



**NORFOLK ISLAND LEGISLATIVE ASSEMBLY
12TH NILA HANSARD – 28 APRIL 2009**

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

Thank you Honourable Members

CONDOLENCES

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

MR SHERIDAN

Mr Speaker it is with regret that this House records the passing of Yvonne Alice Sanderson on Tuesday 31st March 2009. Yvonne Alice Nicolet was born in Switzerland in June 1913. She started school there but soon moved to Geneva where her family have lived ever since. She completed her schooling and attended the Geneva University where she gained a Diploma in Business Administration. In 1935, she moved to England where she worked as a Nanny and learnt to speak English. There she met and married Roy in 1938 and moved to London. They were there when war broke out in 1939 and lived throughout the air-raids of 'The Blitz'. Roy operated a central city pharmacy and was an Air Raid Warden at night and Yvonne drove an ambulance until 1944 when Duncan was born. At the end of the war they moved to Penzance in Cornwall and Patrick was born in 1946. In 1952 the family immigrated to Australia and settled in Geelong where with a mixture of a very firm hand and loads of patience she raised their two sons, whilst doing a lot of work for the Red Cross; was a member of the CWA and spent a lot of time as a helper with the Spastic Children's Society. In 1962 Roy and Duncan moved to Norfolk and later that same year Yvonne joined them. Patrick arrived in 1964 after completing school in Geelong. The family bought the house and shops just along from 'Aunt Em's' in Burnt Pine and they opened the first pharmacy on the Island. She lived there until she had to move to the Hospital some 9-10 years ago. In the early years of being on the Island, Yvonne had a busy social life and enjoyed dancing and being with friends at the various hotels. She was very active in the business life of the Visitor industry. She managed for many years the Kingfisher Hotel at Anson Bay, now gone, and later worked at the Hotel Norfolk, now the All Seasons Colonial, the South Pacific Hotel, Fletcher Christian Apartments, BJ Jewellers and the Swiss House. Her linguistic skills - she spoke French, German, English and Esperanto, were a considerable asset. Yvonne lived for her family. She received great enjoyment from the arrival of her grandchildren Brett and Miles and spent a great deal of time with them and was very influential in their upbringing. She regretted that she could not spend as much time with her two New Zealand grandchildren Timothy and Christopher. However, while she could still travel, she did go to New Zealand frequently, to visit Patrick, his children and their mother, Susan. Yvonne travelled a lot and spent time in Switzerland with her father Otto and brother André. In many ways Yvonne was a perfectionist. She was a very keen gardener and enjoyed many hours in her garden, had many pot plants and enjoyed propagating seeds or cuttings. She was a regular face at the Nursery and became a member of the Garden Club where she loved visiting other people's gardens, enjoying their beauty, getting ideas or helpful tips. For many years Yvonne was involved with the CWA. She organised the making and selling

of the CWA bookmarks - a job that she did right up until just before she had to move to Daa Randa. Yvonne loved swimming and for many years she enjoyed barbecuing and swimming at the beach with the Sanderson, Partridge and Fitzpatrick families. She often lunched or had afternoon tea on her terrace with her many friends and for years when picking up Brett and Miles from school, she would often arrive an hour early to discuss 'world affairs' with Anne Tullner. Yvonne was an avid reader; she followed the media very closely, interested and knowledgeable about what was happening in the world. She will be sadly missed and to Duncan, Molly, Brett and Miles; to Patrick and his family and to Yvonne's many friends this House extends its deepest sympathy. Mr Speaker may she rest in peace.

