funds available to us between the Tourist Bureau and the airline than has been the case in the past, in the financial year just ended the Tourist Bureau had made available to it, and it was necessary to make it available to it, something like \$1.2m and the air carrier whoever it was at the time, either provided additional funds or didn't provide any additional funds. But if we look back to our visitor numbers in 2001/2002/2003 and if we look at the first part of 2004, through that period there was co-operative funding between the airline, the bureau and the wholesalers and we had numbers that varied between \$34,800 and \$40,100 for those calendar years. After Norfolk Jet Express ceased its operation the air service which was provided by the Government and which has in my view done a sound job, notwithstanding some of those early difficulties, didn't have the ability to stick in the extra funding that used to be stuck in by the airlines and so even with \$1.2m provided to the Tourist Bureau last year the total co operative funding was well below what it had been in previous years. In the current year we are providing \$800,000 to the Tourist Bureau and the airline is providing \$400,000 so at this stage the airline has no budget outside of that and it's necessary for the Airline General Manager and the General Manager of the Tourist Bureau to work together which I'm please to say that they are doing in order to maximise the bang for those dollars. I hope that's, although a little long winded, helpful.

MR NOBBS Mr Speaker a supplementary just in clarification of Mr Brown's first one. We talk about 40,000 tourists Mr Brown, isn't it correct that at the time we had 40,000 visitors coming to the island, and I think it was about 2000, there was I understand the record number of wholesalers actually servicing Norfolk Island and that the numbers since because of the airline arrangements, there's been a restriction on wholesalers numbers and we've seen a lowering of the actual visitor number. Is that correct

MR BROWN Mr Speaker we've had a number of changes in air services over the course of the last five or six years, but it is indeed the case that in November 2003 Norfolk Jet Express became the sole carrier on the Australian routes when they continued to operate initially the Air Nauru Boeing 737 and they chartered the Alliance Airlines F28 and for some time both aircraft operated on the route. At a considerably later stage the Air Nauru charter was terminated and all of the air services were provided by Alliance. But going back well before that in June 2001 Flight West Airlines ceased operations to the island. Both Flight West and Alliance and for that matter Norfolk Jet Express went through difficult periods when there were two carriers on the route because this route simply isn't large enough to sustain two carriers. In New South Wales for many years there was a policy and it may well still exist, that until a route had something like 40,000 passengers per year it was regulated with only one carrier and that one carrier was often a 19 or 36 seat aircraft, not a Boeing 737. Flight West had commenced operations some years before they closed obviously and when they commenced which was after Norfolk Jet Express had begun its operations, Flight West found that it was difficult to create their distribution chain, because all of the existing Norfolk Island wholesalers were already dealing with Norfolk Jet Express and didn't have a great desire to change. So the way that Flight West created its distribution chain, was to encourage additional wholesalers and all kinds of people who would not normally have been regarded as qualifying for wholesaler accreditation on the route were given accreditation so that Flight West had someone out there selling seats for them. And I would suggest to you that that massive expansion of the distribution chain was the beginning of our downfall. The second problem was that because the route couldn't sustain two carriers eventually the competition descended into cut throat

price competition and if we look at March and April of 2001 we had over 4000 visitors in each of those years, the overwhelming majority of them came from Australia and I think respectively in those months 738 and 886 came from New Zealand and the whole of the remainder of the 4100 and the 4000 came from Australia. They came at unsustainably low prices, and the consequence of that was the closer of Flight West on the 19<sup>th</sup> June 2001 at something like 2am in the morning if my recollection is correct. There was then a period where Norfolk Jet Express was the sole operator then the Flight West company was resurrected with a new name and Alliance Airlines began operation on the route and then by November 2003 it was again clear that there was simply no way that two carriers could continue on the route, particularly as the cut throat pricing had resurrected itself and so we ended up again with one carrier. It's unfortunate that the damage which had been suffered by that one carrier in the lead up to the cessation of Alliance services really carried through until that carrier closed in June last year. I hope that that's helpful

MR NOBBS Mr Speaker has the Tourist Bureau met since its appointment a month or so ago

MR BROWN Mr Speaker to my knowledge the board has not met at this stage and I understand that endeavours are being made to hold a meeting in about a weeks time, at the time of the wholesaler meetings which will be held, from recollection, for a few days from the 24<sup>th</sup> August. The General Manager of the Tourist Bureau is I believe presently in New Zealand. I think he may be due back today. He's making those arrangements, but that's my understanding

MR NOBBS Mr Speaker has the Tourist Bureau a budget for the current financial year and who is approving expenditure by the Tourist Bureau since the 1<sup>st</sup> July which is over six weeks into this financial year

MR BROWN Mr Speaker there are many versions of a budget but Members will be aware that a budget was provided to each and every one of us prior to the passage of our Appropriation bill for the current financial year. However we did not provide to the Tourist Bureau all of the funds that they sought so it was necessary for the General Manager of the Tourist Bureau to then try and rearrange that budget to fit within the available funds and he did that. It was even at that stage not a final budget however, because it was very much dependent on the discussions which were and continue to be held with the airline because as I mentioned earlier \$400,000 is to be provided to the Bureau by the airline but that \$400,000 is to be used to look after the airlines marketing requirements and one of the tasks which the General Manager's of each of the airline and the Tourist Bureau have been working through is to try to co ordinate the spending of that \$400,000 so that it gives the necessary benefits to the airline whilst it also gives benefits to the Tourist Bureau. Now it will be necessary to make changes in the way that the Bureau operates because otherwise we will have far too little available for advertising and for marketing in general. Those changes have not yet been finalised and hopefully by the time the Board does meet there will be sufficient information available to the board to be able to sit down and consider just which of those possible changes might be appropriate to adopt and hopefully reach a final version of a budget for the year

MR NOBBS could I seek clarification on that. Minister what you are saying, is this correct, there is no approved budget for this financial year and there has been no expenditure made by the Tourist Bureau since the 1<sup>st</sup> July and if the latter is incorrect who has approved the expenditure

MR BROWN Mr Speaker I don't have a list in front of me of the expenditure since the 1<sup>st</sup> July but clearly there's been expenditure. For example, wages are paid every week. There were bills that were carried over from the previous financial year and

I've approved the draw down and part of the subsidy to enable those to be paid. Those are management things. Those are things that I do not get myself involved in day to day. It is a dreadful mistake for a Minister to try to be in the pocket of the managers of areas such as the Tourist Bureau because that only has one end result and that is total failure. In terms of a budget, as I said, a budget was provided to each Member of the Legislative Assembly in the lead up to the passage of our Appropriation Bill. The Legislative Assembly decided not to provide to the Tourist Bureau all of the funds which the Tourist Bureau had requested, notwithstanding that we are in a very difficulty financial time and the only way out of the hole, is a rapid return to viability in the tourist industry and potentially an increase in population so it is the case that there's not yet a final version of the budget and that's the reason for it. Nevertheless the Bureau is working within a scaled down version of that budget so that it works within the dollars that are available to it for the current financial year

MR NOBBS A supplementary Mr Speaker. I'm concerned about the current expenditure and who approves it. Isn't it correct Minister that the Tourist Bureau which in actual fact is the Board has responsibility for expenditure within the Tourist Bureau arrangements and whilst I appreciate the funds approved last year by the last Board, my question really is who is actually approving the expenditure of funds in this financial year, relevant to activities in this financial year. That's my sole question. Who's doing it

MR BROWN Mr Speaker the General Manager of the Tourist Bureau ensures that commitments are only made if they are made within funds that are available. As I said the General Manager has scaled down the original budget so it is to stay within that and if the General Manager decides to commit to a particular course I have total confidence in him

MR SHERIDAN Mr Speaker a further supplementary on that with regards the meeting of the new Board. The Minister has stated that he is unaware of the board having sat since the appointment but I believe if my recollection is correct, in the Act it is up to the Minister to dictate when the first meeting will be. I would expect that since he's placed these people on the Board that they would be available to sit at any time, and considering now that we are about seven weeks into the new financial year and the Board has not sat as yet, can I ask the Minister when the first meeting will be

SPEAKER Mr Sheridan I think the Minister has already answered that question in an early answer

MR BROWN Mr Speaker if Mr Sheridan found what I said difficult to understand I'm happy to repeat it. I understand that a meeting is being convened for around about the 24<sup>th</sup> August. I don't know whether it will be that precise day or a day or two afterwards but it is intended to co-incide with a visit by wholesalers to the island of regular whole meetings which were begun by Mr Speaker while he had the executive responsibility for tourism and which I certainly propose to continue

MR SHERIDAN Mr Speaker a question for the Minister for Finance. Minister in the budget for this year there's been an allocation for \$50,000 of the purpose of the census which has just been carried out. Minister some \$9000 has been earmarked as remuneration for the statistician and some \$23000 earmarked for the form process/report compilation. Can the Minister explain as to how these monies are justified to be paid in addition to the normal pay of the public officers who are carrying out these tasks considering that the statistician is currently on a salary position and other officers are Public Servants and I assume that the process compilation will be done during normal Administration working hours

MR CHRISTIAN Thank you Mr Speaker, I can't give clarification to that at the moment. I suspect that the budget papers were prepared some time ago when the work arrangements within the Administration are slightly different then they are now. I would expect that if there is a duplication of provision of funds but only a single staff member being involved in doing the work then we obviously won't be paying them twice but I'll clarify that for Mr Sheridan and get back to him at a later date

SPEAKER Members the time for Questions Without Notice has expired

MR BUFFETT Mr Speaker may I seek an extension of two minutes to provide some answers that have been raised earlier

SPEAKER Maybe I would grant a ten minute extension. Ten minutes. Thank you Honourable Members. Questions Without Notice extended by ten minutes. Further questions

MR NOBBS Mr Speaker Minister I think it's the third time in a row I've asked you this but when will you be able to provide to the community, what is included in the \$275,000 which was put into your discretionary vote which was given you in the budget

