



**NORFOLK ISLAND LEGISLATIVE ASSEMBLY  
12<sup>TH</sup> NILA HANSARD – 18 JULY 2007**

**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

**PETITIONS**

We move to the matter of petitions. Are there any petitions this morning?.

**GIVING OF NOTICES**

Are there any notices?

**QUESTIONS WITHOUT NOTICE**

Are there any questions without notice?

**MR SHERIDAN** Mr Speaker firstly I have a question to the Minister 4 responsible for tourism. Minister with the traditional low season up on us in tourism can the Minister advise as to what, how and where advertising has been conducted over the last few months, specifically aimed at increasing tourism numbers out of Australia and New Zealand over this low season

**MR GARDNER** Mr Speaker as I think Members would appreciate, off the cuff it would be impossible for me to clearly indicate where that advertising is taking place but I'm quite happy to gather that information and make it available to Members

**MR SHERIDAN** Mr Speaker a question for the Minister for Finance. Minister with the introduction of the GST can you explain as to why the Norfolk Island Data Service enterprise have to pay GST on the cost of providing data to their customers whereas customers of Telecom receive data GST free

**MR CHRISTIAN** Thank you Mr Speaker, I can respond to that. Basically there is one significant different Mr Speaker between NIDS and Norfolk Telecom. As I've indicated on a previous occasion 100% of Telecom's gross profits generally are repatriated back to the revenue fund as a dividend and spent for the benefit of the community. In the NIDS situation 100% of its profits are retained by the ownership of the business and therefore GST is payable on services provided by NIDS. In the situation with Norfolk Telecom the GST is effectively included in the price that we charge for the use of our services. However, there is an anomaly there where NIDS customers actually have an advantage over Norfolk Telecom's customers in that they can actually claim the GST rebates where customers of Norfolk Telecom can't because we don't separately identify the GST and in fact, that causes a little area of difficulty. I have spoken with the Chief Executive Officer and the Office of the GST and we're in the process of revamping what we do at Norfolk Telecom so that GST is included and have identified on the Norfolk Telecom GST invoices and that will put them on the same footing as NIDS customers and also remove the disadvantage at the moment that Norfolk Telecom customers are experiencing

MR SHERIDAN Mr Speaker again another one for the Minister. Minister I believe that in the near future the Norfolk Island Government will be accepting responsibility for the Ball Bay fuel tank installation. Minister can you firstly confirm that this is correct and if so, prior to accepting responsibly for this installation that a full audit/survey will be undertaken so as to certify that the tanks are serviceable and to ensure that the tanks are an asset and not a liability to the community of Norfolk Island

MR CHRISTIAN Thank you Mr Speaker, I'll do the best I can to answer that question and Mrs Jack may be able to shed some light as well but in short I would expect that ownership of the facility in Ball Bay will transfer to the Norfolk Island Administration somewhere around the end of July. A private company will replace Mobil Oil Australia as the supplier of fuel into that facility and the current deliverer of fuel, that is Martins Agencies will be retained to manage the facility and deliver the fuel to the retail and wholesale customers around Norfolk Island. Prior to that occurring, that is the transfer facility, a detailed report will be or have been received from Mobil outlining the condition of the tanks in Ball Bay and we would expect to also receive as part of that process a forward maintenance programme and we have built into our margins a small component to allow for the eventual replacement of the tanks in Ball Bay and also to provide for the ongoing maintenance. I think what Mrs Jack and officers of the Administration who have negotiated their way through in the last two or three years have actually provided some certainty of guarantees for the future fuel supply for Norfolk Island

MR SHERIDAN Mr Speaker virtually a supplementary to that Mr Speaker. With regard to the taking over of the distribution of fuel to Norfolk Island has the Government considered the particular costing of the products involved, what the effects will be on the price of electricity and the price of a litre of product at the bowsers

MR CHRISTIAN Thank you Mr Speaker, yes, the Government has given serious consideration to that. We are in a bit of a turbulent period at the moment where we have an unusual situation occur where a larger tanker has delivered a smaller amount of fuel into Norfolk Island which has caused a bit of a spike. Some of that cost has been deferred and may come back to haunt us at a later date but we are trying to minimise any future impact. The impact on the price of electricity I was hoping to be able to quantify that today but I'm not able to but what impact the new arrangements will have on the motorists of Norfolk Island is what I hope will be a postie impact. Mr Speaker it's our intention that as the Norfolk Island Administration become the distributor of fuel in Norfolk Island a number of changes will occur and those changes basically will be, that people who want to retail fuel in Norfolk Island that is, sell fuel through their pumps, to the consumer will have to sign new supply agreements with the Administration and those supply agreements will set out the terms and conditions of supply and basically what we're hoping to do is in the first stages, allow people two weeks credit before they have to pay the Administration for their fuel supplies, six months down the line, that will come back to pay before delivery and at the time of signing the new supply agreements, the Administration will in fact stipulate a recommended retail price. That we hope will have some dampening effect on the cost of fuel in Norfolk Island to the consumer

MR B CHRISTIAN Thank you Mr Speaker, I have a question for the Minister for Finance. Minister it was indicated by you that the Retail Price Index would be reviewed in the near future. How is this review progressing and when will we be able to expect an outcome

MR CHRISTIAN Thank you Mr Speaker, the review is progressing but I have not yet had an update from the Public Service so I can't tell you when we can expect an outcome but the process has commenced

