



**NORFOLK ISLAND LEGISLATIVE ASSEMBLY
12TH NILA HANSARD – 19 SEPTEMBER 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

CONDOLENCES

Honourable Members I call on condolences, are there any condolences this morning?
Mr Tim Sheridan

MR SHERIDAN

Mr Speaker, this House records the gentle passing on 28 August 2007 at the Norfolk Island Hospital of John Southey Robinson, beloved partner of our Clerk Robin, much cherished father of Wayne, Bruce, Lee, Mark, Rhona, Glenn and Darren; loved and respected brother of Euene, Ric, Adrian and Michelle; Grandfather of Blair, Kym, Stacey, Paul, Hanna, Amanda, Joseph, Matt, Nikki, Leesa, John, Brad, Jordana, Courtney, Sansia, Tara, Qynn, Zanda and Riley; Great Grandfather of Tarquin and Stacey's newborn twins; and much loved carer of his border collies Buddy and Buster. Born on Norfolk Island on 11 January 1930 where he lived his very early years, John spent his early youth growing up with his sister Euene and their parents who managed hotels in both NSW and later in Fiji where John attended Suva Boys Grammar. The approach of World War II saw the family move to Auckland where John completed his higher education at Seddon Memorial before commencing his marine engineering apprenticeship. He became a highly qualified and well respected marine engineer on the Auckland waterfront, where he and his wife Moira started up Robinson Marine Engineering, and together proudly founded the Robinson dynasty which today numbers seven children, nineteen grandchildren and three great grand children. It would seem John always hankered after returning to his birthplace and in 1981 he and Moira sold up and returned home. John Southey Robinson was a gentle man who loved his family and his home; a man of high principles who strove to live his life respected; a man who had a solution to every problem and who had a way of making hard things seem simple; a man with the ability to focus on a single issue and not depart from it until the problem was resolved. He rarely asked for, or needed help and believed that if a job was worth doing, it was worth doing well; a generous man who needed no thanks for the help that he gave – he simply helped. The award winning Tau Gardens, which John and Robin commenced on Captain Quintal Drive in the early 90's, are testament to John's ability to aim for the highest and to succeed in his life's choices. Music, particularly opera, spoke to John's soul as did his love of history about bygone civilisations. His many years as a Freemason and the degrees achieved by him in The Brotherhood were cherished times in his memories. John loved the sea, and the boats that he owned over the years covered many a mile in search of a good catch; and it is fitting that just days before his sudden passing that he was out fishing with brother Ric and nephew Wade bringing in "that last catch". John Southey Robinson will be much missed by all who knew and loved him and this House records its sympathy to those who grieve. Especially Mr Speaker, the Clerk to this Assembly, Robin. Mr Speaker, may he be at peace.

Mr Speaker it is with regret that this House records the passing of Hamish Martin on Wednesday, the 5th of September. Hamish was born in Gisborne, New Zealand in 1926.

He was the only child of Howard and Vera Clarice Martin. At 4 years of age his father passed away and he continued his childhood on an isolated sheep station on Telega Bay. He later attended Dilworth School and Mount Albert Grammar in Auckland. On leaving school Hamish briefly worked on a chook farm and in the building trade before joining Shetlands Drug Company. During this time he holidayed on Norfolk Island in Christmas 1947 with three mates when the DC3 aircraft only visited from New Zealand every second Saturday. When Hamish returned to Auckland, a young Mera Christian was on board the same flight to attend school. They'd met on Norfolk and on arrival in Auckland they continued to keep in contact. Mera returned to Norfolk in March of 1948 as her father had passed away. Later Hamish was passing through Norfolk on his way to Scotland to visit his fathers family - however he did not get any further and instead settled into the community. Hamish had no fear of ghosts so was never afraid to sleep where others would dare not. He lodged in these very rooms Mr Speaker. Mera and Hamish's friendship developed during this time and in 1950 Mera went to Auckland to meet his mother. They married in May 1950 and their children, Jenny, Brett and Howard were born during this time in Auckland. Hamish worked for Frank Stevens Investment Limited commencing as an Area Sales Rep and progressing to Manager and Director of the company for many years. After 24 years he decided it was time for a much needed change and they moved back to Norfolk Island with their children. Prior to their return they holidayed on Norfolk with their New Zealand friends, the Pitchers and the Holmdens and both these families subsequently moved to Norfolk. Hamish worked initially at the Paradise Hotel and on the construction on the current Works Depot on New Cascade Road. In 1975, Hamish and Mera opened Highlands Lodge, initially located on 1 acre, with a maximum number of 5 guests. They developed Highlands and Hamish kept himself busy by warmly looking after the guests, maintaining the grounds, and ensuring they had the best possible time on Norfolk. On being told that he was to become a grandfather for the first time, Hamish was doubly ecstatic to find out that twins were on the way. This was to be the beginning of a significant brood of 10 grandchildren – Anna, Jamie, Alice, Sarah, Douglas (Jenny & Graeme) Hayley, Blair, Daniel (Brett & Tracey) Mia and Jonty (Howard & Sandra). His name changed from Hamish to "Poppa" which stuck whether he liked it or not. Sadly in 1999, Hamish suffered a serious stroke which limited movement on his right hand side. However, in the true Hamish way he retained his sense of humour, infectious positive outlook and incredible memory. Even when he was having a bad day he managed a cheeky remark and that smile that everyone loved so much. Last December Hamish celebrated his 80th Birthday at the Salt House. To Mera, Jenny, Brett Howard and their families, to Hamish many friends this House extends its sincere sympathy

MR SPEAKER

Thank you Mr Sheridan. Honourable Members as a mark of respect to the memory of the deceased, I ask that all members stand in silence please. Thank you Honourable members.

WELCOME

I would like to take this opportunity to welcome visitors to the gallery this morning. Enjoy your stay here on the island

LEAVE OF ABSENCE FOR MINISTER FOR THE ENVIRONMENT, EDUCATION AND SOCIAL WELFARE, HON V JACK

I would also like to make mention that leave of absence has been granted to Minister Victoria Jack at the last sitting. She is not attending here today

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 I have one for the Minister responsible for Lands. Minister have overseas owners of land on Norfolk Island been advised of the possibility to change the title of their land to guaranteed land title system so as to confirm their right to their property and to lessen the risk of becoming a victim of adverse possession of property as could be the case if certain circumstances dictate

MR GARDNER Mr Speaker I answer on behalf of the Minister for Lands Mrs Jack, we have had some discussion on the issue of adverse possession over the last week or so as a group of Members. Primarily those discussions have centred on concerns within the community arising out of the issues that Mr Sheridan has addressed in his question. I think to be blunt the responsibility is upon the landowner to make themselves aware of the regulatory and legislative provisions that might apply to their landholdings as would be the same in any other jurisdiction Mr Speaker however I can cast some light on the adverse possession legislation as it applies in Norfolk Island and make it very clear that under the Guaranteed land title system that was established in 1996 and I think our colleague Mr Neville Christian was responsible for the carriage of that legislation back in 1996 it establishes a land title system that is not subject to adverse possession and the advisings that we've received from our legal department support that obviously and make it very clear that there is a guaranteed system of ensuring that you are not going to lose your land to adverse possession if you go about the exercise of transferring your titles from the old system to the Torrens System as it's now known or guaranteed land titles. My discussion with the Registrar yesterday suggested that in excess of 90% of all land titles on Norfolk Island have now been converted to the guaranteed title system and so the risk of adverse possession is significantly reduced simply by the number of titles that have been transferred but it may be useful just to outline under the old system land which is susceptible to adverse possession and that land is usually that which has been abandoned by the legal owner, is not being put to use or maintained free of noxious weeds, is held within unadministered frequently intestate estates of persons who died some time ago where it's not uncommon for interest in such land to be fragmented across a large class of potential beneficiaries or has accumulated substantial amounts of unpaid absentee landowners levy liability and is therefore potentially liable to compulsory sale for non payment of levy. I guess out of all of that and I am aware that a number of land holders external to Norfolk Island in other words, non resident owners, have indeed transferred their titles or converted their titles to the guaranteed title system but I would encourage anybody who still has doubts about doing it that following the outcome of a recent court case in Norfolk Island to do with adverse possession that I would highly recommend that people consider the conversion of their titles to the guaranteed title system to protect themselves and their families. Thank you

MR ANDERSON Mr Speaker I have a question for the Minister responsible for roads. Can the Minister please advise what roadworks are planned for the rest of this current year