MR CHRISTIAN Thank you Mr Speaker, \$275,000 rests within my discretionary vote for a number of reasons. Firstly, as all Members would be aware from time to time throughout the year unexpected expenditure becomes necessary so I've attempted to make some allowance for that by having funds in my discretionary vote which can cover that. For instance in recent days we have decided to send a staff member to a training school in respect of parliamentary processes so that person can then attend the NICS and educate our kids in respect of parliamentary processes. That's something that was not budgeted as a line item, so it's those sorts of things that are covered within my discretionary vote. One of the other reasons for doing it Mr Speaker was at the end of the last financial year in the last fortnight or so I was bombarded with requests for virements to shift funds from areas that had not spent their money into areas which had simply run out. One example is the Museums area. Two weeks before the end of the financial year I'm called upon to find \$65000 for the museums. Now how the Museums could ever get through a whole year losing in excess of \$1000 a week on their budgeted position and nobody doing anything to fix it until the last week of the financial year and I'm called upon to find the funds because they've already spent it, so it's that sort of thing that I'm trying to cover in future. So I'm aware that come the end of the financial year for a variety of reasons there will be a call for funds that we had not identified or provided for in the budget so I've just it sitting there in my discretionary vote. If Mr Nobbs wants some assurance that the money is being spent wisely, then I'm prepared to table the following meeting after any expenditure has been made from that vote, a summary of what the expenditure has been spent on

MR SHERIDAN Mr Speaker just a final one for the Chief Minister. Chief Minister later this week the executives are visiting Canberra for discussions with the Commonwealth re the two options for future governance of Norfolk Island . would you be so kind as to inform the public what are your expectations and what you hope to achieve from this visit

MR BUFFETT Mr Speaker I'll have a statement in terms of that when we come to statement time

SPEAKER Chief Minister you indicated earlier that you had some supplementary information

MR BUFFETT Mr Speaker Mr Nobbs asked me about a couple of airline things and if I could just give clarity to those please. He asked me about companion fares. There was an inference that the companion fares might be in to September. That isn't the case and I've just tidied some information about that. The companion fares, the last departure of the companion fares will be out of Brisbane on the 30<sup>th</sup> August and out of Sydney on the 1<sup>st</sup> September and they are into the island fares or companion fares, so really they finish at the end of August. Mr Tim Sheridan I think asked about freight. Freight continues to be carried in flights to a maximum of 1000 kilograms as I mentioned when I answered the question earlier but some flights last weekend were restricted, for operational reasons to about 500 kilos and I understand those operational reasons might have either related to weather and I think that there have been some large mail carriages also which might have given the general freight some less capacity this time around but that was raised and I thought it might be useful to try and tackle them now in lieu of it waiting until the next sitting

SPEAKER Thank you Chief Minister. Honourable Members, any further Questions this morning. It appears that we've exhausted all question. We move on

#### **ANSWERS TO QUESTION ON NOTICE**

Are there any answers to Questions on Notice please. No

#### **PRESENTATION OF PAPERS**

Are there any Papers for presentation this morning

MR CHRISTIAN Thank you Mr Speaker, I wish to table the Financial Indicators for the 30<sup>th</sup> June 2006 and before doing so I would just like to speak to them for the moment so I move that they be noted

SPEAKER The question before us Honourable Members is that the Paper be noted

MR CHRISTIAN Thank you Mr Speaker, as I have said these are the Financial Indicators effective for the 30<sup>th</sup> June 2006 which is the end of the financial year and I would just like to comment on a few things. We had budgeted to spend \$12.8m for that financial year against an expected income of about \$11.8m and we were expecting a loss of \$978,000. However, due to the hard work of the previous Minister for Finance and myself on inheriting the position, we've managed to significantly improve the situation. What has happened for the last financial year is that we've achieved in round figures 96% of budget income and we've held expenditure for 92.5% of expenditure and the result is that rather than running out with a \$978,000 deficit for the financial year we have in fact achieve a deficit of only \$464,000 as at the 30<sup>th</sup> June so it's been a pretty remarkable effort by all concerned. If we now move to the current position of the revenue fund and this is important because it demonstrates what's left in reserve at the 30<sup>th</sup> June 2006, we find that the total current assets of the revenue fund stand at \$2,905,000; our liability stands at \$2,519,900 which gives us a net position of \$385,100 so we've come out at the end of the 2006 financial year thinking our reserves would have been totally depleted but we've actually achieved \$385,000 so once again I think we've all done fairly well. Thank you Mr Speaker

SPEAKER Honourable Members the question before us is that the paper be noted and I put that question

QUESTION PUT  
AGREED

SPEAKER Thank you. Are there any further Papers this morning

MR BROWN Mr Speaker I table the inbound passenger statistics for the month of July and I move that the paper be noted

SPEAKER Honourable Members the question is that the paper be noted

MR BROWN Mr Speaker total visitor numbers for July were 2726. If we compared that only with last year we would say, what a remarkable effort but in fact it is less than the numbers in 2003 but more than the numbers in 2001 and 2002 and more than the numbers in 2004 and 2005. in the main that was achieved through the two for one fare or the companion fare and that's not something that you can do every month of the year. I would like to commend those who made the decision to introduce the companion fare for the period because without it, July would have been absolutely dreadful. It was a brave investment and my expectation is that if there is a loss on the operation of the airline for the month it will not be large and it certainly will not be large in contrast to the fact that the introduction of the fare enabled the commercial sector to survive the month. August looks as if it will have a similar solid result but there are difficulties ahead of us. One is that we don't yet know the extent to which people have travelled in July and August because the package was so cheap, who would have otherwise travelled later in the year so buying decisions might have been brought forward. We don't know what the reaction is going to be once we move into the September and October periods and the cost of the packages increases so we should not take a view that having achieved 2726 visitors for July we've solved all of our problems. It's only the first step in what's going to be a long walk, thank you

SPEAKER Honourable Members the question is that the paper be noted and I put that question

QUESTION PUT  
AGREED

SPEAKER Thank you. Are there any further Papers this morning

MR BUFFETT Mr Speaker I table the Norfolk Island Museum Trust audited accounts from 1997 to 2006 and there are a number of years there. They are tabled in accordance with sub-section 9(5) of the Museum Trust Act and I would like to pay thanks to the present Museum Trustees for both bringing these accounts up to date, bringing them forward to me and for me to have the capacity to table them. I table those accounts Mr Speaker

SPEAKER Any further Papers for presentation this morning  
Honourable Members

## STATEMENTS

SPEAKER Are there any Statements Honourable Members

MR BUFFETT Mr Speaker are we to address answers to Questions on Notice this morning or did I miss them

SPEAKER I think you may have missed them Chief Minister

MR BUFFETT Mr Speaker my apologies to you. I do have a response to those questions if in fact you are willing to accommodate me

SPEAKER I call on you in Statement time Chief Minister, under the guise of a statement to provide an answer to your Question on Notice

MR BUFFETT Mr Speaker Thank you. This is in response to the Question that's on Notice obviously on the Notice Paper. It is question No 5. It is a question that has come from Mr Sheridan. Mr Speaker in making a response to those questions, there is a series of questions, I make a preliminary comment. This is a matter encompassed in the questions before the courts. The High Court and therefore my response will be relatively restrictive so as not to incur the displeasure of the court in a subjudice call. On that count it is not a matter of which I'll of course continue to engage in questions or debate but the questions themselves. In relation to the High Court Constitutional challenge to the Commonwealth Government taken by Geoff Bennett and others in the community and to which the Norfolk Island Government is a party, would the Chief Minister please inform the House – 1. What precise questions have been addressed to the High Court? And in response I make these words Mr Speaker, the precise questions addressed to the High Court by the Plaintiffs are as follows, and there are three parts:- 1. Is Norfolk Island a part of the Commonwealth of Australia? 2. Is section 3 of the 2004 Act, insofar as it gives effect to Part 1 of Schedule 1 to that Act, a law for the government of Norfolk Island within the meaning of section 122 of the Constitution? 3. Is section 3 of the 2004 Act, in so far as it gives effect to Part 1 of Schedule 1 to that Act, valid? Further in this response, the references in questions (2) and (3) to provisions of "the 2004 Act" are references to the provisions of the Norfolk Island Amendment Act 2004 which introduced the requirement of Australian Citizenship for eligibility to stand for election to this House, and for eligibility for new enrolments on the Norfolk Island electoral roll. Question 2 is this Mr Speaker. What progress, if any, has been made including the setting of a hearing date? And the response is this. In outline, the proceedings were commenced on 12 April 2006, which was the day after the unanimous decision of members of this House to approve the Norfolk Island Government's participation in the proceeding. Further court documents were filed on behalf of the Plaintiffs on 10 May 2006, including a Summons for Directions and affidavit material. A directions hearing was held on 5 June 2006, at which time the parties were directed to exchange draft Special Cases for the opinion of the Full Court of the High Court. The Plaintiffs were directed to do so by 26 June 2006, which occurred. The Commonwealth was directed to respond by 17 July 2006, which also occurred. Subsequently, there have been further communications between the respective solicitors about the form of the proposed Special Case. The proceeding again comes before the Court on 23 August 2006 for further directions. A date for hearing has not yet been set.