SPEAKER Thank you. Honourable Members, any further Questions this morning. There being no further questions I will ask Mr Speaker to return to his chair

SPEAKER We conclude Questions Without Notice and we move on

### PRESENTATION OF PAPERS

Are there any Papers for presentation this morning Honourable Members

MR CHRISTIAN Thank you Mr Speaker, Mr Speaker in accordance with section 41 of the Interpretation Act 1979 I table the Goods and Services Tax (Amendment) Regulations 2007

MR MAGRI Mr Speaker in accordance with section 41 of the Interpretation Act 1979 I table the Road Traffic General (Amendment No. 2) Regulations 2007

MR GARDNER Mr Speaker in accordance with subsection 13(4) of the Public Sector Remuneration Tribunal Act I table a determination of the Tribunal in respect of an application under 2 of 2004 by the non contracted general staff of the Norfolk Island Hospital Enterprise. That determination was signed on the 27<sup>th</sup> June 2007 by Justice Burchett of the Public Sector Remuneration Tribunal

MR CHRISTIAN Thank you Mr Speaker, pursuant to section 32(a)(2) of the Public Moneys Act 1979 I table the Declaration and Schedule in respect of appropriation totaling \$39,000 being transferred from the financial year 06/07 to financial year 07/08

MR GARDNER Mr Speaker I table the inbound passenger statistics for the month of June 2007 and move that the paper be noted

SPEAKER Honourable Members the question is that the paper be noted

MR GARDNER Mr Speaker just some comments in relation to the passengers statistics for June 2007. Members will note and those within the community that have access to these documents because I know that they are distributed widely throughout the community I think even on the Government website, and they will notice that in comparison to last year which Members probably recognise as being a major year in Norfolk Island's history being the sesquicentenary year that despite that, the market this year has delivered slightly less than 60 passengers on that same time last year, but noticeable in the fact that actually bed nights for the same period have increased by some 1350 with people staying longer through the month of June than they did last year and again if I could go back to the sesquicentenary argument there were a lot of residents who came in that period of time and a lot of them came in for only a short period of time, particularly for the Bounty Day Sesquicentenary celebrations. The question Mr Sheridan asked earlier, as he would well recognise, any promotion and marketing that is done has been traditionally done months in advance, whenever the lows and the highs, and others are concerned and there have also been last year, significant activity by the airline in the two for one package that was made available to try and generate business. This year a similar type of activity has taken place for a couple of months over that period of time with a slightly higher fare structure which means that the net return to the airline is that it actually improved vastly on the same period last year. It's also important to recognise that we are up 20% on the year before that and once thing that is interesting to note is the trend from I guess the more distance states in their visitation, the increase in visitation to Norfolk Island from those in Western



suggested that perhaps the name of Speaker should be changed as Speaker's normally don't have very much to say at all. Charmaine Rodriguez from the United Nations Development Programme based in Suva gave an excellent presentation, of some pitfalls associated with the passing of laws which could have serious affect of the lifestyles of the less fortunate. I think the point she tried to get over to the Members present is that when Minister in Parliaments pass legislation on matters which affect the cost of living, to closely look at the ramifications on those that can least afford to pay. Honourable Members I will circulate copies of the papers presented when they hopefully arrive with my luggage on Thursday. I wish to acknowledge the assistance provided by the Cook Islands Parliament in the arranging of a fantastic conference. I'm sure that like other Members mentioned, our spouses, appreciate the visit and help the Cook Island's economy enormously, particularly in the black pearl industry. Members I appreciate the opportunity to attend on behalf of the Norfolk Island Legislative Assembly and I certainly promote this to further conferences

Are there any further Statements Honourable Members . There being no further Statements I proceed

#### **MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR - NO 4**

SPEAKER Honourable Members, I have received the following Message from the Office of the Administrator and it is Message No 4 which reads that on the 29<sup>th</sup> June 2007, pursuant to section 21 of the Norfolk Island Act 1979, I declared my assent to the following proposed law passed by the Legislative Assembly, the Appropriation Act 2007-2008 (Act No 7 of 2007) and that message was dated the 29<sup>th</sup> June 2007 and signed Grant Tambling, Administrator

#### **REPORTS OF STANDING AND SELECT COMMITTEES**

SPEAKER We move now to Reports of Standing and Select Committees. Are there any Reports Honourable Members. No. We move on to Notice No 1

#### **NOTICES**

#### **NORFOLK AIR CORPORATION – NORFOLK AIR ADVISORY BOARD - APPOINTMENT OF MEMBERS**

SPEAKER Honourable Members, we move to Notices. Notice No 1 is the Norfolk Air Corporation - Norfolk Air Advisory Board – Appointment of Members and Mr Christian you have the call