MR MAGRI Mr Speaker thank you. Just before I explain the proposed works for the rest of the year, I just want to acknowledge the foresight of the previous Legislative Assembly for setting aside the Roads Department as a separate entity. Mr Speaker just to remind the community, the Roads GBE receives its income from vehicle registrations, licences, the fuel levy and road traffic fines and this money which is nearly \$1m this year, will be spent on the construction, reconstruction and maintenance of our roads. In addition to that \$1m we have also set aside \$160,000 for

depreciation of the Roads GBE plant and assets this financial year. While we will spend a lot more on roads this year than we normally do, we still have a lot of work to catch up on. Additionally last year on the 24th February, the Administration took over the responsibility for another nine roads which are all going to require significant monies to be spent. Mr Speaker my major mission this year with regard to the roads will be to reshape a lot of those new Administration roads, to an acceptable standard and give attention to some of our more neglected roads. This work has already commenced, with planning and the public calling of expressions of interest to all local contractors and has now progressed to the construction phase. The workers are currently on Fletcher Christian road and I've received some very positive feedback from members of the community who have been patient for a lot of years. In addition to the reshaping of approximately 16 of these roads, the Roads Department have another 90 odd kilometres of roads that require cyclic maintenance, reconstruction, patching, signage and drainage. Mr Speaker, the Roads Works Manager has formulated a plan which includes resealing Country Road, Shortridge Road and Quality Row this financial year and providing for an independent team to continue with routine maintenance including patching, signage and drainage. Mr Speaker, obviously when talking about such a significant piece of infrastructure like the roads, there's also a need to plan for a lot further into the future than just one year so the next stage of the management of road assets will be providing a ten year plan which will consider, amongst other things, the next two stages of the Burnt Pine upgrade. Mr Speaker I hope that gives the community some ideas as to what is proposed for roadworks this year. Thank you Mr Speaker

SPEAKER Thank you Mr Magri. I would just like to make a point that it appears very much that, that is a statement rather than an answer to a question without notice and I would ask that at the appropriate time if you would please bring that forward not to have it reread but in statements so that other Members can make comment and note it accordingly. Thank you

MR GARDNER Mr Speaker I have a question for the Minister for Commerce and Industry. Is the Minister able to update us please on the preparation and progress that's been made in the development of a fisheries management plan for Norfolk Island

MR MAGRI Mr Speaker could you ask the Minister to repeat that question please

MR GARDNER Mr Speaker Thank you. A question for the Minister for Commerce and Industry. Is the Minister able to update us on the progress he has made on the preparation of the development of a fisheries management plan for Norfolk Island

MR MAGRI Mr Speaker yes I can provide an update on that. Basically, I've been in discussion with the Norfolk Island Fishing Association since I took over the responsibility for fishing about four or five months now. My desire is to have the Norfolk Island Fishing Association adopt a more formal plan. At this stage, I've recently finished a discussions paper which I'll be meeting with the executive of the Fishing Association next week to begin the discussions of developing a Plan of Management for the Norfolk Island Fishery. Obviously the structure that the Norfolk Island Fishing Association operates under is also going to require some discussion with AFMA as well so that is progressing well and I'm looking forward to my discussions next week with the Norfolk Island Fishing Association

MR GARDNER Mr Speaker a question to the Minister for Finance in relation to the application and operation of the GST system in Norfolk Island. The question for the Minister is directed at a provision that was provided early in the piece with the implementation of the GST which allowed persons within the community to avail themselves of some free time with accountants and others to explain the operation of the

system, with the, and I don't mean to pre-empt the tabling of regulations later Mr Speaker but with the recent introduction of the latest regulations or the making of the latest regulations in relation to GST is it proposed that that same provision will be extended to people within the community to avoid any confusion in relation to the application of the latest regulations

MR CHRISTIAN Thank you Mr Speaker, and I thank Mr Gardner for that question. The assistance that the Norfolk Island Government has provided to the business community in Norfolk Island through the funding of professional advice has been overwhelming well received. It hasn't cost us a heck of a lot of money, I can't quantify that at the moment. I don't have the information with me but I am more than willing to extend that programme and there have been some developments in respect of the new form that was gazetted last week and I will be saying more about that later but it appears that the form needs to be made more user friendly so for that form to take effect I would have been required today to table the regulation that created the form in the House and that would have made the form law. I do not intend tabling that regulation today and the consequence of that is that the new form will cease to exist. It will have the effect of having been repealed and the old form will continue for some time until I rework the proposed new form into a more user friendly format

SPEAKER Thank you Mr Christian. Any further questions without notice this morning Honourable Members. No. 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, we might as well get what I've just referred to, over and done with. Mr Speaker I propose to not table the regulations but to speak to them

SPEAKER If that is acceptable to Members. Carry on Mr Christian

MR CHRISTIAN Thank you Mr Speaker, the Goods and Services Tax (Amendment No. 2) Regulations 2007 were made at the Executive Council meeting on the 28th August 2007. The Regulations introduced the new form 2, the monthly GST remittance form. The notice of the making of the regulation was gazetted on the 31st August 2007 and consequently the Regulations commenced on that date. In the ordinary course of events I would be required under section 41(2) of the Interpretation Act 1979 to lay the regulations before the Legislative Assembly at the first meeting of the Legislative Assembly after the regulations were made. However, I will not be laying the Regulations before the Legislative Assembly. As a result, under section 41(2) the Regulation will cease to have effect. This means that the Regulations will effectively be repealed and new regulations will be made at a later date and I've already given an explanation in questions without notice Mr Speaker. Thank you

MR GARDNER Mr Speaker acting for and on behalf of and at the request of the Minister for the Environment, Education and Social Welfare, and in accordance with section 41 of the Interpretation Act 1979 I table the Education (Amendment) Regulations 2007 and move that the paper be noted

SPEAKER Honourable Members the question is that the paper be noted

MR GARDNER Mr Speaker as is the normal process after the making of regulations they are required as my colleague the Minister for Finance pointed

\$2,588,300 which gives us a Net reserve of \$ 195,300 in the positive. Mr Speaker, total cash at bank in non trust accounts stood at \$9,067,300 at the end of August 2007. Mr Speaker, can we now turn to Norfolk Air's results for the 12-month period ending 30 June 2007. Mr Speaker, Norfolk Air delivered a net profit of \$759,178 on gross revenue of \$18,767,991. This compares with a loss of \$664,280 for the previous financial year. Major expenditure items for the year were: Norfolk Air Aircraft charter costs: \$12.7 million; Norfolk Island Airport taxes \$1.7 million; Commissions to travel agents including Qantas \$2.2 million and Advertising and promotion \$825,000. Mr Speaker, for the month of June 2007, the airline produced a loss of \$2,600 on gross sales of \$1,457,100 before advertising. An amount totalling \$275,000 was spent in June promoting the airline and Norfolk Island and this expenditure has been the catalyst for the strong forward bookings we now hold. Mr Speaker, for July 2007 the airline achieved sales of \$1,106,800 which resulted in an operating loss for the month of \$352,350, which I might say Mr Speaker is about \$100,000 better than the result I was expecting. Mr Speaker, for the month of August the airline achieved sales of \$1,368,300, which resulted in an operating loss of \$88,750 which again is consistent with my expectations. Mr Speaker, in an effort to maintain Norfolk Island's profile in an increasingly competitive environment, Norfolk Air provided a further \$114,000 promotional dollars and this was funded from accumulated airline cash reserves. Thank you.

MR SHERIDAN Mr Speaker just a query there for the Minister. With the year ending June figures on the airline there Minister are they audited figures. Have those figures been audited as yet

MR CHRISTIAN Thank you Mr Speaker, no they haven't. these are the estimates that are prepared by the Finance Department based upon information given to the Finance Department by the Airline Management Team and just by way of information, I think the Auditors are here within the next couple of weeks so we won't be far away from having audited results

MR GARDNER Mr Speaker just a query to the Minister in relation to the financial statements and figures. Certainly I've been questioned quite widely in the community about the purchase of the new fire engine that we saw in the paper on the weekend, the works that are proposed to be undertaken with the runway end safety areas at the airport, and just trying to recall the other areas of significant expenditure but obviously a concern within the community about how some of those purchases may in the short medium and long term affect our cash flow position within the Administration and whether the Minister is in a position to maybe provide some overview of just how those matters are being managed within the context of the budget for this financial year

MR CHRISTIAN Thank you Mr Speaker, I can respond there. The first thing that the community has to understand is that the Government Business Enterprises run totally independent of the revenue fund. The revenue fund is the one that we always run on a shoe string. Budgets for the airport have been done out to 2021 Mr Speaker and in this financial year, that is the current year before us, the airport has sufficient funds and it has been approved in its budget to complete for instance, the car park upgrade, the extensions to the terminal arrival hall to allow for the installation of the scanning equipment for checking baggage, we will also provide approximately \$600,000 towards the new fire station which will be constructed between now and I would say the middle of next year, prior to the fire engines arriving, that's all funded. The fire engines are funded and budgeted for in the 2008/2009 financial year and in addition to that we will be spending up to say possibly \$1.5m on RESA works over the next year or so and as Members would be aware approximately \$800,000 of that money is provided in the 07/08 financial year's budget and the balance will be in the 08/09 financial years budget so it's all funded Mr Speaker

MR SHERIDAN Mr Speaker another quick query of the Minister there please Mr Speaker. Just looking at the revenue fund figures there, the cash at bank

of just over \$550,000 Minister can you tell me how much cash is required by the Administration for the payment of salaries and wages on a fortnightly basis

MR CHRISTIAN Thank you Mr Speaker, I can't actually put an actual figure on that but from memory I think it's about \$240,000 a fortnight that we spend on wages