Mr Speaker I pause there. There are two other questions. Three and four but I pause here and just explain that the responses that I've given so far have been statements of fact, which are available in the public arena. The questions which follow pursue more opinion and assessment and before I continue I really wish to secure your endorsement Mr Speaker that you wouldn't consider them subjudice

SPEAKER I'm inclined in turn Chief Minister that parts 3 and 4 of that question are seeking in part a legal opinion as to the impact of those proceedings on the community of Norfolk Island. Standing Orders precludes the seeking of a legal opinion and as such Chief Minister I would think it would be inappropriate to provide further comment in relation to the question that appears on the Notice Paper

MR BUFFETT Mr Speaker I bow to your decision



who went to Australia last year and organised this. I think it is a wonderful opportunity to show case Norfolk Island and all I can say is that it's a pity that we haven't a Chairman of our own Tourist Board in place and also the Bureau operating as it should at this point in time

MR BROWN Mr Speaker indeed, the Regional Tourism Convention is being held in Norfolk Island as a result of the endeavours of the General Manager of the Tourist Bureau and the Chairman and Members of the previous Board and I would like to join Mr Nobbs on congratulating them on successfully bidding for this convention. Thank you

SPEAKER Honourable Members the question is that the Statement be noted and I put that question

QUESTION PUT  
AGREED

SPEAKER Thank you. That Statement is so noted. Are there any further Statement this morning

MR BUFFETT Mr Speaker if I may, just a statement about our relations with the Australian Government. Today, Commissioners of the Australian Commonwealth Grants Commission come in on today's aircraft and they'll provide a brief to Members of the Legislative Assembly this afternoon as I understand it. A brief on their preliminary report. They'll hold a public conference at the Colonial Hotel tomorrow all day and half of Friday. I do want to encourage that whilst the Commonwealth Grants Commission is on island that people do read their report, notwithstanding that its quite lengthy and voluminous and it has its complexities, but to endeavour to gain the information in it and to let the Commission have the communities views about it. About the information that they've gathered. The Norfolk Island Government will be providing a view in some detail. The Commonwealth Grants Commission's final report is expected in September. I move on to say that the four executive Members fly out on Friday to meet with Minister Lloyd in Canberra, that is, next Monday in Canberra for discussions on sustainability and governance and related issues, arising out of the Commonwealth Government's message of the 20<sup>th</sup> February. We had discussions and briefings over the past weekend on the range of issues Minister Lloyd requested us to examine and the issues we see as relevant and vital to Norfolk Island's sustainability and well being. Can I acknowledge with thanks the work of individuals and organisations within the community to bring forward and articulate and collate views from the community about the way ahead. I especially mention the Norfolk Action Group and its principal officers. I think you will have heard Andre Nobbs on the radio this morning, reporting on the outcome of some of their current survey, but there have been earlier surveys and these with a professional economic study and related works, they are of enormous value to the Government in pursuing discussions with Minister Lloyd. Of course the outcome sought is sustainable self government for Norfolk Island but there are a whole host of intricacies in walking through that situation. But the Members of the executive are keyed to have those discussions on Monday 21<sup>st</sup> and obviously will report to the community about the outcomes and what might follow from those in terms of further discussions if they are appropriate and a range of other things which no doubt will come forward

MR NOBBS Mr Speaker I move that the statement be noted. Mr Speaker I would just like to state my concerns at the visit of all the Members of the Norfolk Island Government to Canberra for this particular meeting. My understanding is that just a copy of the letter received from Minister Lloyd to the Chief Minister, received in the last couple of weeks, that the aim of this meeting in Minister Lloyd's belief is that it will be by the Government Ministers, all Government Ministers will attend, and they will take account of the two particular models that is proposed by Minister Lloyd and that's it. Now my concern has

been that in relation to this issue, it's confining the Government Ministers to a particular view. I haven't seen the variation of the agenda as yet and I was wondering if there is a variation to the agenda as set by Minister Lloyd. I believe personally that discussions with Minister Lloyd are fine and I have no problems with that at all, but what I'm concerned about is that by sending all Minister's, that is the whole Government to Canberra for one visit dealing with a very limited agenda will place this island in an invidious position. I don't know whether Members looked at some TV footage that results from a current move within the Australian Parliament not to approve a Bill put up by the Prime Minister and Government in relation to processing refugees offshore. It was really interesting that the Foreign Minister expressed his view following, I think the Bill's actually been withdrawn, and won't proceed in its current form, but his view on the activities, he made it very clear that... I'm sorry. I'll take a step back. The claim was that in the wider sense the Bill was to appease the Indonesian Government and I don't know whether that's what it is or not, but there's been complaints within the press and also within the Parliament that this is what the process really involves, appeasing the Indonesians. The Foreign Minister has just visited the island here, got up and said that the Indonesian Government fully understands that the Australian, notwithstanding that there was opposition and the bill could be lost in the Australian parliamentary arena under its current form, the Indonesian Government fully understood that the Australian Government supported that particular proposal, and that was the most important factor. Now if you take that a step further in relation to this, we have the four Government Minister's going to Canberra, which is the whole of the Norfolk Island Government per se, and bearing in mind that in the past we've had this argument with the Commonwealth in relation to who will attend meetings when the formal meetings when the Commonwealth Minister attends the island and the Speaker and I have been involved in discussions in relation to that, and the belief has been in the past that they deal solely with the Norfolk Island Government as is, and that's the four Minister and we have had arrangements that have been put in place over the years that that's what we deal with. Informally we deal with whole Legislative Assembly but formally this is it. What I see with this meeting with this set agenda is that it is a formal meeting with the Norfolk Island Government and the Minister for Territories and that is where I have some concerns because I don't believe that this community has given an indication to the Legislative Assembly or the Ministers or the Commonwealth Minister as to our particular position at this point in time. Simply because not only is the Norfolk Island community not have a position, neither really has the Australian Government because if they did, we wouldn't be going through this Grants Commission exercise. We wouldn't be going through this next round of experts who are coming over to look at the financial arrangements on the island here and they'll have a report out in the next few weeks and that's why I am really concerned that our Government is proceeding to Canberra for a formal meeting between the Norfolk Island Government and representatives of the Commonwealth Government and it will be seen that this is our view and that's why I believe there should be only two Minister's. I have no problems with going to Canberra. Two Ministers and an advisor should go and have discussions because there is no definite position either by the Norfolk Island Government or the Commonwealth Government in relation to those two models at this particular point in time and that is my believe and I wanted to put it forward. I think that we need to, and I've put up proposals in the past where we need to look specifically in our own back yard, I've put up a six or seven point arrangement and we need to work through those very strongly, we've missed months on that and we need to do it very quickly. I believe and then we can actually fulfill or provide to the community precisely where we are going in relation to those particular issues, but I have grave concerns in relation to this visit on Monday by the full Government. I don't mind talking to Minister Lloyd or what have you but a full Government delegation is to me of great concern. Thank you Mr Speaker

MR BUFFETT

Mr Speaker I thank Mr Nobbs for his contribution and his concerns. I just need to clarify that we must have discussions with the Commonwealth. We must have discussions with Minister Lloyd and therefore there is no option whatsoever in



responsible for the carriage of those matters, I had sought to withdraw that motion as the Chief Minister had indicated it was his preference to continue with the consideration of that legislation before the House

### **NORFOLK ISLAND GOVERNMENT TOURIST BUREAU ACT 1980 – METHODOLOGY FOR APPOINTMENT OF MEMBERS OF THE TOURIST BUREAU**

MR NOBBS Mr Speaker I move that this House requests the executive Member with responsibility for tourism to introduce at the next sitting a Bill to amend the Norfolk Island Government Tourist Bureau Act 1980 to delete subsection 4(2) of the Act and substitute a new subsection 4(2) to provide that Members of the Tourist Bureau shall be appointed by the executive member in accordance with the recommendation of the Legislative Assembly. Mr Speaker the motion is fairly straight forward I believe. It brings into line the provisions in other appointments to similar board's and I believe it is an area where the complaints that we have had in the past in relation to governance issues in Norfolk Island would make it a far better approach to have these appointments endorsed initially by the Members of the Legislative Assembly and the appointment made formally by the executive Member in accordance with those provisions. I don't think there's anything else to say in relation to that Mr Speaker. I think it's fairly straight forward and I think it's a move in the right direction

MR BROWN Mr Speaker there is precedent for what Mr Nobbs is wanting to do. For example later in today's meeting I'll be seeking leave to introduce a motion in relation to appointments to the Hospital Board but in my mind the Membership of the Tourist Bureau is a different thing. The Tourist Bureau needs to have appointed to it, people who have experience in the industry, whether it be on the accommodation side, the ground tour side, travel agency side or some other side, it needs to be a collection of people with experience. And it would be most unfortunate if we were to amend the act so that potential candidates for an appointment have to risk having their names assassinated by Members of the House who might not like them and make no mistake that's what would occur. What would the result be. People simply would decline to make themselves available for appointment, the island would suffer and Mr Nobbs would be happy

MR NOBBS Point of Order Mr Speaker. The Member is making an insinuation in relation to my character and I take that very strongly when he said that I would be happy if this sort of thing happened. What he proposes happen, which has never happened in the time I've been on this Legislative Assembly, in the ten years

SPEAKER Thank you Mr Nobbs. I accept your point of order. Mr Brown I just wonder if you could contain your comments to that of the motion

MR BROWN Certainly Mr Speaker. I'm opposed to the motion but it's a matter for the House

MR T BROWN Thank you Mr Speaker. Whilst Mr Brown is not correct there, there is a precedent for this, I fail to see the actual reasons for this. With the others it's basically the Legislative Assembly rubber stamping the people who the Minister has recommended for the position. Very rarely do we bother to comment on it. I just can't really see the point of this tying up more time in the House

MR BUFFETT Mr Speaker thank you. The reality is, if you look at the range of legislation in Norfolk Island about Boards and Committees and the like the methods of appointment vary. Some of them are appointment by the Minister upon recommendation of the Legislative Assembly and that's the substance of this particular suggestion. There are others which give the appropriate Minister the authority to make appointments and there



month after month being sniped at by a couple of Members who might prefer that someone different be appointed to a Board. That's none of their business. If they don't like the appointment, they can remove the Minister and in my view that's the way it should be done

MR NOBBS Mr Speaker Point of Order. This relates to the appointment of a board in the future. Nobody's sniping or saying anything...