MR CHRISTIAN Thank you Mr Speaker, I move that this House resolves that for the purposes of the proposed Norfolk Air Corporation Act the following be appointed as soon as practicable by the executive member to be Members of the Norfolk Air Advisory Board for a term of 3 years: Michael Alexander Jack; Graeme William Rayner; Glenn Robinson; David John Sanders; and Timothy John Sheridan. Mr Speaker the Norfolk Island Government sought expressions of interest from Members of our community who would be prepared to serve as Members of the Norfolk Air Advisory Board. Mr Speaker twenty three people expressed a willingness to participate and all were worthy of inclusion as Advisory Board Members. I wish to personally thank all who volunteered their services and I would also wish to thank my parliamentary colleagues who assisted with the selection of the five names which appear on the notice paper to day. Mr Speaker I will now provide a concise over view of each proposed Board Member. Firstly, Michael Alexander Jack was selected because of his lifelong commercial experience and he is currently a member of the Norfolk Island business community. Secondly Graham William Rayner was selected because of his extensive banking and financial expertise. Thirdly, Glen Robinson was selected because of his

knowledge of airports and air transport requirements and regulations. Mr Speaker fourthly David John Sanders was selected because he is without doubt one of the most capable sons Norfolk Island has ever produced and he has extensive first hand knowledge of the travel and accommodation industry. Five, Timothy John Sheridan was selected because he is an MLA and an original Member of the airline working group that actually created Norfolk Air. Mr Speaker I commend this motion to the House. Thank you

MRS JACK Mr Speaker owing to my husband being a proposed Member I will abstain from voting in any debate, thank you

MR MAGRI Mr Speaker completely support the Minister's recommendations. I believe we are extremely lucky here on Norfolk Island to have Members of the community who are prepared to freely give their time to these committees. Basically Michael Jack and Graham Rayner both possess extensive financial management and business skills. Tim Sheridan, a Member of the original, I'm really repeating what Neville said as an affirmation of the ability of the Members that we've been able to get from the community,. Tim Sheridan was a Member of the original airline working group, he is also a Member of the current Legislative Assembly and a very capable businessman, Glen Robinson has first hand expertise in accommodation industry and is a current airport manager and generally a very capable person and David Sanders who has shown a close interest in the operation of the airline, is a dedicated businessman and has an extensive experience in all facets of the tourism industry. I completely support the re recommendation of all the proposed board Members and wish them well in their deliberations in their new roles. I think everyone will agree the airline and it's success are key to advancing the prospects of all Norfolk Islanders

MR ANDERSON Mr Speaker I won't repeat all the things that the previous two speakers have said, but I think it's a very well balanced and excellent group for this Advisory Board. As the last speaker has said, the success of our airline is paramount to the success of Norfolk Island and we can easily make some bad mistakes and we have to be very vigilant in some of the decisions we make. Thank you

MR GARDNER Mr Speaker some brief comments if I might in relation to this. I fully support the Minister's motion this morning. I just wonder whether these Members have had an opportunity to have a look at the Norfolk Air Corporation Bill and not meaning to pre-empt debate on that bill, obviously that clearly sets out what is required of this group of persons from the community in the management of the airline and also their role is going to be heavily reliant upon the instructions that are given to them by the Executive Member, obviously with feedback from around this table. Bearing in mind that these people will be charged with ensuring that the airline activities work hand in glove with those of the Tourist Bureau to ensure that we meet our tourism targets and may be we'll be seen to be working a little bit differently to a normal airline corporation that might operate in another environment but I too join the Minister in commending the motion to the House

SPEAKER That you Mr Gardner. Any further debate Honourable Members. Then I put the question that the motion be agreed

QUESTION PUT

AGREED

ABSTAIN

MRS JACK

Thank you. The ayes have it. The motion is agreed

**MOTION BY LEAVE - ENDORSEMENT OF TOURISM STRATEGY**

MR GARDNER Mr Speaker I seek leave to move a motion to endorse the Norfolk Island Five Year Tourism Strategy

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

MR GARDNER Mr Speaker I move that this House endorses the Norfolk Island tourism five Year Tourism Strategy 2007/2008 to 2011/2012 developed by global Tourism and Leisure Pty Ltd. Mr Speaker I spoke about this at quite some length last month when I tabled the Tourism Strategy in the House, the Draft Strategy, and indicated at that time that it had been not only fairly widely circulated within the community and made available obviously because of the tabling process but also has been directly provided to the ATA and an offer from the Manager of the Tourist Bureau to make available electronically a copy of the strategy to as many people as want it. In relation to that, I've only had positive responses save for one negative response that I received this morning in relation to the strategy and that response was a misunderstanding that this was a complete and total departure from the way that tourism had been promoted in previous years and suggesting that maybe we are abandoning the wholesale partners in tourism in Norfolk Island and a number of other issues to do with our traditional market. I need to emphasise today that that is not the intent of this document. It does recognise the fact that that component of the market will be maintained, it will be supported but there is a realisation across the industry, across the wholesale industry as well that there are quantum shifts in the way that people actually access their preferred destination for holidaying the way they go about booking them, the way they go about travelling, about booking them, the amount of money they spend, the way they spend, the length of time they spend in any destination and so on and so forth, and this document clearly recognises that and supports that change in the way people go about travelling and holidaying but at the same time, and I can refer to the section, I think its section 5.4 in the Strategy itself, clearly states that it needs to maintain the current market and support that market whilst we are also developing the growth in the other sections of the market. Mr Speaker as I advised last month, a number of the initiatives and actually rereading it again and again, it appears the objectives within this tourism strategy. Some of those relate to the establishment of sub committees by the new Norfolk Island Government Tourist Bureau, looking at even marketing, and that's something that I know is dear to Brendon Christian's heart, about assistance for sporting organisations because there's a recognition that they provide an enormous amount of our trade into Norfolk Island and how we are going to go about managing that in the future, a sub committee has been established to consider that and how we are going to go about ensuring that those clubs and organisations are properly supported to maximise the benefits from that type of visitation to the island. The airline has already moved into serious consideration of other ports of entry into Norfolk Island and I think it has been widely discussed in the community and welcomed within the community in talking about Noumea and talking about Melbourne and other ports. Those things are being explored. Those things are laid out in this strategy as being a need to progress with some enthusiasm and I'm pleased to say that I have been involved in some of those discussions both with Mr Neville Christian who is the Minister responsible for the airline or the airline manager and the Norfolk Island Government Tourist Bureau General Manager on those issues and others. Also the airline has provided adequate seats at this stage to meet our targets for this year but obviously there's going to be more attention needed to be paid to that as we progress and I highlighted that briefly in discussion earlier about the role the new Norfolk Island Air Corporation and how they are going to have to work closely with tourism to ensure that there are sufficient seats to meet our targets as far as this strategy is concerned. I indicated last month that in the budget we had provided significant additional funding and when you combine that with the funding that's proposed from the airline will be the most money that we have ever invested in the promotion and marketing of tourism into Norfolk Island so these things are being addressed and have already been addressed and don't require the release or the endorsement of this document. They are givens. They are commonsense