MR SHERIDAN Mr Speaker just a further question there. So looking at say a quarter of a million dollars in current assets, I realise that we do have income coming in throughout those times, but I'm just looking at the Department of Education bill which is at \$1.2m so it obviously hasn't been paid at all this year, and I know that we do pay this on a six monthly amount, obviously close to a million dollars would have to be paid very shortly, with the payment of that bill, would that then put a strain on our ability to have a decent cash flow

MR CHRISTIAN Thank you Mr Speaker, oh yes, it is fair to say that the education bill is always a huge expense. We provide education in Norfolk Island totally free so it does place a bit of a strain on us. I manage that strain by just watching our cash at bank on a daily basis almost and we pay the education bill when we have the money in the bank. You can see from the current assets from the cash at bank, that's a number that changes daily so the 558 was just what happened to be in there on the 31st August 2007 and there may well be \$1m or \$1.5m sitting in there now. Thank you

MR NOBBS Mr Speaker just a quick follow up to that. I just wonder how we are moving in line with the EconTech Report in terms of our financial situation

MR CHRISTIAN Thank you Mr Speaker, have I got some good news for the Chief Minister and I'll save that for a statement

SPEAKER Any further debate Honourable Members. No. 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, I table customs exemptions that have been approved by me under the Customs Act 1913. Mr Speaker section 2(b)(2) of the Customs Act 1913 makes provisions for the executive member to exempt goods from payment of customs duty where the duty payable is less than \$200. Section 2(b)(5) of the Act provides that where the executive member has exercised his power, he shall lay a copy of the exemption on the table of the Legislative Assembly and I so table those exemptions. For the benefit of members and listeners I will identify those exemptions. There have been two of them. The first one was for the amount of 76 in respect of importation of goods for Daffodil Day by the Quota Club of Norfolk Island and the second one being for an amount of \$41.72 for the importation of a bridle harness which is fitted to a stretcher which is used by the Norfolk Island Volunteer Rescue Squad. Thank you

MR GARDNER Mr Speaker I table the Inbound passenger statistics for August 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 brief notes on the arrival

statistics for August. Members will note and certainly those in the community that are a recipient of these figures that overall numbers were down 200 passengers on August 2006. Just to bear in mind that July and August of 2006 was the initiation of the recovery of what had been a terrible year for tourism on Norfolk Island. Yes they do concern me and I have expressed that concern at previous sittings of the House just in relation to the downturn and I think myself and the Minister for Finance responsible for the operation of the airline have gone to some length to explain the various initiatives that have been put in place to address those in future years, but clearly from what we've spoken about and the indicators for months following things are certainly on the up. Those figures also indicate that the New Zealand market was down some 150 passengers on last year. That has been a concern as I've expressed previously and you will recall that within the budget provisions, the Tourist Bureau had provided sufficient funding for the appointment of an on the ground New Zealand representative in that market to assist us in arresting the decline of visitations out of New Zealand. That appointment of Hogan and Associates took place on the 1st August. As yet, obviously it is too early to assess the results of that appointment but I certainly will be intending to keep the House and the community up to speed on how that initiative is working and how it's going to assist in delivering improved numbers out of the New Zealand market. That said, The 2007 numbers are more than for the period from 2002 through to 2005. There were also other influences that may have had some bearing on the result for last month and that has to do with the airfares that were in the market place at the time and I see that it's been noted in the paperwork that's been circulated that Norfolk Air last year had fares as low as \$80 one way in the marketplace whereas this year the cheapest fares available have been no less than \$185 for one way. Maybe that's had an impact. I certainly note the views of my colleague, the Minister with responsibility for the airline is that we shouldn't be underselling ourselves, and promoting ourselves as a cheap destination and I fully support that. There were also of course some cancellations as a result of weather delays, not great numbers, but still every visitor to the island is important to us, obviously. I spoke about some of the initiatives that are in place to address or to underpin our tourism industry in Norfolk Island and I am pleased to say that at last the Regional Partnerships programme funding has come into place to assist us in advertising. The television ads as part of the Regional Partnerships programmed funding commenced on the 2nd September and obviously we'll track responses to that advertising campaign through the Norfolk Air website and also the calls to the Tourist Bureau's 1800 number. The first campaign, which was an advertising campaign, not necessarily TV advertising was to run from July and August and as I have indicated there were delays in the introduction of that. It is now in place and the second part of that advertising campaign is due to run from January to February 2008 specifically to target that low period that we've experienced this year and we've experienced regularly over as many years as I can remember so there is some serious money that's being invested in addressing the low season next year, and in conjunction with initiatives with Norfolk Air I think that we will be able to deliver some very positive results. I've spoken about the appointment of the on the ground New Zealand representative. That happened on 1st August. There is the appointment of an Australian representative, that's been deferred until the new year while we continue to research the best options available to the Tourist Bureau in the Australian market. We've undertaken a number of focus groups to assist in progress on our tourism strategy. The Tourist Bureau have already hosted focus groups in Sydney Melbourne and Auckland and a report on the outcome of those are due by the end of September, so I'm looking forward to the receipt of those. Just to see what it is that drives people to visit Norfolk Island or not visit Norfolk Island I think is the more pertinent question to try and find out what it is that we may need to do and these are all new initiatives and activities as part of the Board's new approach and also the development of a tourism strategy to ensure that we are getting the best bang for our buck in the different market places. Mr Speaker, Mr Sheridan asked a question I think at the July sitting of the House about the various advertising campaigns and measures that have been put in place through the year to address the low season. I can report that through July or this financial year that a number of activities have been undertaken with the participation of Members of the Tourist Bureau soon to be the young ambassadors which again is a reignited activity to try and generate more interest in Norfolk Island and

actually get facts out into the market place from people who are fully trained. I think people would be aware of the press release in the newspaper last week that indicated that the young ambassadors team have finished their training and now I guess are fully trained to get out into the market place to give accurate facts and figures and the results of their own personal experiences in Norfolk Island through both tours and activities to be able to portray an accurate picture of the experience that is available to people in Norfolk Island and we are looking to embrace them in the near future in activities for the Tourist Bureau and their marketing arm but suffice to say that a number of travel shows have been attended by members of the Tourist Bureau including those in Sydney, Brisbane, Melbourne and the Gold Coast, the Bula Fiji Tourism exchange, Retirement Expo in Sydney, the Older and bolder Expo in Melbourne and of course the Victoria Road show which was held last month. There is to be a further presentation in Melbourne at the Retirement and Lifestyle Show in October which will certainly help to assist us in underpinning the launch of the new service into the Melbourne market on the 19th October. We've also had a number of visiting media personnel on the Island and I had the pleasure yesterday of speaking to Jeremy Bourke from the RACV Motoring Editor and he indicated to me yesterday that there may well be a front page spread in that motoring magazine which has a readership of some 1.4m in Melbourne, should be available some time in the New Year. Again well positioned to assist in the promotion of the Island for that low period of June, July, August that we normally experience. We will be or propose that we will have Channel 10 broadcasting directly from Norfolk Island with weather segments by Tim Bailey, some time in December. There will be a number of direct satellite fees in the Australian system and all are obviously helpful in further promoting Norfolk Island and last but not least, obviously, the launch of the Norfolk Air as I spoke about earlier, Norfolk Air's inaugural flights into the Melbourne market on the 19th October. The Minister for Finance last month when tabling the visitors statistics had spoken to Members about the value of the Victorian market to Norfolk Island in previous years which had been as high as 20% of our total market and in recent years had declined somewhat to only about 8% or so. The math's are pretty simple on that if we are able to generate enough interest in the Melbourne market we are gong to be well positioned to introduce additional services into Melbourne which will assist us in meeting our tourism targets and in talking about meeting tourism targets, obviously in the figures that are produced these concentrate specifically on visitor numbers. There is an additional component not contained within this, but there is an additional component that recognises the contribution of the local travelling public which I think is fair to say is roughly about 10% on top of that again which is carried by the airline but when we are thinking about meeting our tourism arrival figures, we actually have to discount that off the total that we are carrying and understand that approximately 10% of every plane that's coming in is carrying local passengers which isn't contributing to meeting our tourism targets and hence my discussion about the additional services, and am pleased to say that certainly over the last couple of months, the Minister and I and others have been involved in lengthy discussion I think it is fair to say, about other opportunities that may present themselves and the ability to be able to provide the additional capacity into the marketplace. Thank you