SPEAKER What's the point of order

MR NOBBS Irrelevant. This is irrelevant

SPEAKER I don't accept that Mr Nobbs. Mr Brown

MR BROWN It's a laugh a minute here at times...

SPEAKER Mr Brown

MR BROWN But that's my point. A Minister should get on with the job. He should perform and he should get runs on the Board. He shouldn't allow himself to get bogged down with arguments of this type. They don't occur in other places. We say we're different. That's fine. But most of our problems in Canberra at present is because we don't get on do the job. We sit down and pat ourselves on the back and we say we are different, we achieve little and now we are seeing the results. I don't want those results to be any worse then they already are

MR NOBBS Mr Speaker I spoke a few minutes ago about the relevance of the Government going to Canberra and I think what Mr Brown has just said about the Australian Government and the Government will deal with it and the backbenchers are irrelevant virtually, are concerns that I have. I have grave concerns now about what may happen on Monday but apart from that I move that the debate be adjourned and made an order of the Day for a subsequent day of sitting

SPEAKER Thank you Mr Nobbs. The question is that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of sitting

#### QUESTION PUT

SPEAKER Could the Clerk please call the House

MR BUFFETT	AYE
MR GARDNER	AYE
MR SHERIDAN	AYE
MR NOBBS	AYE
MR CHRISTIAN	NO
MR T BROWN	NO
MRS BOUDAN	AYE
MR BROWN	AYE

SPEAKER The result of voting Honourable Members, the Ayes six the Noes two, the motion is agreed. The Ayes have it. Debate is so adjourned Honourable Members for a subsequent day of sitting

#### RE-APPOINTMENT AND APPOINTMENT OF MEMBERS TO THE NORFOLK ISLAND HOSPITAL ADVISORY BOARD

Honourable Members I've had an indication from both the Minister for Community Services and the Chief Minister for their desire to seek leave to introduce motions, the first one from the Minister for Community Services in relation to the re-appointment and appointment of Members to the Norfolk Island Hospital Advisory Board

MR BROWN Mr Speaker I seek leave to move a motion to reappoint one Member to the Hospital Board and appoint two new Members

SPEAKER Is leave granted Honourable Members. Leave is granted  
Mr Brown

MR BROWN Mr Speaker I move that for the purposes of subsection 12(1) of the Norfolk Island Hospital Act 1985 this House resolves that Candice Ann Nobbs be reappointed by the executive Member as a Member of the Norfolk Island Hospital Advisory Board of the period 20 August 2006 to 19 August 2009 and that Valerie Grace Martinez and Marshall Shane McCoy be appointed by the executive Member as Members of the Norfolk Island Hospital Advisory Board for the period 20 August 2006 to 19 August 2009. Mr Speaker Norfolk Island Hospital Advisory Board has three Members. One Member started as Candice Nobbs and she ended up as Candice Snell but I see that we are re-appointing her as Candice Nobbs and two Members are not available for reappointment so they will be, it is proposed, be replaced by Mrs Martinez and Mr Shane McCoy. Mr Speaker I would like to thank the outgoing Members for their work in what has been a difficult period and they have put in their effort competently and willingly. I would like to thank the proposed new Members for agreeing to appointment. There are many tasks ahead in the current financial year and in the period up until August 2009. During that time we will be under siege from the Commonwealth in terms of the Commonwealth's views about the hospital. We will be needing to make progress in planning towards the construction of a new hospital. We will be needing to ensure that the services which are provided by the Hospital are in appropriate areas and provided at an appropriate level. We will have the ongoing question of ensuring that the HMA scheme and the Healthcare Scheme give the best possible value for dollar in facilitating in the provision of Healthcare services on the island and we will be starting to plan towards the eventual retirement of some of our hospital staff because they will eventually retire, and we need to ensure that we are encouraging young residents to train into some of those positions and I'm pleased to be able to tell Members that the Board presently has an application from one young local person for one of the nursing scholarships which were recently advertised. The role of the board these days is that of an advisory board but that doesn't make the task any less difficult and I seek the support of Members to appoint the three persons who have been nominated in the motion

MR BUFFETT Mr Speaker can I firstly join in the Minister's appreciative words of those who have served on the Board and who are not offering themselves for continuation. Their task has been quite difficult of recent times, and you've alluded to that. I particularly would like to say thank you to the chairman whose role has been very important and who has worked hard and well at it. Can I offer support in terms of those who are proposed to the Board. Community Members. All of these Boards are thankless tasks and it is not easy for people to come forward and perform upon them and I compliment those who have made themselves available

SPEAKER Did you wish to amend the reference to Candice Nobbs

MR BROWN Mr Speaker no, I'm sure that has been done but in the event that it is a typographical error, I am able to correct that in signing the appointment

SPEAKER Thank you Mr Brown. Any further debate? The question is that the motion be agreed to

QUESTION PUT  
AGREED

Thank you. That motion is agreed to

#### **APPOINTMENT UNDER SECTION 23 OF THE SUPREME COURT ACT 1960**

SPEAKER Chief Minister I look to you for the next motion which you are seeking leave to move for an appointment under section 23 of the Supreme Court Act 1960

MR BUFFETT Thank you Mr Speaker. Mr Speaker I seek leave to move for an appointment under section 23 of the Supreme Court Act 1960 and I will identify it so that Members will know what it is. I have earlier circulated this to Members although I have not had an opportunity to give it sufficient time to the Notice Paper. I seek leave to move that for the purposes of section 23 of the Supreme Court Act 1960 this House resolves to revoke the appointment of Jeanette Irene Haviland and appoint Philippa Hendrika Spence as a person who may file an information for an indictable offence triable before the Supreme Court. I seek leave

SPEAKER Is leave granted Honourable Members. Leave is granted Mr Buffett

MR BUFFETT Mr Speaker you will see that there are formalities in this process and we have had a change of personnel. We need specially in the present circumstances to fill this vacancy and therefore in lieu of waiting until the next sitting where I am obliged to bring it to the House I seek your leave to bring it forward in this context. That's what its about and I seek your endorsement of it

MR BROWN Mr Speaker the motion is self explanatory. It is necessary to have a person appointed to that position. I have no difficulty at all in supporting the suggested appointee

SPEAKER Thank you Mr Brown. Any further debate? The question is that the motion be agreed to and I put that question

QUESTION PUT  
AGREED

Thank you. That motion is agreed to

#### **BOOKMAKERS BETTING EXCHANGE AMENDMENT BILL 2006**

Mr Christian, this matter appears on the Notice Paper in your name

MR CHRISTIAN Thank you Mr Speaker, I present a Bill for an Act to amend the Bookmakers Act 1998 to make provision for Licencing and for the operation of betting exchanges and related matters and I table the explanatory memorandum. Mr Speaker there has been in recent times a substantial move in licenced betting towards what is known as betting exchange betting. This is a computerised system allowing people to place bets on various forms of sporting events where they in effect bet against each other rather than against a bookmaker or bet with a totalisator. The initial impetus for this form of

betting comes from the United Kingdom where there are some twenty betting exchanges and has been embraced in Tasmania where the government of that State has issued a licence for the conduct of this form of business. This Bill has been prepared as an amendment to the Bookmakers Act 1998 which when the bill is passed will become known as the Bookmakers and Betting Exchange Act 1998. The Bill is drafted to substantially adopt many of the arrangements made by the Tasmanian legislation and ensures that any licences that be granted are done only following strict probity investigations and the provisions of substantial benefits to Norfolk Island. Mr Speaker the principle change to the current legislation is the insertion of a new part 2(a) consisting of some twenty four sections providing detailed rules of the issue and conduct of betting exchange licences and detailed new clauses concerning the investigation of licence holders and their associates as well as the usual definitions required to meet those changes. Mr Speaker I commend the bill to the House

SPEAKER Thank you Mr Christian. In relation to the introduction of the Bill I would seek from you a motion to move that the Bill be agreed to in principle

MR CHRISTIAN Thank you Mr Speaker, I so move

MR SHERIDAN Mr Speaker just a few words. I haven't really had a chance to go through the Bill at this time but the concept of a new area of revenue for the island is greatly received and I would fully support any new industry that would like to get up and run on Norfolk Island so I believe this will be left on the table for the next month and I will then read it and pass further comment at the next sitting. Thank you

MR NOBBS Mr Speaker I agree with Mr Sheridan and also the Minister in relation to this. I think it's a good move. I just want to say that I haven't seen anywhere that there's a place where they have poker machines so I'm very happy with it. Thank you Mr Speaker

SPEAKER Any further debate Honourable Members. Then I look to you Mr Christian for you motion to adjourn

MR CHRISTIAN Thank you Mr Speaker, I move that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of sitting

SPEAKER The question is that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of sitting

QUESTION PUT  
AGREED

The Ayes have it. Debate is so adjourned Honourable Members

## **ORDERS OF THE DAY**

We move on to Orders of the Day Honourable Members and there is one matter listed on the Programme

## **HEALTHCARE LEVY INCREASE**

SPEAKER Honourable Members we resume debate on the question that the motion be agreed to Mr Brown you have the call to resume

MR BROWN Mr Speaker this matter is arising from the decision to self insure the Healthcare Fund. As a result of self insuring the premium of \$75000 or so will no longer be paid to an insurer but will rather be set aside in the reserves of the fund. The purpose of the proposed \$7.50 per quarter increase, that is, \$30 per year, is to further increase the reserves in the fund so that there are adequate reserves should in some year there be claims of an extraordinary nature. Thank you

MR NOBBS Mr Speaker I'm concerned and I haven't had any representation about this from the community which is a bit surprising because I don't think they really understand that it's an extra impost on them over the next, well forever, therefore I really have difficulties in supporting it. What it means is that you are saving from what I can understand Minister is that you are saving on the paying out on the premium and we are self insured and I just wonder whether, I mean, I prefer to leave it as it is if that's the way I look at it. That's my view on it actually and maybe if the Minister has some better explanation I might be able to change my mind but at the moment I can't support it