approaches to ensuring that we achieve the goals that we have set for ourselves. The other one I spoke about and as Members would be aware I introduced the Tourist Accommodation Amendment Bill last month which is one step in better utilising the accommodation resources that we have available to us on island and they are all discussed in this strategy so that's it, and there's more. There are more strategies within the document that are already being progressed. I've spoken about the need for the airline and the Tourist Bureau to work hand in glove in ensuring the success of this and I'm sure that is going to occur. I know the Minister for the airline is passionate about ensuring that full support is given to the implementation of those airline aspects of the tourism strategy and I welcome that as to the General Manager of the airline is working very closely with the Tourist Bureau manager as far as distribution of their marketing monies, and they are still limited even though they are at record levels, those funds are still limited in comparison to many of our competitors, however that said, the Tourist Bureau will be responsible for the co-ordination and implementation of the strategy. I have asked them at the convening of the first Tourist Bureau meeting in this financial year to provide regular reports and updates against the targets and strategies that are contained within the document, yet to settle on whether that will be every three months or every six months, but it will be an appropriate time frame so that I'm provided with a report that I can bring back to this House to report against the success or otherwise against those targets and hopefully it's all going to be success rather than the otherwise so we'll settle on a time frame for that reporting mechanism. There are some minor typographical errors in the document that will be tidied up very shortly and I've also asked the manager of the Norfolk Island Government Tourist Bureau to ensure that any of the references within the document to the various people that provided advice or otherwise or were consulted in relation to the preparation of this document is accurate so that we have a document that we are proud to hang our hat on for the next five years. In saying that I commend the motion to the House and I certainly do commend the tourism strategy. Thank you

MR ANDERSON

Mr Speaker I consider the Tourism Strategy as wonderful and I thank the Minister for the outlining of it. Firstly there is a summary at the moment, that will be circulated to the public that will summarise what is in here. That doesn't mean that the document as a whole won't be available. The fear that wholesalers would be disaffected and knocked back has proven to be a false fear. The feedback we've had so far by a few wholesalers is that's wonderful, it's about time you had a Tourism Strategy like this and the feedback has been extremely positive and very welcome. This will allay the fears of a few people who considered that it was going to be the death knoll with wholesalers being upset. The airlines I can report that there has been very close co operation between the airlines and the Tourist Bureau and I can see that this will be ongoing and will be very definitely positive. As the Tourism Strategy is at the moment and the Government policy is for growing to 40,000 tourists and therefore we need to have the number of flights that we have at the present time, which is a strain on meeting, and filling, the plane, and must make the point that if that is our Tourism Strategy and we want to grow the market to that 40,000 figure then the Government has to put more money into our advertising. You can't kid ourselves that we can reach that figure without more advertising. I just make this point. The budget is stretched and funds are limited but in the case where you are going to lift the numbers, there is only one way of doing it and that is to spend the advertising dollar very wisely and you can't do it unless it's there. The title of the Tourism Strategy is lifting the image of Norfolk Island and this is essential that we do this. We are still known as a cut price destination, but in fact we are not. We are more expensive than other places in the vicinity. People quite often say that "I won't book now because I'll just wait until the next special comes along". Now that is heard quite often, and we have to get away from this. We are a quality destination. Norfolk Island is what we advertise it as and we have to work out our Tourism Strategy so that we lift our image and not be seen as a cut price destination. I commend the document.