SPEAKER Honourable Members any further discussion. 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 GARDNER Mr Speaker I table the exposure drafts for the following Bills as part of the Justice package – Sentencing Bill 2007; Criminal Code Bill 2007 and Criminal Procedure Bill 2007 and move that the Papers be noted. Mr Speaker a little unusual I think to be tabling these as exposure drafts but there are a number of

reasons for that and primarily the fact that these Bills in their current form were not available for Members to give any consideration to, certainly in giving them the necessary length of time to give full consideration to prior to introduction so by tabling them as exposure drafts I'm deferring the introduction of them until next month which will give Members obviously ample opportunity to consider which are fairly significant bills and as part of the Justice Package, important parts of our legislation. Mr Speaker just some background, as far as these bills are concerned I would think that many in the listening public have had an interest in the justice package and would be aware that I introduced similar bills into the House in about February of last year and they were seen as being almost a completion of the Justice Package which was made up of a number of different pieces of legislation. Significant parts of those have already passed into law in Norfolk Island including the Summary Offences Act, the Evidence Act, a couple of others that don't spring to mind right at the moment, but these three bills there is a further one to come which deals with Court procedures and civil matters, but these three bills are obviously very important part of that whole justice package. They in my wisdom or otherwise last year, I referred those bills to the Impact of Bills Committee in an effort to ensure that they were properly considered by the community and others who were interested in the Justice Package. Unfortunately, the Impact of Bills Committee were not able to consider those Bills until about July or August of last year when interestingly enough I became the Chair of that Committee and our first task as a Committee was to give consideration to maybe having some independent views cast over the provisions to ensure that they meshed neatly with Norfolk Island's legislative structure and had talked to the other parts of the Justice Package that had already been commenced. We sought that independent advise Mr Speaker, and a number of recommendations for amendments came back as a result. Obviously with the intervention of the general election things were put on hold for a while, but interestingly enough at the same time, whilst we were running the murder trial here in Norfolk Island and with the experience gleaned from other court actions that had taken place on Norfolk Island both the Chief Justice of the Supreme Court, Justice Wineberg and the Chief Magistrate Ron Cahill were keen to ensure that whatever we were considering for implementation of a Justice Package in Norfolk Island actually met the needs of the people of Norfolk Island and were in accord with similar provisions in other jurisdictions. They've provided feedback. We've had the independent feedback, there has been discussion as I understand it between our Legal Services Unit, the people responsible for issuing the final drafting instructions to the draftsman, they've had discussion with the Magistrates, so we have been through a fairly rigorous consultation process in the preparation of these bills, and I hope that they are going to be in a form that is acceptable to Members when I formally introduce them next month. In tabling them as exposure drafts it is my proposal to go further and give the people who have an interest in the Justice Package and these pieces of legislation another opportunity to provide comment because I want to make sure that we get this right the first time up so we've been through significant consultation already. This is another opportunity and Mr Speaker I look forward to introducing them at the next sitting of the House. Thank you

SPEAKER Honourable Members the question is that the paper be noted any further debate. Then I put that question

QUESTION PUT
AGREED

SPEAKER Thank you. Are there any further Papers this morning We move to Statements Honourable Members

STATEMENTS

MR CHRISTIAN Thank you Mr Speaker, I have journeyed far. I come in peace. I was guided here. By the great star. from the East. As I sit before you now. And observe those that are wise. And those that are otherwise. I must report. That I am the

bearer. Of tidings both fruitful and triumphant. Mr Speaker, I have received the unaudited consolidated income and expenditure statements of the Administration of Norfolk Island for the period ended 30 June 2007. Mr Speaker, the surplus for the 06/07 financial year has come in at \$2.8 million before depreciation. After application of depreciation, the result is a deficit of \$86,000. This compares with a deficit of \$1.7 million in the previous financial year. Mr Speaker, the Econtech report identified an unfunded depreciation hole of \$1.6 million in our annual budget and we have in one year effectively plugged that hole. Mr Speaker, if we look at the Revenue Fund in isolation another pleasing picture emerges. The Revenue Fund surplus before depreciation for the 06/07 financial year has come in at \$873,000 and when depreciation is applied a small deficit of \$81,000 results. Mr Speaker, the Administration's cash at bank balance and net current assets positions at as 30 June 2007 are also healthy. Total assets made up of \$11,228,700 cash and stock and debtors of \$7,059,200 is \$18,287,900. After deducting creditors of \$7,324,300 we arrive at a current net asset figure of \$10,963,60. Mr Speaker, this is an outstanding result for the 06/07 financial year and credit must be shared between the membership of this Assembly and membership of the previous Assembly who actually commenced the process of rebuilding our economy and reforming our taxation system. Thank you.

MR GARDNER

Mr Speaker I move that the Statement be noted

SPEAKER

be noted. Any debate

Honourable Members the question is that the paper

MR GARDNER

Mr Speaker Thank you. With that wonderful introduction it just reminds me of something which I hope doesn't come true, but pride comes before a fall they tell me or something like that, but I'm a little more positive than that and I expect that we are going to be able to continue along this path that we've set ourselves on as far as the success of our finances have indicated by the Minister for Finance. Obviously there will continue to be concerns about our income and our expenditure levels and I'm pleased that the Minister addressed some of those issues earlier that had been raised directly with me from people within the community and explained I think clearly the differences, between what is our revenue fund budget and also the operations of our Government Business Enterprises which are wholly separate to the Revenue Fund and its operation although there are some leakages, obviously with management fees of accounts and things like that but I think that, that is a tremendous result in the light of some of the experiences of the last financial year where there was tremendous uncertainty in Norfolk Island and I'm not saying that, that uncertainty has entirely disappeared. It certainly still does exist but I don't think to the same degree that it did over the last twelve months and so with some positive thoughts certainly, embracing those of the Minister for Finance I commend all those that have been involved in what was a very difficulty year last year, including members of the previous Legislative Assembly and their management of island affairs. That said, there are still issues. We'll never be able to avoid them. We've just got to make do with the best way that we can with the resources that are available to us and I think that we've committed ourselves to a path that is heading in the right direction and it's only onwards and upwards from here. Thank you

MR SHERIDAN

Thank you Mr Speaker. Minister considering your amount of joy in presenting these figures to the House, it appears that this Government is quite well of in funds. Does this mean Minister that when these figures are fully audited and if it remains the same, that in the near future there will be the possibility of taxes and some fees being reduced on Norfolk Island, especially in the GST area, or electricity fees etc considering that we are so flush

MR CHRISTIAN

Thank you Mr Speaker, the price of electricity I'm not sure that we'll ever be flush enough to subsidise the cost of electricity but the electricity undertaking is run on commercial lines. It basically is required to cover its operating costs and a reasonable amount of depreciation, so there's certainly no fat

there, but if the Legislative Assembly develops large surpluses through the revenue fund in the future and they may decide to subsidise electricity but its not a course that I'm contemplating going down at the moment. Are we raising too much money. The simple answer is no. there are always things that we need to spend funds on that for whatever reason we don't do in a given year. There's no doubt that for Mr Magri to have an effective roads programme he needs a heck of a lot more than a million dollars. There are always those sorts of issues. There's no doubt that we could do a heck of a lot more for the school if we had the available funds. Things that I think we should be looking at if we do generate a lot of surplus in the future is things like creating a Norfolk Island equivalent of the Australian pharmaceutical benefits scheme. They're the sort of things that I would like to see us spend any excess funds on. Coming back to the gst I think at the end of September we should probably turn our minds to a review of the gst operation and one of the commitments that I have given in the past and I think it might have given a response to a question from Mr Sheridan is that we would look at the application of gst to residential properties so they're the sort of things that we'll look at in the future Mr Sheridan and what the Legislative Assembly decides to do with its money is a decision for the Legislative Assembly and I won't try and pre-empt that at this moment,. Thank you

MR NOBBS Thank you Mr Speaker. Mr Christian, I'm very happy to see that there's some parallels in there with the EconTech Report and that gives us not just merely numerical data to judge our progress on and it also works hand in hand I suppose with the upcoming strategic plan and the fact that we'll be looking at alternative revenues that may be adding to the airborne tourism area as well as in the Strategic Plan area such as Mr Christian mentioned, the PVS schemes and things like that but there's some good news in that report. Thank you

SPEAKER Honourable Members the question is that the paper be noted. Any further debate. Then I put that question

QUESTION PUT
AGREED

SPEAKER Thank you. Are there any further Papers this morning

MR NOBBS Mr Speaker I'd like to make a Statement on Employment Tribunal's Report that I tabled at the last Sitting. Mr Speaker, at the last sitting of the house, I tabled the "Employment Tribunal Report" for year ended 30th June 2007. I presented a brief summary of the report to the house that included the tribunal's findings on employer/employee misunderstandings with regard to rates of pay and their relationship to loading in place of entitlements. The tribunal suggested that the employment liaison officer ensure that employees under the official contract be made aware of the inclusion or otherwise of loading at the time of signing, this would help ensure that the employee clearly understands this particular aspect of the agreement. There is a distinct advantage for overseas and local workers having a formal contract agreement, and a template of the "minimum standard employment contract" is available on the Norfolk Island Web site, which is "ni.net.nf", select the "government info" tab, followed by "printable admin forms", then select the employment directory and the forms are available to print. The employment liaison officer is also available on 22001 to offer advice with regard to the employment act, advising both in terms of interpretation and answering enquiries pertaining to employee/employer rights and responsibilities. Mr Speaker when tabling the Tribunal Report I stated that I would seek some more feedback from the magistrates, the conciliation board and members of the community. To quote a paragraph from the recent newspaper media release on this topic: "The Norfolk Island Government is committed to an industrial relations system which is fair to both employers and workers and which imposes the lowest possible cost burdens on both parties while achieving proper and equitable outcomes". I have so far met with two of the magistrates for discussions relating to the current employment act, there are some areas that are in

need of a "tune up" as far as the courts process is concerned. The conciliation board are currently preparing a document that will no doubt provide some insight into handling of the conciliation process as well as the workings of the board in these processes. The board has the potential to mediate employer/employee disputes at an early stage, and this service can prevent the escalation of workplace problems, and even facilitate mutually agreeable outcomes without necessarily going through the courts and legal system. I have already received several written submissions from community members, both employees and employers, these submissions have raised areas of concern as well as suggesting solutions. As in many areas Mr Speaker, there is always a need to monitor the performance of legislation and process, the Tribunal's 2007 report has provided the impetus to get the ball rolling on this review and I look forward to bringing progress of this review to the house in the near future.