It is with regret that this House records the passing of Hoana Mae Anderson on Saturday, 4th April 2009. Mae, was born on May 21st 1937 in Thames and raised in Taumaranui, New Zealand, the eldest of six children born to Peter and Joan Tahere. Mae lost her father when she was 10 years old. She helped her mother raise her sisters and brothers and it was during these tough times that Mae's strong will, no nonsense attitude and positive approach to life shaped the person she became. Although Mae was born with a short leg it did not stop her from becoming an accomplished basketball player and marching girl for the Emeraldine Marching team. She left school at 15 and went to work in the administration section of the Taumaranui Public Hospital. At the age of 21, Mae left New Zealand for "the Grant Tour". She only made it as far as Norfolk Island where she enjoyed the heyday of working at the Paradise Hotel. She met and married Jack Anderson and they soon became the proud parents of Wendy, Tania, Brendon and Darren. Norfolk Island was to become her home for the next 50 years. Jack and Mae built their home in Queen Elizabeth Avenue next door to their lifetime neighbours Ian and Joan Kenny, This is still the family home. Mae enjoyed being active outdoors, mowing the lawns, helping Jack in the vegetable gardens, attending to her chooks and establishing her flower gardens where she grew many of her favourites, including sweet peas, flocks, roses and violets. Mae was a member of the Golf Club for many years. She enjoyed the sport and travelled to Lord Howe and Noumea on golf trips. She was particularly fond of the 19th hole where often with her friend Joy Lillico, would be the last to leave. They said their cars had auto pilot to get them home! A highlight of Mae's week was Sunday night when she would cook tea for the whole family, comprising eight adults and nine grandchildren. Mae worked at Amy Bathie's fruit and vegetable shop for many years and for a short while at Greenways Press before joining the Norfolk Island Administration's Immigration Office in August 1979 - the same year that Norfolk Island regained Self Government. She saw every Immigration Minister we've had, come and go! This August would have been her 30th year of service. Mae was a conscientious and loyal worker who was well respected and liked by both her work colleagues and the general public with whom she came in contact. Mae remained close to her family in New Zealand and she looked forward to visits from her Mother Joan and friend Bob, her siblings and their families and their holiday memories are still talked about today. Only three weeks before her passing Mae had to travel to New Zealand for further tests and treatment. There, Mae was diagnosed with an advanced terminal illness. Her sister Carol's house became a temporary hostel for family who travelled from around New Zealand to visit her whilst she was in Waikato Hospital. Mae's passing was a shock to everybody, she slipped away peacefully with family at her bedside. She had reached her three score years and ten. Mae was a wonderful Mother to Wendy, Tania, Brendon and Darren; a respected mother-in-law to Barry, Juanita and Sandy and a much loved Nana to Teanu, Brandon, Danielle, Jack, Ben, Chontelle, Lachlan, Jacob and Christopher. She will be sadly missed by them; by her New Zealand family and by her many friends in this community and in New Zealand and Mr Speaker, this House extends its deepest sympathy. May she rest in peace.

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

COMMONWEALTH OF NATIONS**MR SPEAKER**

Honourable Members this is quite an auspicious day in Norfolk Island and throughout the Commonwealth and in response to a motion at our Commonwealth Parliamentary Association meeting on the 16th December 2008 it was moved that on the 28th of April 2009 the Commonwealth would celebrate the 60th anniversary of the London Declaration by Governments which created the modern Commonwealth of Nations. Parliaments and legislatures are being encouraged to hold Commonwealth debate. I appreciate that motion and I appreciate Members acquiescence to the holding of the meeting here on Tuesday the 28th April. Honourable Members in speaking to this I would like to move by leave and I seek your leave at this point in the proceedings to make a statement on, and move in relation to the 60th anniversary of the Commonwealth. Is leave granted Honourable Members. Thank you