MR CHRISTIAN Thank you Mr Speaker, I would like to add a few points to Mr Anderson's. I support Geoff's motion but Mr Anderson has mentioned that we have to try and lift the image of Norfolk Island and portray it as a cut price destination and from where I sit as the airline executive I can tell you that we are very conscious of that fact and you might be interested to know that the forward bookings for this time next year are already at a better stage than the bookings for the current period were a month ago so its very important that we not only expend real money but that we have long term planning in place and unfortunately, in the world of airlines, we have taken a conscious decision to provide a number of seats necessary to meet Norfolk Island's targeted visitor numbers, every now and again we do get a bit of glitch, and we are forced to put specials in to the market place but we do really do that very consciously and I think that was demonstrated this year where we had a two for one as Mr Gardner referred to but the difference in doing it this year as compared to last year is that I consulted with the ATA before we did it, I told the ATA that the airline is prepared to bear the pain and that they should respond to pressure from wholesalers to further discount beyond the 20% that they had already discounted for this period and they agreed to hold the course if you like, and the airline offered a two for one discount at a much higher fare structure so it wasn't the give away that it was last year, so as Mr Gardner said, the yield for the airline was substantially better than the corresponding period last year but it's worth reinforcing Mr Speaker that long term marketing does work, and we can actually see that in the forward bookings that the airline currently holds. Thank you Mr Speaker

SPEAKER That you Mr Christian. Any further debate Honourable Members. Then I put the question that the motion be agreed

QUESTION PUT  
AGREED

Thank you. The ayes have it. The motion is agreed

### **ROAD TRAFFIC (AMENDMENT NO. 2) BILL 2007**

SPEAKER Honourable Members, we move to Notice No 2 which is the Road Traffic (Amendment No 2) Bill 2007 and Mr Magri you have the call

MR MAGRI Thank you Mr Speaker, I present the Road Traffic (Amendment No 2) Bill 2007 and move that it be agreed to in principal

SPEAKER The question is that the Bill be agreed to in principal.  
Mr Magri

MR MAGRI Mr Speaker This Bill proposes to provide the police with the ability to require persons involved in motor vehicle accidents to undergo a breath analysis rather than rely on blood analysis that is invasive and has to be sent off-shore for expert analysis. Breath analysis is used as a highly effective and accurate method of determining blood alcohol levels and differs from breath tests which merely indicate the presence of alcohol in the blood with limited accuracy. It is important for the listening public to understand that this amendment to the Road Traffic Act and the power to acquire breath analysis in the event of an accident does not mean that random breath testing will occur. Mr Speaker the cost of undertaking a blood sample and subsequent blood analysis is substantial. Currently in excess of \$650 and the process is a protracted one, taking up to three months to obtain the results. The ability to utilise a breath analysis machine will reduce the cost of the analysis and streamline the process for all those involved. I see this Bill as another step towards amending the Road Traffic Act to improve safety on our roads and to ensure the safety of all road users. Mr Speaker I commend this Bill to the House

MR GARDNER Mr Speaker I put on my Minister for Health hat in relation to this matter. As the Minister has pointed out the process that is currently available to police officers at this stage to determine or otherwise whether somebody is intoxicated is only by a blood test which requires at this time a visitation to the hospital and I think we need to recognise that with intoxication sometimes comes particularly poor behaviour in some of those persons who are requested or required to give a sample of blood and that does cause concern sometimes to the staff at the hospital who are usually late at night confronted by intoxicated patients who are not usually terribly willing to want to give a sample of blood because I think that they probably realise that they are providing the evidence that's going to commit them to trial at the end of the day so I see this as a positive step forward and maybe relieving some of the burden on those persons at the hospital from having to encounter that sort of behaviour and provides for a reliable and significantly faster method of being able to determine whether somebody is intoxicated and from that aspect alone I fully support the Bill. Thank you

MRS JACK Mr Speaker I appreciate the Minister's movement on this matter. It came as a response from a motion that I put before the House in probably the last meeting to introduce breathalyser, the ability for police to have a more accurate ability to measure a persons alcohol content if pulled up or if they were in a car accident. It came as a result of a women's meeting I was holding. Whether it goes far enough is another matter and it's one that we have discussed at MLA's in our informal meetings of the House. Personally I don't believe it does and I'll be interested to see it. I will support this motion wholeheartedly. Whether it goes to ensure a safer driving experience on our roads I don't know and whether we need to have some sort of education or amnesty or put something in the legislation or how one would go about enabling police to do random testing on the roads and an amnesty type situation so we can actually gauge whether there is a problem out there. Perhaps some people are over reacting to possible drink driving concerns. We need to actually get a report on that and how to go about getting that report is another matter for another day but in the interim I'm prepared to wholeheartedly support this motion and I commend the Minister for his expediency and I also look forward to getting feedback from the women's group, thank you

MR ANDERSON Mr Speaker I would also like to add my support to this matter. I think it's essential that it's done so that it goes from the hospital to the police station and the time that it takes to get a report on drug sample. This is a very simple thing that makes it essential that we do this. I'll be interested to see whether at a later date Mrs Jack brings the other matter forward on testing and what have you and I'll have my say on that when it comes along and give my full support but that's not the matter we are talking about at the moment

MR B CHRISTIAN Mr Speaker I would like to just touch on what the other Members have said, in that rather than stipulate to the community the difference between the random breath testing units which I understand, and I may be corrected here, as to a breath analyser, from my understanding the breath analyser is actually fixed at the police station. It's not able to be used in the field so therefore under that understanding I'll support the motion

SPEAKER Honourable Members any further participation in debate. No. Then Mr Magri I seek a motion

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

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

QUESTION PUT

AGREED

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

**NORFOLK AIR CORPORATION BILL 2007**

SPEAKER Honourable Members, we move to Notice No 3 which is the Norfolk Air Corporation Bill 2007 and Mr Christian you have the call

MR CHRISTIAN Thank you Mr Speaker, I present the Norfolk Air Corporation Bill 2007 dated 12<sup>th</sup> July 2007 and move that it be agreed to in principal