SPEAKER Thank you Chief Minister. You don't wish that Statement to be noted

MR NOBBS Yes Mr Speaker

SPEAKER Honourable Members the question is that the Statement be noted. Is there any debate. Then I put that question

QUESTION PUT
AGREED

SPEAKER Thank you. Are there any further Statements this morning

MR GARDNER Mr Speaker I have a statement to make in relation to the appointments of justices to the Supreme court of Norfolk Island and certainly the appointment of a Justice of the Supreme Court of Norfolk Island to a higher office to that of an appointment to the bench of the High Court of Australia. Mr Speaker the honourable Peter Michael Jacobsen was appointed a judge of the Supreme Court of Norfolk Island on the 28th June 2007. Mr Speaker Justice Jacobsen replaces Justice Wilcox who is a long serving Member of the supreme Court of Norfolk Island and Justice Jacobsen was appointed to the Federal Court on 17th June 2002 and prior to that appointment he was in practice as a Barrister, practicing extensively in the field so commercial law, equity and trade practices. He was admitted to the Bar of New South Wales in May 1979 and in saying that we welcome the Honourable Peter Michael Jacobsen to serve on the bench of the Supreme court of Norfolk Island . as I mentioned earlier on e of the Justices of our Supreme Court, Justice Susan Kiefel was recently appointed to the Bench of the High Court of Australia. Justice Kiefel was the first woman justice of the Norfolk Island Supreme Court appointed in 2004 and as I understand it I think visited Norfolk Island on three separate occasions to sit as a Justice of the Supreme Court. I understand that during my absence the Chief Minister wrote to Justice Kiefel congratulating her on her appointment to her position in the High Court and I think or I would certainly hope that Members of the Legislative Assembly and the community would join with me in wishing Justice Kiefel every success in her new role as a Justice of the High court of Australian. There is also with Justice Kiefel's appointment to the High Court, there now exists a vacancy in the Supreme court of Norfolk Island and is the process the Federal Attorney General will identify a suitable candidate from the bench of the Federal Court of Australia for appointment to the Norfolk Island Supreme Court, and will see the advise of the executive council on Norfolk Island of that appointment in due course and so I would hope in the not too distant future we would be welcoming our third justice to the supreme court of Norfolk Island

MR NOBBS Mr Speaker Mr Speaker, at the last sitting of this house Mr Brendon Christian posed a question without notice regarding the current review of the public service. At that sitting I committed to providing a report on the public service

review. Today I wish to go slightly beyond that and to report on actions being undertaken to review the entire public sector, including what is commonly known as “Administration” together with the many other government business enterprises and statutory bodies. I will endeavour to provide not only detail on the many processes in train, but also supply some concise data on the make-up of “admin” and the provision and spectrum of services that the administration undertakes. Although some 220 established positions exist within the service Mr Speaker, we currently employ full-time 159 personnel. In the past 6 months there have been 14 resignations. I am sure that the Norfolk Island community is aware of the many and varied services provided by the 159 permanent personnel, from hospital management and the school to emergency services and water assurance – in all, some 47 areas of service provision. Mr Speaker one of the many commitments this government made prior to election was to review and where possible improve efficiency and enhance career opportunities within the public service. The overall goal remains to deliver the high quality services which the Norfolk Island community expects in a cost efficient and effective manner. Work has already begun on the review and reform of the public sector. We are entering the latter stages of the process mapping, being undertaken by the Deloitte consultancy firm. Process mapping by all functional areas is now complete and report findings in this area should be finalised in draft form by Friday of this week. The CEO will then review with managers for their comments and then they will be included in the report. The major outcome of the Deloitte project will be to produce a final report accepted by the Assembly and CEO identifying current finance and finance related practices in all work units. This will then be automated into one financial management information system with a view to providing integration of data and replacing the Burroughs system as soon as alternatives can be implemented. The next phase will be to review three integrated financial management systems against the current Smartstream system and select the most appropriate. This will be done in house with a project team selected internally. The operating requirements of the preferred system will be contained within the Deloitte report. Concurrently, assets need to be valued and this project will run concurrently so that it can be finalised for the implementation of the system. The target for completion of system implementation is March 2008. This action and timeline also fits within our requirement to implement International Financial Reporting Standards by mid 2008. Mr Speaker, the current process mapping exercise is only part of the review and changes currently underway. Indeed rather than standing by and waiting for the process mapping to reach completion, work has commenced to initiate many areas such as apprenticeships and traineeships within the service, to provide opportunities for vocational training, enhancing school leaver options and adding career advancement opportunities for some areas within the public service. An important aspect of new contracts utilising overseas expertise is that we are insisting that options for training are made available to Administration workers. As well, the Minister for Finance has indicated an intention to relocate the NorfolkAir call centre to Norfolk Island, which will create training and local job opportunities and keep money that was going offshore on Norfolk. The integration of our financial reporting data will support many of the objectives set out in the strategic plan and also give GBE managers greater access to “bottom line” information, allowing GBE areas to work on a more commercial basis. Functional areas are being encouraged to prepare a business case that is to be the basis for operating on a more commercial footing. One example is the philatelic department, which is well on the way to finalising its business case. I look forward to viewing the options that area puts forward. Another key area getting attention is defining relevant position descriptions for each area of employment within the service. This has already taken place for some contract renewals and will be to everyone’s advantage when each position within the service has a clearer definition of responsibilities and requirements. The CEO has commenced work on developing a range of options for creating more effective corporate services functions for all of the public sector. We will be seeking to maximise the effectiveness of corporate support areas such as information technology, economic and financial reporting, human resource development, legal services and records management. Discussions are well advanced on the public sector structure and the current pay claim. The key focus in this area will be on productivity and effective use of all human and material resources. Other key processes of reform will include job evaluation

and identification of core business. Mr Speaker, the challenges of public sector reform are great, but I am pleased to report that work is well underway aimed at achieving more efficient, effective high quality service delivery for our community. The major reforms I have outlined have been hinted at but not achieved over a very long time. This government is determined to move ahead with effective public sector reform in cooperation with our many dedicated officers and indeed the whole community. I am confident that, working together, we can achieve real improvements in service, more employment opportunities for Norfolk Islanders and significant economies in the cost of the provision of essential services to the community. Thank you, Mr Speaker.

MR GARDNER
Speaker

Mr Speaker I move that the Statement be noted Mr

SPEAKER
Statement be noted. I invite debate

Honourable Members the question is that the

MR GARDNER

Mr Speaker it may be useful to the listening public if the Chief Minister may be able to give some indication of the time frames for delivery of some of the outcomes that we're aspiring to achieve

MR NOBBS

Thank you Mr Speaker. Thank you Mr Gardner. As pointed out in that Statement, the implementation of the financial reporting system is for mid next year. Many of the other areas such as the clearer description and designations for job positions and the redefining of contracts to have more availability of training options for local workers, they are already happening as we speak. Other areas will be progressively run through the Legislative Assembly and those areas, by mentioning them would be where output from perhaps the process mapping may show us that we can combine certain areas of services such as financial management and things like that so they'll be ongoing

SPEAKER

Thank you Chief Minister. Any further debate. Honourable Members the question is that the Statement be noted and I put that question

QUESTION PUT
AGREED

SPEAKER

Thank you. Are there any further Statements this morning. We proceed to Messages.

MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR – NO 7

SPEAKER

Honourable Members, I have received the following Message from the Office of the Administrator and it is Message No7 which reads that on the 28th August 2007, pursuant to section 21 of the Norfolk Island Act 1979, I declared my assent to the following laws passed by the Legislative Assembly, the Road Traffic (Amendment No. 2) Act 2007 (Act No 8 of 2007) and the Social Services (Amendment) Act 2007 (Act No 9 of 2007) and that message was dated the 28th August 2007 and signed Owen Walsh, Acting Administrator

REPORT FROM STANDING COMMITTEES

SPEAKER

Honourable Members I wish to table the Report of the Legislative Assembly (Register of Members' Interests) Act 2004. Under subsection 11(11) of the Legislative Assembly (Register of Members' Interests) Act 2004 requires that the Speaker must no later than 30th September each year, prepare and submit a report to the Legislative Assembly stating (a) How many complaints under this Act have been received by the Speaker or Deputy Speaker and the Committee of Privileges in the twelve months to the preceding 30th June. (b) categorising the complaints; (c) stating how

many complaints were referred to the Committee and of those how many proceeded to an inquiry; (d) of the complaints that were (i) not referred to the Committee; and (ii) were referred to the Committee but did not proceed to an inquiry stating the reasons therefore; (e) of the complaints that did proceed to an inquiry, stating what were the findings of the Committee and the recommendations made to the Assembly; and (f) stating the number of complaints that were referred to the Crown Counsel and whether any were returned to the Committee for further deliberation. I have to report that the Speaker, the Deputy Speaker and the Committee of Privileges have received nil complaints under the Act in the 12 months to 30 June 2007. I table the Report

Thank you. We move on Honourable Members

NOTICES

PUBLIC SECTOR MANAGEMENT ACT 2000 – RE-APPOINTMENT OF PRESIDING MEMBER OF THE PUBLIC SERVICE BOARD

MR NOBBS Mr Speaker that this House, in accordance with paragraph 10(1)(a) of the Public Sector Management Act 2000, recommends that the responsible executive member re-appoint Nadia Lozzi-Cuthbertson as presiding member of the Public Service Board for the period 22 September 2007 to 21 September 2009.