Honourable Members in Norfolk Island today we mark the 60th Anniversary of the London declaration when the modern Commonwealth was born. Now one might ask what was the declaration? What was the significance and why are we celebrating? The origins of the Commonwealth stretch back much further than 60 years but 1949 marks the pivotal point at which the Commonwealth's colonial legacy was positively transformed into a partnership based on equality, choice and consensus. In April 1949, Heads of State from Australia, Britain, Ceylon, India, New Zealand, Pakistan, South Africa and the Canadian Secretary of State for External Affairs met in London and deliberated over six days. The outcome was the Declaration of London. Their final communiqué was both innovative and bold in a number of ways. It stated that King George VI would be recognised as 'the symbol' the Commonwealth association. Thus India could remove King George VI as head of their state but recognise him as Head of the Commonwealth. The Declaration also repeatedly emphasised the freedom and equality of its members not just in their relationship to the Head of the Commonwealth as a 'free association of 'independent nations' but also in their cooperative 'pursuit of peace, liberty and progress'. It was also at this juncture that the prefix British was dropped from the title. When King George VI died, Queen Elizabeth II assumed the role of Head of the Commonwealth. After the end of World War II the Commonwealth became the natural association of choice for many of the new nations emerging out of decolonisation. Starting with Ghana in 1957, the Commonwealth expanded rapidly with new members from Africa, the Caribbean, the Mediterranean and the Pacific. So one might ask Honourable Members why are we celebrating? The Commonwealth is now a unique association of 53 independent states consulting and co-operating in the common interests of their peoples and in the promotion of international understanding. It comprises countries from all major continents of the world, rich and poor, small and large. In the 60 years since the Declaration, the relevance and value of the relationship has repeatedly been reaffirmed and consolidated. The creation of the Commonwealth Secretariat in 1965 and the ever expanding number of professional and advocacy Commonwealth organisations reflect this; but most significant is the expansion of membership from 8 in 1949 to 53 in 2009. A clear demonstration of how the scope of the Declaration ensured that the Commonwealth retained *a relevance to other newly independent nations*. In many ways the 'atmosphere of goodwill and mutual understanding' in which the Declaration was formulated can be seen as the crucible in which the character governing the Commonwealth today was created. It balanced modern realities with the pragmatic and the positive, which is why 30% of the world's population have cause for celebration in 2009. Nearly two billion people now live in the Commonwealth, and half of these are under 25. The future of the Commonwealth belongs with young people, and this is why the Commonwealth theme for 2009 is 'thecommonwealth@60 - serving a new generation'. Honourable Members British history is all around us and highlights the very fabric of our origins as a people. From Bounty history to Pitcairn Island to Norfolk Island. The Good; the Bad and the Ugly aspects of all have been thrust at us but today as we enter into our 30th anniversary of the democratic Westminster style of governance system we reflect on the Commonwealth. We as the people have embraced its principles and supported its aims

and objectives and I believe we follow much the thoughts of Kamallesh Sharma, Commonwealth Secretary General, and I quote “60 years young, the Commonwealth has a clear focus on serving future generations. Its networks, parliamentarians included, give it an enormous constituency around the world. Its values, its support for the weak and vulnerable and its quest to move with the times to meet the needs of its Members continue to give it reason for being and for continuing to be. Democracy is an unending journey and its path has been as winding and incremental in the longest established democracies as in the new ones. Those Commonwealth Member states for less than half a century have had to move uncommonly fast to create the laws, institutions and underlying democratic culture that are bedrock of the system which has been observed to be only the best of several in perfect options. Democracy revolves around the painstaking process of nurturing democratic culture and building good governance in the institutions of democracy, legislature, executive judiciary, ombudsman, human rights institutions, electoral commissions and much more. 2009 again highlights the need for the Commonwealth to be in the frontline of supporting Government, of the people, for the people, by the people. I wish to think that we here in this Chamber this morning have followed those guidelines. The Commonwealth promotes development. Development is a journey of advance and reversal with the concurrence of several global crisis now showing the potential shakiness affecting economic foundations. For the three quarters of a billion Commonwealth citizens living in dollar a day poverty, the Commonwealth simply cannot afford reversal. Fourteen of our Member states are classified as least developed countries. The current global downturn may make headlines were its origins and consequence in the richer world but it is the developing world which obviously suffer most. Trade is a motor of development and the Commonwealth has engaged long and hard for a multilateral, fair and rules based global trading system under the auspices of the World Trade Organisation and for the effective aid for trade. What is relevant now is the changing world order. In the broadest sense the world is gripped by transformation and the Commonwealth is part of that momentum in responding to fresh challenges and seeking rational solutions. The Commonwealth can be judged by its results, and those who do so, package them into the established pillars of our engagement safeguarding and promoting democracy, development and diversity. Thank you Honourable Members. I invite debate. In the leave I asked that the following be acknowledged. That in acknowledging that the 26th April 2009 marked the 60th Anniversary of the London declaration when the modern Commonwealth of Nations was born, the Legislative Assembly of Norfolk Island on behalf of the Norfolk Island community hereby joins with all Member Nations of the Commonwealth in pledging its ongoing support for the principals enshrined in the current declaration that established today's modern Commonwealth. Thank you Honourable Members