SPEAKER The question is that the Bill be agreed to in principal.  
Mr Christian

MR CHRISTIAN Mr Speaker this Bill proposes to establish a body corporate to undertake the functions of Norfolk Air that have been in place since the collapse of Norfolk Jet. The corporation to be established by this Bill effects a corporate structure based upon that of the Norfolk Island Hospital and the Norfolk Island Government Tourist Bureau and draws on some of the contents of the 100% owned corporations legislation in Australia. I think Australia Post might be one of those and Mr Speaker it sets the Airline up with an advisory board and a chief executive both being responsible to and subject to the direction of the executive member in accordance with the limitations contained within the Bill. The business activities of Norfolk Air as they have developed have reached a stage of maturity such that it is no longer appropriate they should be done under the direct umbrella of the Norfolk Island Administration. The organisation enters into various contractual arrangements of a commercial nature that are most appropriately managed and controlled in a corporate business organisation. This Bill provides that organisation. The Bill establishes the corporation, the Advisory Board, the role of the Chief Executive and their relationship to each other and to the executive member as well as providing for the proper accounting and audit of activities of the corporation and their employment policies. Important aspects of the corporation are the relationship of the Board, the Chief Executive and the staff to matters within the organization that need to be kept confidential for commercial and policy reasons. The Board and the Chief Executive have extensive obligations to report issues to each other and to the executive member and are required to comply with the *Annual Reports Act 2004*. The other issue of importance is that of employment policy and the conduct of employees. It is expected that these matters, while dealt with broadly in the Bill will require regulation and will broadly follow policies in place in the public service. The Chief Executive has the power to engage staff for the corporation in accordance with the Bill. The accounting policies of the corporation are dealt with broadly in the Bill but more detailed provisions will be established by regulation and are expected to follow closely those in place in the public service but modified to take account of the commercial requirements of the corporation. The actual accounting functions are to be undertaken within the public service for convenience and economy and will be audited by the government auditor and possibly also the Government Internal Auditor. The accounting, while physically undertaken within the public service, will not be mixed with the accounts of the Administration but retained strictly separate. The new body corporate will have the general broad powers of any corporation including power to enter into contractual arrangements to enable it to fulfil its purposes and where appropriate the Administration will be able to provide support by way of guarantee. The corporation, while it has borrowing powers, is unable to exercise those powers without the approval of the executive member and can only exercise them within the bounds set by the Norfolk Island Act 197. That is the Commonwealth Act Mr Speaker. An important aspect of the activities of the Advisory Board is to prepare advice and strategic financial and operational plans for the consideration of the executive member and to monitor the activities of the Chief Executive in carrying out his or her functions and to report and act accordingly. The importance of this corporation to the future well-being of the economy

of Norfolk Island is reflected in the degree of co-operation foreseen and required between the Advisory Board the Chief Executive and the executive member as well as the relationship between the executive member and the Legislative Assembly. Thank you Mr Speaker

MR GARDNER Mr Speaker I support this Bill and as I said earlier in debate in relation to another matter Mr Speaker which was the appointment of the proposed advisory board which is established under this legislation, it's critical that we understand fully how this is intended to operate. Elsewhere with a different airline corporation they operate under a completely different charter than what I believe this airline corporation will operate under in Norfolk Island. In saying that, elsewhere, most of these corporations are primarily profit driven but there is the ability of inflexibility within the structure that's being created here, not only for the airline to be very conscious of the need to first and foremost ensure that it doesn't lose money, but to ensure that it works closely with the Executive Member, closely with the Legislative Assembly in how it uses this mechanism to achieve gains in other areas, primarily through generating visitor numbers to Norfolk Island that in turn generate dollars and cents that circulate within the community so in that regard it's different to what would normally be seen as a corporate structure for an airline elsewhere and that's a very general comment in relation to that because there may well be similar sorts of relationships that are generated elsewhere but generally airlines are profit driven, they have shareholders and it's important that we understand this is established for primarily the purpose of ensuring that we are in a position to be able to utilise the resources of this corporation in conjunction with the resources of our Tourist Bureau and the other arms of the Administration to ensure the continued sustainability of Norfolk Island as a whole. Mr Speaker I only had an opportunity this morning to speak to Mr Sheridan briefly and he like myself had identified a number of reference errors contained in the current bill and rather than go into detail about those because they are primarily number issues, I'll provide a list of those to the Minister so that they can be addressed as a detail stage amendment at a later sitting but I'm confident that it does provide us with the necessary structure and as the Minister has confirmed, has drawn on the experiences and provisions within other legislation including the Norfolk Island Hospital Act and the Norfolk Island Government Tourist Bureau Act, drawn on provisions from that legislation. They've been mirrored in this piece of legislation that's before us at the moment and those provisions have worked successfully, provided I think the necessary balance and transparency and accountability that are expected in this day and age, so I'm confident that it does provide the necessary oversight of the corporation as contained in the legislation and I'll be fully supporting the bill. Thank you

MRS JACK Mr Speaker I too will be supporting the bill. I see this as a coming of age of the airline. It's a matter that came upon us very suddenly a few years ago and it's a role we've grown into and I see this as now making that airline stand alone and become accountable on its own and continue to work for the benefit of the community as the Minister for Tourism has said, not with the constraints of mere profitability riding on its back. In some ways the future operations at Ball Bay will see the Administration getting into fuel delivery. Not to the same extent, as a stand alone and purely Government involvement but at least we are getting into fuel delivery onto the island but no, I see this as finally coming to this and as I said before, a maturation of a GBE and I think it's marvellous that we've succeeded to do this. I know it's been against some pretty heavy odds at times, and it's congratulations to all the players throughout the years so I'll definitely be supporting it thank you