MR MAGRI Mr Speaker I'll be supporting Nadia's reappointment. Also I thank Nadia for all the different contributions she has made to Norfolk Island over the years and in making herself available for reappointment onto this Board. Thank you

MR NOBBS Mr Speaker I'm also pleased to bring to this House the reappointment of Nadia as presiding Member of that Public Service Board. The use of professional community Members to provide input and continuity on these boards are very much appreciated and I would also like to thank those Members who are departing the board. Leanne Schmitz and Mr Brent Hattersley. I thank them for their commitment to the various areas of responsibility and giving of their time and effort. Thank you

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

QUESTION PUT
AGREED

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

TOURIST ACCOMMODATION ACT 1984 – TRANSFER OF REGISTRATION OF "PEACE HOLIDAY COTTAGE" TO PORTION 40d

MR GARDNER Mr Speaker I move that for the purposes of Section 15A of the Tourist Accommodation Act 1984 this House resolves that the registration of the tourist accommodation house known as "Peace Holiday Cottage" may be transferred from the place described in its current instrument of registration to portion 40d subject to compliance with the following conditions: 1. Application for approval of change of ownership of the tourist accommodation house must be made in accordance with all applicable statutory requirements after the Executive Member's approval of the transfer under section 15A(2) in accordance with this resolution. 2. The premises to which registration is transferred must – a. comply with statutory requirements for the ownership and operation of tourist accommodation; b. comply with statutory planning and building requirements for the siting and construction of tourist accommodation; and c. must be constructed and maintained to a minimum equivalent four Star standard under applicable Norfolk Island tourist accommodation grading standards. Thank you Mr Speaker it is my intention to deal with this matter to finality today and interestingly and some may think by

more than just co incidence, this is a matter that in itself will be a consideration under legislative provisions if passed by this House that we will deal with later on today which is the Tourist Accommodation Amendment Bill 2007. Mr Speaker and I don't mean to pre-empt that debate but it is interesting that this motion today deals with a single unit as Members would be aware so too does the legislation, the ability to be able to transfer single units from one property to another within Norfolk Island. Obviously subject to compliance with other statutory requirements. This is an entire property and so is dealt with under the current provisions as established by the Tourist Accommodation Act 1984 and when I mean an entire property the current provisions allow for the registration of an entire property currently to be transferred from one place to another. It just so happens that this happens to be a single unit that is under consideration and I certainly can't recall in the last ten or twelve years, that we as a Legislative Assembly have had a matter such as this brought to us for consideration so I repeat, it is co-incidental though some may suggest otherwise that we are dealing with this at the same time that we are dealing with the finalisation of the piece of legislation as it relates. Members of the Legislative Assembly have been copied with the basis of the application for the transfer of this licence the Tourist Accommodation officer, Mr Jason Adams has provided a very good paper setting out the statutory environment which this can occur in, has made recommendations in relation to various considerations and also matters that should apply or conditions that should apply to the transfer of a licence such as this, or registration such as this. And an interesting test case if I might say Mr Speaker in relation to the provisions of the legislation that we will later on today discuss. Obviously from the administrative officer of tourism's paper it is made very clear that this can occur. That all of the requirements under statute have been met as far as the application and the consideration of the various requirements but I need to stress that we are seeking approval today, or I am asking Members to give approval or to endorse this today formally as the responsible Executive Member to give approval to this transfer subject obviously to meeting all of the other statutory requirements that are in place. I'm not going to go into any detail about those requirements for planning and everything else, they are another issue and obviously something that some of our debate hopefully later on will centre on, in dealing with the other Bill. That said, I am satisfied and I believe that Legislative Assembly Members are satisfied that it does meet all of the requirement for the transfer to be able to progress and I commend the motion to the House

MR B CHRISTIAN Thank you Mr Speaker, I was wondering if it would appropriate that the Minister for the benefit of the community listening please identify the whereabouts of portion 40d

MR GARDNER Mr Speaker I'm happy to do that. It is one of the properties that is owned by Resort Investments Pty Limited and is sited where the current All Seasons Colonial of Norfolk Island property is

MR CHRISTIAN Thank you Mr Speaker, firstly I would like to thank the Tourism Officer, Mr Jason Adams for preparing such a good paper. He's covered all the bases. He's put his considerations in there and his recommendations and I do not have any problems with the transfer of this particular licence to another area. The only query that I do have of the Minister is in his motion in paragraph 2© where the premises to which registration is transferred must be constructed and maintained to a minimum equivalent four Star standard under applicable Norfolk Island tourist accommodation grading standards. Now whilst I understand this gathering's reasoning's to try and improve the quality of tourist accommodation on Norfolk Island I do note that the All Seasons Colonial currently, is only rated as a three and a half, with some units at three star rating. Now I would have thought that a more appropriate rating would have been for the transfer of the new unit, that it would be constructed to the highest standard of the rating that the premises currently has. In other words at three and a half star. If they wish to build it to a four star rating well that's well and good, but I think it would be more appropriate for them to be told in this instance that it must be at the same level of the highest level that they currently have. That's my only query. I don't know whether the Minister has something to

say about it, but other than that I intend to support the motion.

MR GARDNER Mr Speaker I'm happy to respond on that from two areas. One is obviously how we have endorsed our tourism strategy and the components within that strategy which identify a desire to want to attempt to lift the standard of tourist accommodation as you've identified Mr Sheridan, through you Mr Speaker, and that's what is attempted to do primarily with the bill that we are going to discuss later on today. However, the second aspect of this is an indication from the purchaser that they are committed to wanting to construct this building to three and a half to four star standard. We've gone to the upper limit of that. They've identified themselves that that's something that they think they can achieve. The word has been carefully chosen as far as the equivalent is concerned because the advice that I've received from Mr Adams' as tourist accommodation officer and I think he provided it to all Members is that to actually achieve a four star you need more than just the one unit, in that complex, to be able to do that. However there is an undertaking from the purchaser that that is what they are desiring to want to construct hence the equivalent rather than saying it shall be four star. So I don't know whether that's helped but it's brought about primarily because of what's been indicated by the purchaser in the situation

MR ANDERSON Mr Speaker I support this motion and I would also like to say how well this has been presented. I can't agree with Mr Sheridan on the matter of it being a three and a half star. I think it most important that when we come to the bill later on it will come up again that it is essential if we are going to progress, that we need to lift our star rating and I'm very pleased that the Colonial have put forward some suggestion that they will meet this standard and I don't think any units should be transferred unless they meet the minimum of four star. That is my strong opinion

MR MAGRI Mr Speaker I've also expressed some concerns with that particular condition to the Minister this week, that is condition c. as Mr Sheridan pointed out before, and the discussion that I've had with the Minister I'm satisfied that I will be supporting the motion today and I just wanted to point out that my concerns were a little different than both Mr Anderson's and Mr Sheridan's, my concern is that if we start to require a particular minimum standard, for example, four star, we take away the proprietors ability to provide a standard he or she feels the market demands. It's an admirable goal to want to lift the standard of accommodation, however, I think there's also a large section of the current market anyway, who are happy to get three star tourist accommodation as long as they pay three star prices. I think Mr Speaker the real problem occurs when a visitor arrives on Norfolk Island having paid for example a four star room and arrives to find that the room did not meet their expectations so I just wanted to note my concern but I'll be supporting this motion today

MR B CHRISTIAN Thank you Mr Speaker, just a query to the Minister from the debate that's been going around. Is it the intention of the Government at the end of the day to have wholly four star and above tourist accommodation on Norfolk Island

MR GARDNER Mr Speaker I don't believe that that's been documented anywhere. It's certainly not my view. Obviously it touches on the matters that the Minister for Commerce and Industry just touched on and that's catering to the various markets. I think we have to be conscious that there are different markets out there. There certainly is a view in our tourism strategy that we want to cater for the higher end of the market as well as complementing our existing market and trying to develop that market, so this is one small step and an ability to do that but each of these applications obviously any further applications which would be an entire property is something that the Members would have to consider. If the bill later on today is successful each of those applications come to the House and may demand different considerations. I'm certainly not proposing that if the bill were to succeed later on today, and Mr Speaker I'm not meaning to pre-empt debate on it, but it is relevant that there will be different conditions and different considerations for each and every one of these applications that may come to the House