MR BROWN Mr Speaker it is a matter for the House. The view I have taken is that it will be responsible to ensure that not only the premium that we've saved, but also some additional funds go into the reserves. I don't think it's going to send us broke if we don't pass this Bill. I would prefer to do so for the sake of conservatism, but if the House is of a view that current times are such that we shouldn't that we shouldn't impose an extra \$30 burden to bear on people then that's not going to cause me great worry

MR SHERIDAN Mr Speaker as the Minister states we won't go broke if we don't pass this Bill, but that doesn't say some in the community may not go broke with this extra burden of paying this small amount per year, but on top of all the other imposts that we've put up in the last few months, I believe enough is enough and I won't be supporting this Bill

MRS BOUDAN Mr Speaker I prefer to revisit this later on at a later date seeing that there is no immediate need for any increase, thank you

MR BUFFETT Mr Speaker I recognise the various points of view that have been made about this. I mean some of the points of view are that it's \$7.50 per quarter which may be manageable for many. The other point is that it would add to the coffers in terms of financial protective measures given the fact that we are not taking out catastrophe insurance, and that's Mr Brown's explanation of that and I understand that and those points of view are valid. Another point has been made that we are not in easy times in terms of family finances and therefore \$30 a year or \$7.50 a quarter may not be that easy in all set of circumstances. I recognise the latter point. There have been some significant increases and I think justifiable but difficult increases in a range of things in the community over the last months. Maybe we should recognise that there is a need to do this in terms of protecting ourselves financially with this fund but given these difficult times, we might project to commence a little further down the track when we are projecting also that the economy and the island should be doing better than it is now, so instead of say the 1<sup>st</sup> September, we give this a four or five or six month lead time so that we recognise that and we also recognise the other things and there is a time frame for it to kick in. Members may not want to do that, but I think that there is some methodology in considering that course

SPEAKER Thank you Chief Minister. I take it that at this stage you are not proposing at this stage to want to do that

MR BUFFETT Mr Speaker I'm happy to make that but let's see if there is any further debate

MR BROWN Mr Speaker the only reason that we need to deal with this bill one way or another today either it be by adjourning it, throwing it out, or agreeing to it, is that the next Healthcare Levy is sent out on the 1<sup>st</sup> September, so if we make a decision that we want to do it that's fine, if we make a decision that we don't want to do it, that's fine but that's the only reasons it's sitting here, it's for some sort of decision. The difficulty with the Healthcare Fund is two fold. In earlier times we used to provide a subsidy for the Healthcare Fund. We then reached the stage where that was no longer necessary because the levy was increased in order to ensure that the fund covered its costs. Now we've put a bit of an additional burden on to the Healthcare fund because some of the health expenses that were previously paid by HMA are now being transferred to the Healthcare Fund and in the year just passed if my recollection is correct, that is in the region of \$122,000. if we assumed that, that additional burden was going to apply each year then the combination of the \$75,000 premium saving and the proposed \$30 per year increase which is about \$36,000 spread across roughly 1200 Members would cover the bulk of that additional \$122,000 of burden each year, but it wouldn't enable the reserves to be increased, it would simply enable that extra cost to be absorbed. As I said, \$30 per year equates to something like \$36,000 per year. We've already had one levy period pass. So we were looking at \$27,000. if we adjourn this for three months and look at it again later on, the difference is only going to be in the region of \$9000 and really that's not the most important part of running the healthcare fund. I'm quite happy to move that the debate be adjourned and for us to reconsider this at an appropriate time whether its three or six months down the track. So I'm moving that debate be adjourned; not that it be made an Order of the Day for a subsequent day of sitting

SPEAKER Thank you Mr Brown. Mr Sheridan I am bound to put that question

MR BROWN Mr Speaker if Mr Sheridan wishes to say something I am happy to delay that motion

MR SHERIDAN Mr Speaker I was only going to suggest that if we are going to put it on the table for three months we might as well deal with it to finality today and then reintroduce it three months down the track

MR BROWN Mr Speaker the difficulty with that is that it requires leave to reintroduce and if one Member says I'm not going to give leave you need to then suspend Standing Orders. I would prefer to deal with by adjournment

SPEAKER Yes Mr Brown I accept that but I understand that it would need to be listed as an Order of the Day for a subsequent day of sitting not necessarily the next day but a subsequent day. The question before us Honourable Members is that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of sitting

QUESTION PUT  
AGREED

The Ayes have it. Debate is so adjourned Honourable Members

So we've concluded Orders of the Day Honourable Members, and we are now at the Fixing of the next Sitting Day

**FIXING OF NEXT SITTING DAY**

MR CHRISTIAN Thank you Mr Speaker, I move that the House at its rising adjourn until Wednesday 20 September 2006 at 10 am

SPEAKER Thank you Mr Christian. Any debate Honourable Members

QUESTION PUT  
AGREED

I think the Ayes have it. Our next sitting day is the 20<sup>th</sup> September 2006. We are agreed on that matter and so we move to adjournment

### ADJOURNMENT

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

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

MR NOBBS Mr Speaker just Mr Brown and talking about the hospital reminded me of a question that I should have asked earlier and that was in relation to the Asset Management Report and my understanding is that it is not available publicly and I find that a bit of a concern because just in relation to what Mr Brown said about replacing the Norfolk Island Hospital in what I assume is in the term of the proposed board, which I supported actually, that's the Board, so the replacement of the Hospital in that time and I nearly fell off my chair because in the Asset Management Report it doesn't mention anything about replacement within the next fifteen years and therefore I was just wondering if the report, whoever's got it, I think that might be the Minister for Finance, whether that's available to the community or if it is still a closed book

SPEAKER Mr Nobbs in relation to that matter parts of the Asset Management Plan that you are referring to was tabled in the House on the 19<sup>th</sup> July 2006. the difficulty that is encountered with that particular paper is that within the contents of the Assent Management Plan itself, there was a clause relating to the confidentiality of the information contained in that and that, that, the confidentiality issue, or the information contained is solely for the use of the Administration of Norfolk Island and I'm quoting directly from that paper. All reasonable precautionary methods in handling the document and the information contained therein should be taken to prevent any third party from obtaining access without the approval of the Administration of Norfolk Island. My understanding of that clause, is that you would look to the Administration of Norfolk Island through obviously the responsible Minister about the release of any particular aspects of that information to the wider public

MR CHRISTIAN Thank you Mr Speaker, if I could just provide additional information which may be of assistance to Mr Nobbs. At the time that I tabled the Assent Management Report I actually did flag that problem, that anybody reading the report would probably be disappointed that there was nothing in there for asset replacement. I think the Commonwealth have picked up on that part as well and as I understand it they have now re-engaged the consultants who wrote the report to in fact extend the report by putting in an Asset Replacement Addition to it if you like so that somewhere down the line Mr Nobbs we should have that information

MR NOBBS Mr Speaker I'm a bit concerned. I'm concerned about the report because I saw drafts of it earlier, and that issue came out, yet the roads as you know

were \$86m to be expended on roads, and if that's not replacing roads I don't know what it is, anyhow, it's \$31m now, initially to be expended upon roads according to the Assent Management people and yet there was nothing in relation to the Hospital so I thought we must be doing pretty well. Thank you

**MR SHERIDAN** Mr Speaker just one on thinking through, at the school there today, that's where I should be now watching the school carnival, I don't know whether the Chief Minister meant to make a mention of this but it's anniversary of the school, 100 years on that site and they're celebrating this week and having a sports day up there and I'm in two camps as you might know, I've got four kids and I've got to support the reds and the blue's, Philip and Norfolk so I would just like to wish them all well and as well as Nepean. I would like to see all three teams go well, but I think Norfolk will come through on the day

**MR BUFFETT** Mr Speaker in terms of the school it is the 100<sup>th</sup> anniversary of the school on the present site at Middlegate and it's a matter of some significance. I want to compliment the school community on behalf of the Membership of the Legislative Assembly for the celebratory arrangements that they have put into place. They have arranged for ex students to be welcomed into the school precincts, they have arranged for ex teachers to be welcomed into the precinct, they have encouraged all of the present community that is within the school, teachers and students, parents and friends, to be all part of the celebratory arrangements. They have also invited principle people from the New South Wales Department of Education with whom we have a contractual relationship for the provision of Education services. I mention that because the 100<sup>th</sup> anniversary of the school site at present co-incides with the 100<sup>th</sup> anniversary of our relationship with the New South Wales Department of Education also so there is some significance in all of that and it must be said that we have secured a sound education for Norfolk Island's children out of the education services that are provided in Norfolk Island and for 100 years that it's been provided on that location. I think I should also say, that those who are not a Member of Philip House would understand that we would like to offer them best wishes in endeavouring them to secure some winning arrangements on the carnival that is about to take place or is in progress today at the school and for those who would like to go and offer support for their respective houses, I give encouragement that they do so. Those others may or may not win but I offer them best wishes

**SPEAKER** Thank you Chief Minister. I would also like to offer my support to those words and also my support from the delegation from the Norfolk Island Government heading to Canberra and hope that Norfolk Island comes out the points winner on the day

**MEMBERS** Hear, hear

**MRS BOUDAN** Mr Speaker I wish our Ministers well more especially over these approaching few days. Please be assured of my daily prayers that will go with you as you journey to Canberra and as you negotiate with Minister Lloyd on the future government that would be best for Norfolk Island and of course on your safe return home. Thank you

**SPEAKER** Any further debate Honourable Members. There being no further debate I put the question that the motion be agreed to

**QUESTION  
AGREED**

The motion is agreed to. Honourable Members this House stands adjourned until Wednesday 20<sup>th</sup> September 2006 at 10 o'clock am