MR ANDERSON Mr Speaker I definitely will be supporting this Bill. I just have one small matter I would like to bring up and that is the quorum for the Members will be two rather than three. I realise that it's set up that way to make sure that decisions can be made quickly and the board can get together but I do feel that the board should be more than three

MR CHRISTIAN Thank you Mr Speaker, Mr Anderson hit the nail on the head with some of his comments. I've insisted at this stage on a quorum of two people and that sent a clear message to other board Members, that you attend the meetings or decisions will be made in your absence and if two Members agree the decision is done, if two Members don't agree no decisions are taken and then you will need a third Member to break the impasse but that's the intent there Mr Speaker and I've included that as I say because I'm aware that on a number of occasions when other boards in Norfolk Island meet, for instance the Norfolk Island Government Tourist Bureau Board and things like that, if you don't have quorum present you can't actually get anything done and this is a mechanism to get around that little problem

MR ANDERSON Mr Speaker there is one way of getting around it of course. I understand what the Minister is saying and I appreciate the other way of doing it, and its not something that I'm in favour of, is to have a back up of Members

MR NOBBS Mr Speaker I intend to support the bill. I think it may free up some of the Legislative Assembly's time as well. Not many people realise how intense the discussions are and the options that are looked at with regard to the airline as things have progressed. I am particularly mindful of the structure allowing for correct operation and some transparency and also the controls to exercise certain powers for example, in the borrowing. It offers us the options to maintain monitoring, particularly in the instance of the Minister responsible and the monitoring of the usage of the resources, such as the seats and the freight and all that sort of thing, so I support this

MR MAGRI Mr Speaker I also completely support this Bill and I support the direction that the Minister is taking the airline in with this Bill. Ultimately, the role of Government on Norfolk Island and most other Governments around the world, is to facilitate in the provision of services to their people, including things like Health, Education and Welfare. To this end we have a Public Service Administration and an administrative structure to support the provision of those services. The point I'm making is that the structure of our Public Service Administration operates under is designed towards providing services. It's not designed to maximise the most successful operation of a commercial entity. This requires an altogether different structure and I believe that this is what the Minister is attempting to achieve by setting up the Norfolk Air Corporation. Mr Speaker as I stated previously the airline and its success are keys to advancing the prospects of all Norfolk Islanders and I support the Minister for advancing this structural change.

MR GARDNER Mr Speaker an issue that's been playing on my mind for the last couple of days in relation to the legislation and certainly at this stage it is nothing that causes me concern, that I wouldn't support the Bill but something that maybe Members need to turn their minds to in the intervening period as this Bill is adjourned. The power of delegation in clause 43 of this Bill. If you look at the content of the legislation generally the executive Member who has responsibly for carriage of this legislation and implementation and the administration of the legislation has some fairly significant powers that are created by this, and no different to many of the powers that we generally see across legislation within the Norfolk Island context and for that matter, in most other jurisdictions, as far as ministerial powers are concerned but the general power to delegate all of the Executive Member powers under this legislation may raise some concerns, has raised some concerns. And I guess the point I'm trying to make Mr Speaker is that they are more in relation to the code of Conduct for the Advisory Board and the Executive Member delegating their power to somebody else. Now in the case of delegating their power to another Executive Member is probably not an issue but to any body else other than an Executive Member may lead to an officer for example, if it is delegated to an officer, being responsible for the dismissal of an advisory Board to the Executive Member and I don't believe that was the intent of how this Bill was drafted but certainly it gives effect if the Bill were to pass in its current form, it gives effect to that being able to occur and that may need some further consideration I think by Members of

the Legislative Assembly in the intervening period. I see the Minister is nodding his head. We just need to have some discussion about that because it is a little bit unnerving to be moving in that direction, even though I don't believe it was intended that it would have that effect, but when you look at some of the roles established by the provisions of the legislation it certainly would give that effect. That said, that's my contribution at this stage and as I said, I support the bill

SPEAKER Thank you Mr Gardner. Any further debate Honourable Members. Mr Christian

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

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

QUESTION PUT  
AGREED

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

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

SPEAKER Honourable Members, we move to Orders of the Day

#### **TOURIST ACCOMMODATION (AMENDMENT) BILL 2007**

SPEAKER Honourable Members, we resume from 21 June 2007 on the question that the motion be agreed to and Mr Gardner has the call to resume. Mr Gardner