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

QUESTION PUT
AGREED

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

ORDERS OF THE DAY

SPEAKER Honourable Members, we move to Orders of the Day

TOURIST ACCOMMODATION (AMENDMENT) BILL 2007

SPEAKER Honourable Members we resume on the question that the Bill be agreed to in principle and Mr Gardner has the call to resume. Mr Gardner

MR GARDNER Mr Speaker following the introduction of this matter into the House I think back in June, I brought the matter back on for debate during the July sitting of the House just to provide some further information and update on the consultation process in relation to the progress of the bill and various queries that had been raised within the community about the application. I think it's fair to say that many of those queries centered on planning issues rather than the provision of the legislation itself and they are relevant considerations I think when we are contemplating the passage of the legislation about what subsequent effects one action which is the passage of legislation may have in other areas, in other words in other statutory areas, such as planning and the like and I think that that all provides a sound basis and certainly a fuller assessment of the impact of legislation. As Members would be aware I had proposed not to bring on the matter at the August sitting as there had been a number of queries, and valid queries, raised by some portions of the industry in relation to the provisions and I guess the application of whether these provisions were fair, did it exclude some people, was it a means by stealth in which we would increase the numbers of available tourist accommodation beds in Norfolk Island . you know valid concerns but some which were fuelled I think more by misinformation and that possibly may rest at my feet by not getting the information out to the community and particularly to the industry in respect of provisions and impacts of the legislation however that said, Mr Speaker prior to introduction of the legislation I had spoken to the ATA about the provisions of the legislation and given I thought a fairly full overview of what the impacts of this legislation would be and how it differed from the current provisions as we've just experienced in dealing with that earlier motion in relation to the transfer of registration of Peace Holiday Cottage. During my absence from the island and following further representations made from the industry to the Government the Chief Minister and the Tourist Accommodation Officer and I think the Secretary to Government and maybe one of the other Ministers met with the ATA to discuss some of the concerns that they had and I think that it is probably fair to say that the bulk of those concerns were laid to rest by the responses that were given. Again I spoke to the ATA on the 11th of this month, Tuesday a week ago about the provisions of the legislation and there were a number of questions and I think it is probably fair to say Mr Speaker again a number of those questions related to planning matters such as the provision of water supply, infrastructure requirements, who is able to benefit from the provisions of this legislation in other words, as far as where their particular properties might be zoned and whether it excluded them from participating in the purchase of the licences if they were to become available. I was encouraged by the discussion because obviously some of the earlier concerns had been fully addressed in discussions with the ATA and the Chief Minister. There are always going to be concerns within areas of the industry who are less than confident or trusting of the Government in why they do things and the reasons they go about doing them but I think we've given the

assurances that this is not designed to favour anybody in particular. It is really just an extension of existing provisions under the existing Act but instead of having to transfer all of the licences or the total registration of a property this Bill is designed to allow the transfer of an individual registration or licence to another property. I've spoken at length in the House previously on planning issues and have identified clearly to Members and to the industry the restrictions from a planning perspective on the purchase and utilization of additional unit licences or unit registrations in Norfolk Island and the Norfolk Island Plan as it is currently positioned allows only for the construction of new tourist accommodation and the mixed use and residential zones, and as a very rough guide that extends from the Middlegate intersection down Queen Elizabeth Avenue through the centre of town, up Grassy Road, it goes around towards the airport gates and also extends up a portion of New Cascade Road, so in a nutshell those zones that would allow the construction of new tourist accommodation are pretty much the central zones as we know them in Norfolk Island. Now that's been a significant issue. I know with some Members of the industry who believe that there is maybe some merit in giving consideration under the Review of the Norfolk Island Plan to extending the boundaries so to speak of the allowable area to include the rest of Norfolk Island because without doubt, some of our finest properties in Norfolk Island are those that lie outside of the mixed use and residential zone in Norfolk Island. They are the leaders in the industry, many of those properties, and have the wherewithal and the contacts to be able to generate further business for Norfolk Island. Now that is a discussion that we as a Legislative Assembly and a community will have to have over the next few months as the Norfolk Island Plan is reviewed and careful consideration given to that aspect. It was a matter that was discussed by Members of the Legislative Assembly earlier this week and I think it is probably fair to say that when the Norfolk Island Plan as it currently stands was passed by the then Legislative Assembly that the Legislative Assembly at that time had just come out of an environment where the community had had enough of the extension of the tourist accommodation industry in Norfolk Island and so the quota had been reinstated on tourist accommodation in Norfolk Island and it was felt that any further development of tourist accommodation in Norfolk Island should only be centrally located and situated. We've had that discussion, I think people understand that but we are now in a review process and so those planning issues, are issues that will be dealt with as subsequent to somebody making an application for transfer of registration. Mr Speaker there's not really a great deal more that I can add to debate in this. I'm pleased with the level of consultation that we've had, both myself and I know other Legislative Assembly Members and I think it is now a matter of putting this into action as it does compliment our tourism strategy that was endorsed by this Legislative Assembly. There will be other issues that will need consideration and as I said earlier today, if this bill is successful there will be matters that will need to be dealt with by this Legislative Assembly as each and every application will need to come before it and each and every application will have to be dealt with on its merits and consideration given to the type of property that is looking to be involved in this and what conditions should apply to it. That said, I'll be interested in comments from Members before I look to finalising the bill. Thank you

MR NOBBS

Mr Speaker although I'm fairly certain that Geoff hasn't left anything out, I've just got a couple of questions, and as we are all aware from the No 2 item on the Notice Paper, we have the transfer of an accommodation unit, that provisions already do exist in some form in the legislation so it's not too drastic a change, but what it does do is allow a bit of flexibility which I'm very pleased to see. One of the areas that I share Mr Sheridan's concern with, is the grading and I am aware from the Tourist Accommodation Officer in some discussion that I've had with him that there will more than likely be in the next twelve months a bit of rationalizing to bring us to a bit more of a realistic definition of the star rating may then impact on the star rating that is assigned as a minimum to the transfer of units in this new legislation that Geoff's bringing to the House and personally I would much rather see that people are able to achieve a three rating then struggle to achieve a four rating and have disappointed customers, particularly given that one of our key forms of business is from word of mouth to other tourists who want to come over here and obviously if we want to ensure that he

experience exceeds their expectation from accommodation to retail to service on aircraft etc, so I support this motion Mr Speaker

MR ANDERSON Mr Speaker in case I've misunderstood we need also our ratings and as suggested by the Chief Minister the star ratings have to be fair dinkum and if a place is two star, it doesn't matter, so long as it is sold as two star and it is a good two star. So don't misunderstand what I'm saying about this. If we've got three star hotels, that's great. Let them be good three star hotels, but we have a situation on Norfolk Island where we do have to lift the standard of our accommodation and we have the means of doing it through this legislation so it doesn't detract from anything we've already got, so let the three and a half star bring their places up to a true standard and let them perform that way, but we have to find means, without increasing accommodation and giving out licences willy nilly of getting a higher standard of accommodation and this is a vehicle that we can use to do that so just think about what you've been saying about the star rating being down and think in terms of how can we in an open market where people pay market value for licence, how can we achieve a better standard of accommodation without increasing our accommodation houses. And this is the way to do it.

MR MAGRI Mr Speaker I said last time in the house when this debate came up that this is a terrific step forward and I think it has the ability to advance the economic prospects of many in the industry that have been hamstrung through unnecessary regulations. This Government has been exploring every opportunity that it might advance the economic prospects of the people of Norfolk Island and I implore the Minister to bring this amendment Bill to the House and to the process of consultation he has offered. I'll be supporting this Bill

MR NOBBS Mr Speaker I just have one question for the Minister and it was that there was a fair bit of discussion by some Members of the ATA and its definitely being bandied about that certain people want to broker their licences which I must admit I'm not too supportive of that idea or the idea of someone acting as a bank for providing these units. I'm just wondering whether that is taken care of in the legislation

MR GARDNER Mr Speaker I can respond to that. I think trading in a commodity is probably the bluntest way I can put what this is. Trading in a commodity is not different to say trading in land. You have brokers you have agents who handle that type of business. Certainly if they are individuals in the community who want to do private sales just like selling a house privately you can go ahead and do that, just as you can choose to use a broker or an agent to do that. It certainly is not proposed under this legislation or I'm certainly not proposing to move to try and regulate control of who actually handles those sorts of things unless there is a problem that exists. I don't believe the problem exists. Maybe there's some envy that some in the brokering industry may be a little more proactive, and actually going out seeking business but they are in business to find business and to transact business, and so good luck to them but I don't see that as causing any problems, certainly if there's a willing seller and a willing buyer and they can get together over a cup of coffee they can decide it without having to go through a broker as you would with any other commodity that's on the market. I hope that that goes some way to sort of satisfying that concern