House in a formal motion, so as that opportunity is not provided to us, and that's where my concern is, and there is no Member. There need not be a Member, the Minister need not appoint a Member from the House but it's been the practice since I've been here that a Member from the Legislative Assembly was appointed to the Board and sometimes there were two

**SPEAKER** It might help if I clarified Mr Sheridan's appointment as a Member of the Norfolk Island Government Tourist Bureau. His representation on this body still stands as I am aware, that hasn't been revoked and continues in force until December of this year

**MR NOBBS** Thank you Mr Speaker. But I'm just wondering whether we will continue that. Whether that will continue after that day or not and it will be interesting to see. Thank you

**MR SHERIDAN** Mr Speaker just a quick word. I'm thankful for the Minister for supplying a new board and I look forward to our next meeting. I've got no disagreement with the appointments. I've never said so. I don't know where Mr Brown got his opinion from that I wouldn't be happy with it but I'm quite happy that he's finally gotten round to appointing a new board so that we can get on with the business of trying to increase tourism to Norfolk Island

**SPEAKER** Honourable Members the question is that the paper be noted and I put that question

**QUESTION PUT  
AGREED**

**SPEAKER** Thank you. Are there any further Papers this morning

**MR CHRISTIAN** Thank you Mr Speaker, pursuant to section 41 of the Interpretation Act 1979 I table the Norfolk Island Sustainability Levy Regulations 2006. Thank you

Mr Speaker I wish to table a direction I have given in respect of the Public Moneys Act 1979 and I shall read that direction. I Neville Charles Christian Minister for Finance pursuant to subsection 32(a)(2) of the Public Moneys Act 1979 hereby direct the Finance Manager for the Territory to transfer for the financial year 2006-2007 the amount specified in column three of the schedule for the purpose of meeting commitments entered into in the year ended 30 June 2006 in respect of matters specified in column 2 of the schedule. Mr Speaker, the amounts specified in column 3 of the schedule total \$34,900, and I table that direction

Mr Speaker, I seek to table the Asset Management Plan prepared for the Administration of Norfolk Island with Commonwealth funding by the consultants Asset Technologies Pacific Pty Ltd. In doing so, I wish to make a brief statement on this collection of documents. The Asset Management Plan is just what it says – it is a plan for managing the many public assets of the Norfolk Island community. It is not an asset replacement programme. The Asset Management Plan is very detailed and comprehensive. It covers 25 areas of major assets ranging from the powerhouse to the road system and areas of great cultural or community significance such as the Kingston Heritage buildings, the hospital and the school. The Plan details life cycle costings of major assets over a 15-year period and also details those areas where immediate maintenance or upgrading is recommended. In tabling the Plan, I must stress that the Government and Administration do not necessarily endorse all of the conclusions of the consultant, nor all of the figures it places on asset management

in the immediate future or over the next 15 years. We believe that in a number of cases the consultants have overestimated the amounts of money required, and that some of the standards applied are not fully relevant in a Norfolk Island context. A prime example of this would appear to be the estimates on management of the road system, which appear to be based on standards of road construction well above those which we believe to be adequate for Norfolk Island traffic conditions and the needs of our community. Mr Speaker, despite these apparent shortcomings, the Asset Management Plan forms another useful addition to the data required to enable the Norfolk Island Government to plan for current and future capital works and asset maintenance. I now table the Asset Management Plan. Thank you

SPEAKER Thank you Mr Christian. Any further Papers Honourable Members for presentation. Then we've concluded Papers

### STATEMENTS OF AN OFFICIAL NATURE

Honourable Members any Statements this morning.

MRS JACK Mr Speaker I have two statements that run close together and I would like to say them together if I may.

I wish to make a brief statement on the stock health programme, which has been subject to some discussion in the community in recent times. The stock health programme is closely allied with the community health programme, although it has different goals and outcomes. It focuses on the livestock slaughter process, namely the kill itself and the breakdown of the carcass. It encompasses cattle, pigs and sheep. The process will involve the observation of the kill itself (to ensure clean and humane methods), inspection of the carcass for signs of disease and swabs taken for testing of tuberculosis and other zoonotic diseases. Both Norfolk Island vets have previously undertaken this process at abattoirs off island. Premises will also be inspected for hygiene and sanitation as part of the overall slaughter process, and this is where there may be some overlap with general slaughterhouse inspections. I believe that comparison of the information gained from both processes will assist in improving hygiene practices. With the data we get, we will be able to determine the disease status of livestock on the Island on an ongoing basis and with minimum effort. Mr Speaker, the stock health programme and the health checks on facilities such as slaughterhouses will continue to be two separate processes. I believe both to be important aspects of the overall community health programme. Thank you, Mr Speaker.

Further to my earlier statement, I would like to outline some related developments in the field of public health. The *Public Health Act 1996* was assented to in July of 1996, but only a few of its provisions have been commenced. The Act contains coverage of a range of areas which are important to the well-being of the community. It is my intention to commence substantial parts of the Act as soon as it is practical to do so. Those sections include the following matters under the general heading of Environmental Health: Division 1: Sanitation: Requirement to provide permitted sanitary facilities; Cleaning, maintenance or alteration of permitted sanitary facilities; Closure of permitted sanitary facilities; Prohibited facilities; Closure of prohibited facilities; Water Assurance Area; Closure of septic facilities in Water Assurance Area; Sewage deposit area; Prohibitions and Drainage  
Division 2: Water supply: Control of water sources; Contamination of water sources  
Division 5: Animals; Keeping animals; Disposal of dead animals  
Division 6: Swimming pools; Swimming pool safety

Mr Speaker, I will be meeting with officers in the next week or so to consider the operational and resource implications of the commencement of these additional parts of the Act. The Act also requires the preparation of a Public Health Code, which would be developed on a priority basis over time. The development of a Public Health Code, and the subsequent requirement for compliance with the code, will set new standards for service delivery,

standards that many providers may already meet and possibly exceed. In turn this can only act to strengthen consumer confidence and further enhance service provider reputations. In bringing this forward I don't wish to leave the community with the impression that public health is somehow in jeopardy due to a legislative gap, as this is not the case. For example, the *Sale of Food Act 1950*, prescribes conditions for the preparation and sale of food, including licensing and inspection requirements. Some of that Act's provisions might more appropriately fit into a Sale of Food Code. Mr Speaker, I will continue to review the legislation concerning public health, with a view to commencing more of the provisions of the Public Health Act as soon as possible. Thank you, Mr Speaker.

**SPEAKER** Thank you Mrs Jack. Are there any further statements this morning Honourable Members.

**MR BUFFETT** Mr Speaker Thank you. I would like to provide a statement which is an update on the Norfolk Island Commonwealth of Australia Governance Issues and Negotiations. I've reported over the past number of weeks on various happenings relating to Norfolk Island and Commonwealth Governance issues arising out of Minister Lloyd's messages to Norfolk Island from the Commonwealth of Australia first delivered on the 20<sup>th</sup> February in 2006 and this as I've mentioned is a further update. Let me firstly provide an update on the various activities and particularly reports that are progressively now being collated so that they might assist us, that is both the Norfolk Island Government and the Australian Government on the best way forward in this overall quite difficult matter. The Australia Bureau of Statistics presented and published its report on the 23<sup>rd</sup> June 2006. It's a report which gives some quantum to the business activity in Norfolk Island and the name of that report is Norfolk Island Business Statistics. This report found that there were some 339 businesses in the island with a total income of \$94m and some 1,267 people in employment. I understand that this particular report may well be available on the web. If not, it certainly can be available through Administration sources. The Asset Management Plan in its final form was presented on the 28<sup>th</sup> June and the Minister for Finance has today tabled that report in this House. On the 6<sup>th</sup> July the Commonwealth Grants Commission released a preliminary report. This is a brief four page document which assesses the cost to provide state and local Government type services and the estimated capacity to raise revenue by comparable taxes and charges levied by state and local Governments. This brief document was to be elaborated and supported by a further paper and this staff paper with supporting information of some 142 pages was delivered yesterday. The Joint Standing Committee to mention another activity in this overall context is scheduled to again visit Norfolk Island from the 2<sup>nd</sup> to the 5<sup>th</sup> August. They won't be holding formal meetings as I understand it, from them but will be meeting with Members of the community and I report that the Norfolk Island Government certainly will be meeting with them, and it may be your wish also to facilitate meetings amongst all of the Members. In respect of the Commonwealth Grants Commission that I referred to just a few moments ago, the commission itself has scheduled a community conference in Norfolk Island on the 17<sup>th</sup> and 18<sup>th</sup> August to discuss that preliminary report. I also share the information that Minister Lloyd has invited the four executive Members to Canberra for discussions on Government issues, and we have mutually agreed a date on the 21<sup>st</sup> August. The Norfolk Island Government in this context is collating information from the reports that I have already mentioned and other information to assess the best way forward and sustainability for Norfolk Island into the future and with that information to be able to have in depth discussion with the Commonwealth when we meet in August. To be part of this process I have commenced the formation of a community reference group to assist assessment of information and the best way forward and to assist presenting it amongst the community. Further on in this year of 2006, an economic impact study is to be presented by consultants. I understand that these consultants are yet to be announced although they may have been appointed I'm not too sure of that. Certainly what I am able to know is that the period has expired for lodgement of bids to undertake this task but that is a Commonwealth activity and

they are the people who are making the appointment. But they are to present their report by the documentation available to us by the end of September of 2006. the final report, I mentioned a preliminary report by the Commonwealth Grants Commission, a final report by them is expected by the 30<sup>th</sup> September and an Australian Cabinet decision has been foreshadowed by the conclusion of 2006. That's just an update of various projections and activities in terms of that matter.