MR GARDNER Mr Speaker as I indicated at the last sitting of the House I had intended, and still intend that this Bill sits on the table for a period of time, not just necessarily be passed through all its final stages at this sitting and at an appropriate, I will be looking to adjourn the matter yet again, but by bringing it on today it provides people with the opportunity I guess just to thread in some of the responses that I've had to the introduction of this legislation for Members consideration and hopefully whilst I feel that there may be some opportunity for feedback from Members around the table in relation to the introduction of the legislation I think it's fair to say since introducing it the phones haven't run hot. I think generally those people that I've spoken to during the normal course of work during the day have been supportive of it, they think that it's a move in the right direction, as I spoke about before, it certainly supports the tourism strategy document and it's supported by the tourism strategy document and I've only had one direct approach by a member of the public with some queries trying to understand why the Government is doing this course that its progressing and raising some other issues that are allied to the introduction of the legislation and which have given rise to visiting other areas that are not necessarily directly related to this but are matters for consideration elsewhere, including the revision of the Norfolk Island Plan and so forth. One of the questions that's been raised is that there seems to be a suggestion that any existing accommodation proprietor would basically not be on the same planet if they were considering divesting themselves of an asset, an accommodation unit. I think I said at the introduction of the Bill that there certainly has been a degree of interest from tourist accommodation proprietors at this legislation not only at the acquisition of licences or the possibility of being able to acquire extra licences but also by those that see a benefit to them in the disposing of their licences and it gives them an opportunity

in disposing of a couple of licences as I said at the time and freeing of some capital which they may not have at this stage to upgrade their current tourist accommodation but freeing up some of the capital tied up in the unit dispose of that and being able to commit that to upgrading their own facilities, obviously to attract maybe a higher yielding type of client to their tourist accommodation unit or just for general improvements as we recognise that some of them have been through particularly tough times, and some of them still continue to encounter pretty tough times in a very competitive market. Some of the issues that have been raised by this same person relate to the Norfolk Island Plan and zones and one of the queries that was raised by this person was that all around them they have tourist accommodation so how was it possible that they were able to be constructed and I think again as I explained at the time between those tourist accommodation units being constructed and now we have had significant change in the Norfolk Island plan in 2002 which basically excluded the ability to construct tourist accommodation in any where but specific zones so in many zones where tourist accommodation currently exists by the operation and implementation of the Norfolk Island Plan of 2002 its basically excluded. The other question that was raised, was if we are travelling down this path why don't we just lift the lid on tourist accommodation generally and just be open slather and the argument that was put up is that it's the same for cafes, restaurants and petrol stations and whatever you like. Tourist accommodation appears to be the only industry and in some instances I think that's a valid argument however, it's been a conscious decision of policy of the Government and of the community and importantly, not just the Government have decided that we are going to have this quota in place, but there have been significant and intensive lobbying from the community generally which bought about the reimposition of the quota back in about 2001 following the deregulation's not quite the word, following the opening up of the tourist accommodation market in Norfolk Island by the 7<sup>th</sup> and then implemented by the 8<sup>th</sup> Legislative Assembly that saw just an explosion of tourist accommodation infrastructure in Norfolk Island. It was the community that eventually put the pressure on the Government at the time, the Legislative Assembly at the time to move to reimpose the quota and so it has been a community driven project to ensure that that quota is maintained and no doubt in the future there may well be the same sort of community activity that insists hat the Legislative Assembly move to establish quotas or remove the quota but I've been through the process with these people, I've talked to them about the Gatekeepers Group that is established under tourist accommodation legislation that used to be required every twelve months to revisit the question of the quota but very clearly it was tying up valuable resources by doing that every twelve months. There is a trigger that can ask the Executive Member in this instance myself to ask the Gatekeepers to revisit the quota question, by a motion of the Legislative Assembly and I'm quite prepared to go down that track in conjunction with a review of the Norfolk Island Plan. That doesn't necessarily mean that I or the Legislative Assembly endorse the lifting of the quota, it just merely asks that group to look at the current market, how we are progressing with the tourism industry generally, whether we are meeting our tourism targets, they come back to the House then with a report making a series of recommendations as has happened in the past and the Legislative Assembly either endorse or confirm those recommendations or put in place some other mechanism but I think that its important that when we revisit the zoning type matters under the plan that we probably look at doing the same sort of visitation of the quota aspect under the Gatekeepers provisions at the same time to ensure that we have a balance in the direction that we are heading as far as tourist accommodation in Norfolk Island is concerned. Another question that arose was what is the likely cost of those licences that might become available. We've deliberately not entered into that. It's pretty much as I said, a matter between a wiling buyer and a willing seller. The market will determine what the price of those licences may well be. In a nutshell that really is an overview of the main responses that I've received at this stage from the community. I would be interested in other Members views or whether they've received any feedback in relation to this and as I said at the appropriate time I will be looking to adjourn this matter. Again for further consideration. Thank you





linkages with rotary in the dual control car and I commend all of them for their efforts in the Norfolk Island community.

The other thing I did want to mention as the radio broadcast on 2NI tomorrow morning, whereby there'll be a couple of Members from the Legislative Assembly there to discuss certain issues and relate to some community input

Mr Speaker we recognise that His Honour the Administrator will be leaving at the end of his term on the 8<sup>th</sup> of August and at this point I would like to recognise his input into the community over his term and wish him well in the future. Thank you

SPEAKER thank you Chief Minister and to reiterate your comments on the departure of His Honour and his wife Sandy Tambling, the Legislative Assembly would I'm sure join with myself, the Clerk, the Deputy Clerk in wishing Mr and Mrs Tambling the very best for the future on their return to Darwin and we record our appreciation of their time here in Norfolk Island

MEMBERS Hear, hear

SPEAKER Honourable Members any further participation in adjournment debate Honourable Members There being no debate I put the question that the House do now adjourn

QUESTION PUT  
AGREED

Therefore Honourable Members this House stands adjourned until Wednesday 22 August at 10.00 am.