MR B CHRISTIAN Thank you Mr Speaker, I intend to support this bill and the general intention of it, but I've just got a concern about, as the Minister has pointed out several times about the plan seems to restrict the availability of people being able to invest in these licences and I'm just wondering what the actual hurry to get this through seeing as a review of the actual plan is due in October this year. Can't we wait until then to give a more even playing field for people to be able to maybe put submissions to the planning Act and maybe able to give a more fair playing field on the availability of these properties

this point in time in our planning regulations. I'm not too sure if you already have a current tourist accommodation place outside of that zone, already existing, whether planning will be in favour if you bought one of these licences or two or three whether you could extend your buildings to accommodate those licences. I see the Minister has his hand up and he can reply to that in a second. The other things that will really level out all of these licences is that we still have in place a market trigger share so nobody can buy more than 1% of the tourist accommodation licences. Star ratings as in the motion that got up before with the transfer of tourist accommodation licence, we insisted that it really was half a star better than what the tourist accommodation place is now so you might say, that's setting a precedent so that when licences are transferred well one could argue that we've already set the precedent so you will have to have a certain standard. Not necessarily four but half a star better than what you normally have. Those are the things for planning to sort out. I believe that as Mr Neville Christian said, it's been a long time coming, opening up of this and it may enable some proprietors to get out of the business with something. They may have ten units but can only manage six at the moment and four are not maintained. If they can get rid of these four licences and still maintain the business, to the level that they need, not what they had when they were younger, they may have had a larger property and now that they're getting older they may only want half a dozen to see them through so they can find a little bit of finance in releasing some of these licences so in that aspect I believe it's a great idea. As Mr Christian said, it's a long time coming. As for the planning purposes to open up to newcomers in the market, to allow new accommodation construction where there's no tourist accommodation at this point again it's all down to planning and we seem to be concentrating on planning a lot but yes, the Norfolk Island plan is under review and it's up to these people to put in submissions and to let the Government and the people who are representing them, know what they want out in the environment of Norfolk Island. In saying those few words, I intend to support it today and it will be interesting to see what sort of movement there is in the market place

MR GARDNER

Mr Speaker a lot has been said today about planning issues and I need to stress, Neville raised a couple of issues there about conditional approvals and those are agreements between the willing buyer and the willing seller so they between themselves obviously in the contracts they enter into can impose their own conditions subject to planning. Mr Brendon Christian raised some valid issues about planning. It is important I think in this process as I've tried to impress on people in earlier debate, not just today but on previous occasions in relation to this matter to check with the planning office before you start entering into any of these agreements to see just what is possible. Mr Sheridan asked the question earlier about existing properties and I believe I touched on that earlier. There are two different ways and means of people availing themselves of the benefit of this legislation. The provisions of this legislation. Obviously subject to the other statutory requirements which is planning, one of those is an existing property within those couple of zones can apply for purchase to transfer the registration of the unit license to their property and they go through the planning process and subject to all the planning requirements they are able to do that. The second way is somebody who owns a vacant property within those zones may be able to acquire licences that may come on the market, construct a brand new property subject again to planning requirements but the existing properties in outlying areas is an issue that I spoke about before and Mr Sheridan might recall my talking about the scope scale and intensity. I had asked for advise from the planning department in the early piece about existing properties and it's quite complex and it's something that if anybody wants to enter into these things they really must go and talk to the planning officer about because there are lawful conforming properties, and those that aren't lawfully conforming, and there's all sorts of words and terms that come into play but really at the end of the day, the scope, scale and intensity of an activity will determine whether it is prohibited in the zone for the construction of additional tourist accommodation. Now some have suggested that maybe there's properties out there that have already got constructed units but they are not licenced so what implications would there be of a property such as that outside of the residential and mixed use zone of purchasing one of these licences as they go on the

market and utilizing the existing infrastructure so there is no increase in the scale of the development but there may be a question on the intensity because you've got more people going through it. Those are entirely matters for planning so I'm trying to impress upon people, if you are considering this ensure that you go and get advise from planning before you enter into any binding contracts for the sale or purchase of these unit licences. Thank you

SPEAKER Any further debate? The question is that the Bill be agreed to in principle Honourable Members and I put that question

QUESTION PUT
AGREED

Thank you Honourable Members. The Bill is agreed to in principle

Is it the wish of the House to dispense with the detail stage? We so dispense and I look to you Mr Gardner

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

SPEAKER Thank you Mr Gardner. Any further debate? The question is that the Bill be agreed to Honourable Members and I put that question

QUESTION PUT
AGREED

Thank you Honourable Members. The Bill is agreed to

NORFOLK AIR CORPORATION BILL 2007

SPEAKER Honourable Members, we move to Order of the Day No 2 which is the Norfolk Air Corporation Bill 2007 and we resume debate on the question that the Bill be agreed to in principle and Mr Christian you have the call to resume

MR CHRISTIAN Mr Speaker it is my intention to seek leave of the House to withdraw the Bill from the Notice Paper

SPEAKER Thank you Mr Christian. You may give an explanation if you so wish

MR CHRISTIAN Thank you Mr Speaker, the Norfolk Air Corporation bill was an attempt to formalise Norfolk Air as a business entity and I had thought initially that setting it up as a statutory corporation was the way to go and there is absolutely nothing wrong with statutory corporations Mr Speaker it's just that there are some technical difficulties that get in the way and I'll explain those. Members around the table would be aware that there are a couple of schedules to the Norfolk Island Act, some things that we can deal with fairly quickly here with the Administrator's assent, and other things require the Governor General's assent. The Norfolk Air Corporation bill would almost certainly require the assent of the Governor General and Mr Speaker that assent process whilst I have no doubt would be eventually agreed to is a time consuming and cumbersome process and in a commercial world, that's not a desirable position to be in because not only does the principle piece of legislation require the Governor General's assent, any amendments to that piece of legislation will also require the Governor General's assent so over the intervening period since I first introduced the Bill I've sought and received legal advise is to amend our existing company legislation to provide a new category which caters for wholly owned Government corporations and what that means there is that shares would be issued according to the paid up capitol of the corporation, all of the

SPEAKER Thank you Mr Christian. Any further debate Honourable Members. No. Mr Christian I seek your motion

MR CHRISTIAN Thank you Mr Speaker, I now seek leave of the House to withdraw the Bill from the Notice Paper

SPEAKER Is leave granted Honourable Members

QUESTION PUT
AGREED

That vote is unanimous. The Bill is so withdrawn

FIXING OF THE NEXT SITTING DATE

Thank you Honourable Members we move to the fixing of our next sitting day

MR ANDERSON Mr Speaker I move that the House at its rising adjourn until Wednesday 10 October 2007, at 10.00 am.

SPEAKER Thank you Mr Anderson. Is there any debate Honourable Members. The question is that the Motion be agreed to.

QUESTION PUT
AGREED

The motion is agreed

ADJOURNMENT

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

SPEAKER Thank you Mr Sheridan. Is there any further participation in adjournment debate Honourable Members.

MR NOBBS Mr Speaker, just before we wrap it all up. Myself, the Minister for Finance and the Minister for Commerce and Industry will be on the radio tomorrow morning available to field any questions that the community might have or provide any other information that is requested of us. I am aware that the radio station is accepting email questions as well as phone ins, or people can actually drop off a piece of paper with some questions attached to it. Thank you

MR B CHRISTIAN Thank you Mr Speaker, I would like to congratulate our colleague the Hon Geoff Gardner for his outstanding achievements on his recent trip to Australia where I'm led to believe he competed in athletic events. It appears that this was an open event, not a veterans event with the competition being very fierce and world class athletes vigorously competing for the few available medals. I have been informed Mr Gardner won two silver medals in discus and shot-put and I would like to congratulate Mr Gardner for his outstanding achievement

MEMBERS Hear, hear

MR GARDNER Mr Speaker on a serious note I thank the Member for those kind words but on a more serious note I did have the opportunity to attend as the Government representative the recent south Pacific Games in Samoa and at this stage I won't go into a great deal of detail about that as I'm expecting a report from Norfolk Island Amateur /Sports Association on the conduct of those who attended and in due

course I will table it in the House but I would like to commend the representatives of Norfolk Island on their ambassadorial role that they undertook on behalf of Norfolk Island and I was very pleased to see that they were embracing the people of Samoa and the other Members of the Pacific Islands as a fully fledged partner and was fully involved in the Games and particular congratulations to the Members of the shooting teams for obtaining a silver medal in shooting. The Bowling Team unfortunately were afflicted by a number of health problems and issues which I think looking at the results probably meant that in the wrap up they missed out on two or three other medals and would also like to commend the youngest Member of the bowling team, Phoebe Evans for her outstanding results and participation in the games as her first major international event and as I said at a function the other day, I think for Phoebe the sky's the limit. She certainly has a great deal of potential and the ability to go a lot further in the bowling fraternity but congratulations to the Norfolk Island team. I think they were particularly well presented whilst they were away, as I said, great ambassadors and very pleasing to see the Norfolk Island team as a whole dressed in their uniforms on their return to Norfolk Island. It makes you proud to be a Norfolk Islander Mr Speaker. Thank you

SPEAKER Thank you Mr Gardner. 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 10 October at 10.00 am.