MR NOBBS

Thank you Mr Speaker. As we mark the 60th Anniversary of the Commonwealth of Nations, I thank you for providing some background to the formation of this most auspicious congregation of free states founded on a fundamental belief in parliamentary democracy. It is significant that we can start our Legislative Assembly sitting today with a recognition of this anniversary, because it is not often that we get the chance to reflect in some formal way on the values which we share with those states, including the principles which underpin the Commonwealth of Nations. These include the promotion of democracy, human rights, good governance, the rule of law, individual liberty, egalitarianism, free trade, multilateralism, and world peace. Perhaps these might sound almost like motherhood values, until we consider that so many nations and states in the world do not subscribe to these most fundamental beliefs, to which we ascribe paramount importance and which of course bind together all of us in the Commonwealth of Nations. The modern Commonwealth superseded what had been known as the British Empire, when the London Declaration was agreed to in April 1948. It has since prospered and now contains some 53 sovereign nations, most of which are made up with self-governing states and territories, such as Norfolk Island. Those member states have a land area of around 31.5 million square kilometres. I don't think that Norfolk Island is the very smallest of all the component parts of the Commonwealth, but with just 34.6 square kilometres we represent just over a millionth of

other members and the listening public the types of assistance offered by the CFTC includes, amongst other things, public sector reform, economic and financial management and enterprise and private sector development amongst other things. Mr Speaker, Norfolk Island, which is a participating member of the Commonwealth Parliamentary Association, would dearly like to have access on a more direct and formal basis to the Secretariat and to all other Commonwealth agencies. The Commonwealth Secretariat, which was formed in 1965, is the administrative arm of the Commonwealth of Nations, and has an expanding number of professional and advocacy services to assist members. Mr Speaker, on the 60th anniversary of the official formation of a Commonwealth of Nations based on equality and choice I ask that consideration be given to Norfolk Island becoming a full contributing partner to the Commonwealth Secretariat and be granted direct and formal access to the resources of that organisation. Mr Speaker, I thank you for the statement you have made recognising the significance of the 60th anniversary of the Commonwealth of Nations and reminding us all of the significant role which Norfolk Island plays within the great institution that is the Commonwealth of Nations. Thank you, Mr Speaker.

SPEAKER Thank you Mr Magri. Is there any further debate Honourable Member. No. There fore I put the question

QUESTION PUT
AGREED

Thank you. That motion is agreed to. Thank you

PETITIONS

Are there any petitions this morning Honourable Members?

GIVING OF NOTICES

Are there any notices Honourable Members?

MR NOBBS Thank you Mr Speaker I'm hoping this is the right area of the Sitting to place this but today marks the 103rd birthday of Mrs Ruby Matthews and I felt that as this is such a significant achievement perhaps we could recognise that and take this opportunity to wish Mrs Matthews a most delightful birthday

SPEAKER Thank you Chief Minister for bringing that to the attention of the House and it will be so recorded. Any further Notices Honourable Members

QUESTIONS WITHOUT NOTICE

Are there any questions without notice this morning Honourable Members

MR ANDERSON Mr Speaker I would like to ask the Honourable Minister for Health and Tourism. What measures have been put in place for the possible swine flu including protective measures to safeguard the community

MR GARDNER Thank you Mr Speaker, and I thank you Mr Anderson for posing that question, I had proposed to make a brief statement in relation to that matter but am more than happy to deal with the response at this time. Mr Speaker some months ago, about 18 months or so ago the Commonwealth had contacted us directly about the security provisions of the National Health Security Act as it related to Norfolk Island asking that the points of contact be established for the Territory as part of a combined effort of the Commonwealth and States and Territory instrumentalities to ensure that they are able to ensure the early identification of, and timely responses to

public health events of national or international significance and Mr Speaker Mr Anderson's questions falls squarely within the boundaries of that programme and its extension to Norfolk Island. It designates contact points in Norfolk Island included first and foremost the police as there was a requirement under this programme for 24 hour contact and established communications systems to be readily available for any response or reporting of any incidence that might arise. It also included contact points for myself as Minister for Health but also, importantly; contact points for the Minister responsible for Public Health the Hon Vicky Jack. As I said that programme is coordinated by the Commonwealth and it is pleasing to note that in some of the media reports that are abounding at the moment that both Australia and New Zealand who are our main source of visitors to Norfolk Island have put in place border measures to have better oversight of passengers arriving in both of those countries that may demonstrate any signs of the influenza that is gripping different parts of the world at the moment. We are in a similar position to both of those countries in that it is very difficult to respond to an unknown because unfortunately, or probably fortunately, people do not walk around with influenza stamped on their foreheads so it's very difficult to properly manage and control an outbreak of influenza unless the community as a whole are on board and recognize that if there are flue symptoms and the like it is imperative that they do report any occurrence of that immediately to Health Authorities and in this case to the Norfolk Island Hospital. Yesterday I sought advise from the Director of the Norfolk Island Hospital Mr david McCowan in relation to the response to the swine flue and how Norfolk Island's stock of drugs are able to respond if there was an outbreak identified in Norfolk Island. Mr Speaker the same antiviral drug, Tamiflu, is used to combat the avian influenza outbreaks of previous years are held in stock by the Norfolk Island Hospital and the swine flue does respond or is sensitive, that's the technical word, to the Tamiflu antiviral drug and so there are stocks in the Hospital. The Director will be ensuring that there is a press release provided to the Norfolk Islander this weekend just advising the community on what do if they suspect that there may be an outbreak or somebody has some other unidentifiable flu system and that, as I said previously, is to report first and foremost to the Norfolk Island Hospital and to seek medical attention