May I also add to that that during the latter part of last week and last weekend the Australian Cabinet Minister Alexander Downer spent a brief holiday in Norfolk Island and whilst that was a private and holiday visit the Norfolk Island Government did have an opportunity to meet with him and brief him on Norfolk Island's situation and our aspirations to be both sustainable explaining the methods we are taking towards this, and to be self governing to the maximum extent which is compactable with sustainability. I've got to say that one can't claim to have won his view to match ours on every point but without doubt Mr Downer will be better placed to understand the Norfolk Island perspective when this matter eventually proceeds to cabinet of which we all know he is a senior Member. I just provide that update  
Mr Speaker

SPEAKER Thank you Mr Buffett. Are there any further statements this morning Honourable Members. There being no further Statements. We move on  
There being no further Statements. We move on

#### **MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR – NO 40**

Honourable Members I have received the following message from the Office of the Administrator. It is Message No 40 and reads, on the 26<sup>th</sup> April 2006 pursuant to section 21 of the Norfolk Island Act 1979 I declared my assent to the following, the Court of Petty Sessions (Amendment) Act 2006 (Act No 9 of 2006), the Healthcare Levy (Amendment) Act 2006 (Act No 10 of 2006) and that message is dated the 26<sup>th</sup> April 2006 and is signed Grant Tambling, Administrator

#### **MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR – NO 41**

Honourable Members I have received the following message from the Office of the Administrator. It is Message No 41 and reads on the 27<sup>th</sup> June 2006 pursuant to section 21 of the Norfolk Island Act 1979 I declared my assent to the following, the Appropriation Act 2006-2007 (Act No 15 of 2006); the Telecommunications (Amendment) Act 2006 (Act No 16 of 2006) and the Health (Amendment) Act 2006 (Act No 17 of 2006) and that message is dated the 27<sup>th</sup> June 2006 and is signed Owen Walsh, Deputy Administrator

#### **MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR – NO 42**

Honourable Members I have received the following message from the Office of the Administrator. It is Message No 42 and reads that on the 4<sup>th</sup> July 2006 pursuant to section 21 of the Norfolk Island Act 1979 I declared my assent to the Norfolk Island Sustainability Levy (Amendment) Act 2006 (Act No 18 of 2006) and that message is dated the 4<sup>th</sup> July 2006 and is signed Grant Tambling, Administrator

#### **REPORTS OF STANDING COMMITTEES**

Honourable Members we move on to Reports of Standing Committees. Are there any Reports this morning. No

#### **NOTICES**



MRS BOUDAN Mr Speaker I think we could leave this in abeyance for a period of time and revisit it later on if necessary. That's how I feel about it. Thank you

MR T BROWN Thank you Mr Speaker. I was just wondering if the Minister could clarify for me, I think I understand the decision was made to self insure because we probably couldn't get reinsurance anyway. If the Minister could either confirm or set me straight that would be much appreciated

MR BROWN Mr Speaker reinsurance is available for the current year. But complications with the healthcare fund is that it has been treated in different ways over the years in terms of HMA beneficiaries and if we choose to fund what was HMA expenditure by directing it through the healthcare fund then for the future there certainly will be difficulties with reinsurance and it is for that reason as well as the desire to save the premium and direct it to reserves it is because of the complications with redirection of HMA expenditures that I feel that the best course is the course that we are going down. Now I don't mind whether this matter is dealt with today or not. I'm certainly proposing to move its adjournment until the August meeting which is plenty of time if it is passed and if it isn't passed then it's of no consequence

MR BUFFETT Mr Speaker I wonder if I could just request Mr Brown to mention a couple of additional figures which he may have but I might not have in my kit. He did mention to us that there was a premium increase of \$10,000 for the year. The actual figure might be useful so that we can see the perspective of it and there was the mention of an increase in the threshold, in other words, \$200,000. That means that we would have to carry any claim up to \$200,000 and that might be assisting to see it in perspective also. I would support an adjournment at an appropriate time so that the information we are talking about can be further known and digested within the community. If those two figures are available, and I don't know whether they are in Mr Brown's head at this moment, but it might be useful. If not we could research them and bring them forward

MR BROWN Mr Speaker I can give Members approximate figures and I can then provide detailed figures shortly. But in approximate figures the premium would have increased from approximately \$65,000 to approximately \$75,000 and the excess, that is the amount that we need to pay before we can call on the reinsurance was have in increased from \$500,000 to \$700,000

MR NOBBS Mr Speaker I would just like to ask the Minister, and he may be able to answer or not but you referred to the HMA recipients being in and then out and what have you and I know that there has been some change in the time that I've been here. Where are we at with that at the present time, and the second point that I would like you to clarify if you may, is in relation to the reinsurance. Is this only one quote that's been obtained or have we other quotes, and where are we at. Somebody else might be able to tell me with the total reinsurance of the Administration I understand that it was coming up for renewal at some time or other and has this actually occurred in the last month or so

SPEAKER Thank you Mr Nobbs. I read a couple of questions into that. One Minister is obviously responsible for the HMA and healthcare and the other one would be responsible for the Administration insurances in general but maybe Mr Brown may want to lead off with a response to your question in relation to the healthcare and HMA

MR BROWN Mr Speaker as Mr Nobbs will know the Administration has engaged a broker to take care of its insurances and my understanding is that the engagement of that broker was recently extended without going back to tender. I'm aware of only one quote being received to reinsure the healthcare fund for the current financial year.





SPEAKER Honourable Members the question before us relates to the healthcare levy increase. Further debate

MRS JACK Thank you Mr Speaker, Minister to get back to the costs being put onto the healthcare levy, isn't it that you should also be looking at the legislation as such because it was because of the more thorough reading by the current officer, and I commended her on it, that picked up the fact that certain HMA patients were entitled to claim against the healthcare levy and that was the one which was actually putting a strain on it, it didn't appear to be a policy decision but more a legislative decision that enabled that charge to be made

MR BROWN Mr Speaker I think that we're getting a fair way away from the subject matter, but it certainly is the case that under the legislation a person who pays the levy is entitled to claim against the fund. There's no doubt about that. And there is also no doubt that a Social Services beneficiary is entitled to claim against the fund. What I've been talking of is the difficulty that, that creates in terms of being able to reinsure. And I fully accept that if we want to change it, the way to change it is to change the legislation. It may well be that Members take a view that HMA itself should in the main be funded through the healthcare fund and if that's the view that Members take then that's fine but I just want to manage it as best we can not by shifting the costs to different sections, I have no problem with a claim being made for a person who is entitled to make the claim. No problem at all. My problem is, if we start to spend too much time on working out how we can shift the burden from the social service vote to the healthcare or to the workers comp vote or to the hospital itself or whatever

SPEAKER Further debate. Mr Brown maybe I look to you. You indicated earlier the proposal to adjourn

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

SPEAKER The question is that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of sitting

QUESTION PUT  
AGREED

The Ayes have it. Debate is so adjourned Honourable Members

#### **IMMIGRATION ACT 1980 – RE-APPOINTMENT OF MEMBER OF THE IMMIGRATION COMMITTEE**

SPEAKER A matter has arisen Honourable Members. Mr Brown has, I give him the call to seek leave to move a motion in relation to an appointment to the Immigration Committee

MR BROWN Thank you Mr Speaker. One of the Members of the Immigration Committee will reach the end of his term in a few days time and I seek leave to move a motion to reappoint that Member

SPEAKER Is leave granted Honourable Members? Leave is granted  
Mr Brown

MR BROWN Mr Speaker I seek leave to reappoint Andre Neville Nobbs to the Immigration Committee

SPEAKER Leave is granted Mr Brown

MR BROWN Mr Speaker I move that for the purposes of subsection 6(4) of the Immigration Act 1980, this House recommends the re-appointment of Andre Neville Nobbs as a member of the Immigration Committee for the period 22 July 2006 to 21 July 2008. Mr Speaker the Members of the Immigration Committee carry out a really thankless task in quite an efficient manner. Andre Nobbs has served the committee well and I seek the support of Members to reappoint Andre to the committee for a further term of two years

SPEAKER Thank you Mr Brown. Any further debate? The question is that the motion be agreed to

QUESTION PUT  
AGREED

Thank you. That motion is agreed to

We move to Orders of the Day

#### **ORDERS OF THE DAY**

#### **CREATION OF TRUST FUND FOR ADMINISTRATION EMPLOYEES' ANNUAL LEAVE AND LONG SERVICE LEAVE**

SPEAKER Honourable Members we resume debate from the 21<sup>st</sup> June 2006 on the question that the amendment be agreed to namely that the words "over the next 2 years" be inserted before the word "transfer" (first occurring) and Mr Brown you have the call to resume

MR BROWN Thank you Mr Speaker the purpose of this motion is self evident from its terms. It seeks the agreement of Members of the creation of a trust fund to hold Administration employees annual leave and long service leave entitlements. Initially the motion suggested that such a fund be created immediately. On hearing the views of Members, I moved a motion such that the funds would be put together over a period of two years, so that it would occur progressively over a two year period. At this stage I'm seeking the agreement of Members to that amendment

MR NOBBS Mr Speaker I said last week that I needed to have some discussions. I've had some discussions with Members of the service and whilst there's concern in relation to the current Government as I spoke of last week, I think the general consensus was that this was an issue that should not occur in that no other business, and the Administration is the largest business on the island and should be run as such, would tie up funds in this sort of manner and not have them usable and that I can't support it, and I feel that in our current, particularly in our current arrangements, that the need for these funds will be evident over the next year or two years or possibly more and that these will be, like any other thing, if any business knows that in three months time that they will be required to pay their electricity bill or some other bill, they don't put them in a trust fund to have them tossed away or being put away just for the need that you will have them in three months time. They use those funds and they pay out accordingly. The issue really is that if a persons leave is due, well they take it and that is the sort of situation that you have, and it happens everywhere else. I don't know other Governments that put this sort of funding away



Island at all, I do think it would be prudent and wise to make provision for them and quarantine them, so I have no difficulty at all supporting the motion

MR GARDNER

Mr Deputy Speaker. Thank you. I must admit that over the last month or so I haven't had the opportunity to be involved in any discussion in any detail on this matter with my colleagues around the table but I said six weeks or so ago when there was a change of Government that I was prepared to support this Government because ultimately it's for the benefit of everybody on Norfolk Island that, that must happen, but I think having listened to the Minister for Finance there's a couple of issues that need to be raised when comparing Norfolk Island say with the Ansett collapse, I have confidence in this Government's fiscal policies that have recently been announced to ensure that there are adequate funds to sustain Norfolk Island into the future and that every endeavour has been made to ensure that, that happens. I am also conscious, and I stand to be corrected, but in the last annual reports, despite some of the financial difficulties that we are encountering, the Norfolk Island Administration as an entity with its Government Business Enterprises total combined has assets totaling some \$38m or thereabouts so there is a significant difference between the Ansett operation and what is proposed in Norfolk Island because I understand that Ansett may have been somewhat short on the assets to meet any of its outgoings and certainly its employees entitlements. Certainly my limited knowledge of company insolvencies do suggest to me that one of the primary concerns for anybody handling a failed company are the employees entitlements and I am confidence knowing that the level of assets that the Norfolk Island Administration has would be more than sufficient to meet any of those employee entitlements in the short medium or even long term and so I don't accept at this early stage in my consideration of this matter that there is a need for those funds to be earmarked and put aside. In fact, as I said earlier in my introductory remarks, I have confidence in the Minister for Finance and the current Government to address our serious financial position, which was being undertaken by the previous arrangements and that, that will continue and that there will be no need to have to revisit this issue in the future and that said, I'm not supportive today of proceeding with this motion. Thank you

MR BROWN

Mr Deputy Speaker recently a statement of available cash was prepared. It was prepared from recollection in relation to the April month and we later got one in relation to the May month. We haven't seen one yet in relation to the June month. April showed from recollection the returns of the revenue fund and we had \$163,000 of available cash. May showed that we'd gone negative. We were negative from recollection by \$85,000. the reason for this motion is to give confidence to employees that their entitlements are set aside in a fashion where they cannot be spent on anything other than paying the employees. Now if Members around the table are confident that there's never going to be a problem, then Members must acknowledge that they are confident that setting aside the reserves won't create a problem either. If on the other hand Members are saying, we want to spend that money and because we are not confident that we'll always have it available we are not prepared to put it into a trust fund, then I don't think that's a real good message for us to be seeing to convey. I propose to ask that the motion be dealt with today. I propose to ask that Members support the amendment such that the change would be made over two years rather than immediately, but we will not be sending a good message if we are not prepared to safeguard those entitlements particularly having regard to what has been revealed with the April and May available cash statements. Thank you

MR NOBBS

I just refer to those particular statements that Mr Brown mentioned, those took into account the entitlements of the staff at that point in time. It was purely for the revenue fund that we are talking about. It didn't include the Government Business Enterprises or any other organisation that the Administration may have under its wing and there was a lack of action in relation to the May figures which would have seen it actually in the blue and not negative as the Minister has said, zero or whatever it was or a very low figure, it was considerably higher but this action wasn't taken so I assume that the

June figure because that action that was to be taken, and I assume it has and I'm not in the role of going behind the Minister's back and finding out what's going on but I'm assuming that it has happened and therefore the June figures should be far better than those, but unless there's been a major expenditure which I'm not too sure of, and therefore I think that those figures, as I said, taken into account, those actual commitments to the staff are taken into account in both the April and May figures. I still won't be supporting it. I was a little concerned at the Minister for Finance's statement but I'm pleased that the former Chief Minister stepped into the breach and delivered what I think is more of an even approach to what is actually happening

MR BROWN I move that the question be put

DEPUTY SPEAKER Thank you Mr Nobbs. I believe Mr Sheridan had the call Mr Brown so I will call him and come back to you

MR SHERIDAN Mr Deputy Speaker just a few words. As I indicated last month if Mr Brown would like to amend this motion again and remove the annual leave component I would most probably support that long service leave be put aside. I don't believe there is actually a necessity to put aside annual leave requirements as most employees they take their annual leave annually and as the Chief Minister stated before it comes out of recurrent expenditure but for the long service component, it could sit there for twenty, thirty years as long as the employees gain interest on their contributions or whether they do or not, I suppose that would go to the Administration but if he was in the mind to delete the annual leave and just leave long service leave over the two year period I would support that but as it currently stands, I will not

MR BROWN Mr Speaker I thank Mr Sheridan for that. I shan't seek leave to further amend because I have counted around the table and even with Mr Sheridan's support the motion is not going to be successful therefore I leave it to the House to vote

SPEAKER Honourable Members the question before the House is that the amendment be agreed to

#### QUESTION PUT

Could the Clerk please call the House

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

The result of voting Honourable Members, the Ayes four the Noes five, the motion to amend is not agreed to. We now move to the substantive motion. Honourable Members do you wish me to read that or are you quite comfortable with the motion as it sits on the table. The motion before us Honourable Members is that this House the responsible Minister to take urgent action in order to create a new trust fund, transfer sufficient funds to that trust fund in order to provide for all entitlements of Administration employees in respect of annual leave and long service leave, and make further such transfers each month in order to ensure that



SPEAKER Is leave approved Honourable Members? Leave is granted Mr Nobbs to withdraw those matters and for the sake of clarification they are the Public Moneys (Amendment) Bill 2005 and the Public Sector Management (Amendment) Bill 2005

MR NOBBS Mr Speaker as you said, these are two Bills that were placed on there by me in the time of the previous Government and it should be up to the present Government if they wish to proceed with these. The Public Moneys Amendment Bill provides for the encouragement of those to pay bills early and a penalty for late payment of bills and the Public Sector Management (Amendment) Bill 2005 which is the second one is based on the recommendations from memory, from the latest selection panel involved in interviewing candidates for the position of CEO and some recommendations were included which seemed to get a lot of support at that particular time and both of these have been left on the notice paper and I seek obviously for those to be withdrawn

SPEAKER Thank you Mr Nobbs and leave has been granted for the withdrawing of those particular matters and you've provided a personal explanation. There is no question before the House and so no debate will be entered into thereon. Thank you. Those matters are withdrawn

#### **FIXING OF NEXT SITTING DAY**

MR CHRISTIAN Mr Speaker I move that the House at its rising adjourns until Wednesday 16 August 2006 at 10 am

SPEAKER Thank you Mr Christian. Is there any debate Honourable Members. There being no further debate I put the question that the motion be agreed to

QUESTION PUT  
AGREED

The motion is agreed to

#### **ADJOURNMENT**

Honourable Members we now move to adjournment and Mr Nobbs I look to you

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

SPEAKER Thank you Mr Nobbs. Is there any debate Honourable Members

MRS BOUDAN Mr Speaker I wish to make a brief statement concerning land rights for descendants of the Pitcairn settlers. By the Grace of God Norfolk Island was granted by Her Majesty Queen Victoria, in 1856 to the Pitcairn settlers and their descendants for their homeland and so the whole community was transported to Norfolk Island at that time. The Pitcairn settlers and their descendants were granted special rights by the Crown. Such rights have been and are continuing to be eroded away and will undoubtedly vanish should the Norfolk Island Government not include in their negotiations with the Commonwealth the proposal for recognition and acknowledgement to the descendants of the Pitcairn settlers in particular, where land rights are concerned. The Norfolk Island Act states in the preamble that the parliament recognises the special relationship of the descendants of the settlers from Pitcairn Island with Norfolk Island and their desire to protect their traditions and culture. As far as I am aware that has been no

concrete grounding or protection put in place through acknowledgement and recognition and I firmly believe that it must begin with land rights. It is important that the Norfolk Island Government and the Commonwealth make solid provision for the descendants of the Pitcairn settlers when negotiating the future of Norfolk Island and its people. I realise there is the annual Anniversary Bounty Day public holiday or day off in lieu on the 8<sup>th</sup> June for the celebrations but that is the day that has been claimed by the people and no-one dare take it away. It most certainly deserves more. The Crown granted special rights, the Parliament recognises the special relationship – now the Norfolk Island Government and the Commonwealth need to secure it once and for all. Traditional rights to the land for the descendants of the Pitcairn settlers. Thank you Mr Speaker

SPEAKER  
debate

Thank you Mrs Boudan. Is there further contribution to

MR NOBBS

Thank you Mr Speaker. I would just like to thank Mrs Boudan for her contribution. For years the people of Norfolk Island have considered themselves to be different and I think in other reports of life they've actually shown that they are different and I would think that this is a key issue in any negotiations and the Government is talking about going to Canberra to meet with the Minister for Territories in about a month's time, a month and a few days, and the issues that Mrs Boudan has brought out are some of the key issues that must be taken into consideration by the group that goes over there and I wish them well and I will be definitely pushing as much as I can to see that whilst it may not be the land rights proposition, there is an in built belief that the island was given by Queen Victoria to the Pitcairn descendants and as long as I'm alive that's the way it's going to be. Thank you

SPEAKER

Thank you Mr Nobbs. Is there further contribution to debate. Honourable Members as a matter of note you may have noted this morning that there are a number of furnishings absent from the Chamber, including the Coat of Arms, the Prayer, the ceremonial Chair and the flag, and some other items. Those furnishings are being used in a display at the Norfolk Island Museums entitled "Signed and Sealed". It's an exhibition at the Norfolk Island Museums of matters of governance, it incorporates records of the Legislative Assembly, Registry and the Records department, showing the process of governance in Norfolk Island and I would encourage Members and the listening public to avail themselves of the opportunity to inspect that exhibition. It's very worthwhile. Thank you. Honourable Members there being no further debate I put the question that the House do now adjourn

QUESTION PUT  
AGREED

Therefore Honourable Members this House stands adjourned until Wednesday 16 August 2006 at 10.00 am