MR ANDERSON

Mr Speaker another question for Mr Gardner in relation to an article in yesterdays Australian relating to healthcare and the allegations put forward by some departmental people and the First Secretary of Aging Andrew Stuart and Mr David Cullen that Norfolk Island has a company registered Tricare, on Norfolk Island and this could be viewed to have used funds which are held in trust. As it is a parent company of half a dozen other companies operating in Australia. Mr Gardner can you confirm that under our present company laws that this is not possible and will the Government be responding to these suggestions which possibly need refuting

MR GARDNER

Thank you Mr Speaker, there are a number of questions that arise out of that statement Mr Speaker. I guess first and foremost I can confirm that a company known as Tricare has registered offices in Norfolk Island. My understanding is that they have maintained those registered offices in Norfolk Island for a number of years, I think as far back as about twelve years. My understanding Mr Speaker is that, that company does not operate or function or sell product or anything else in Norfolk Island, it simply maintains a registered office. As far as the allegations that Mr Anderson is referring to, that Tricare is in some way registered here to avoid the payment of Australian taxes I'm not quite certain which of the senior officers of the Department dreamed that up because my understanding is that it is not possible to avoid taxes so I guess it's an education process for senior, very highly paid officers within the Commonwealth to get their facts right before they make such outrageous statements Mr Speaker that are clearly misleading and damaging to Norfolk Island's profile, particularly when those statements are made in front of Senate Committees. The response of the Norfolk Island Government will be that we will move to have that record corrected by the presentation of a letter but Mr Speaker we don't – a presentation to the Senate committee's secretariat to correct that. Certainly Norfolk Island has nothing to hide in relation to that. People are free to establish offices in Norfolk Island under our

Companies legislation and as I understand it the Australian tax office has already been in touch with our officers in relation to that company and as far as I'm aware there's nothing more than a storm in a teacup in relation to this matter

MR SHERIDAN Thank you Mr Speaker a question for the Minister for Finance. Minister back during the December sitting in regard to the price of electricity you stated that 50% of fuel savings back from the December fuel delivery, some 12 cents would be passed on to consumers during the January/March quarter and that the other 50% would be passed on to the consumers during the quarter ending 30 June. Minister during this period the fuel price has actually dropped another 7 cents per litre I believe from the March delivery and the drop to electricity has only been three cents for this April/June quarter. Minister when can we expect you to deliver on your statement in December that the other 50% drop of some 6 cents would be taken off the price of electricity

MR N CHRISTIAN Thank you Mr Speaker diesel price has moved downwards but I did indicate in response to previous questions that as a result of previous increases not being passed on to the consumer the power house was back about a quarter of a million dollars behind where it should be. The intention I think has always been made clear that I want to restore that quarter of a million dollars as fast as I can to the powerhouse's coffers and at the same time also passing on to the electricity consumer as much savings as I am possibly able to do so. I regularly get advise from the Public Service as to the status there and as part of the ongoing budget discussions that we've been having I'll take Mr Sheridan's concerns into account and of course it's in everybody's interest if I can pass back to the consumer as much as possible. It may also be worthwhile pointing out at this time that we've had a tremendous uptake from Members of the community in respect of the photovoltaic grid connected power systems that are fitted to houses and in the next week or two the Norfolk Island Government will be announcing stage two of its renewable energy strategies and what we will be doing there is going out to commercial investors in Norfolk Island and seeking expressions of interest from those who would like to become dedicated power generators. In discussions with the electricity Manager we have determined that it would be desirable to have in the first stage, about 500 kilowatts per hour of renewable energy able to be fed into the Norfolk Island grid. It's desirable that in our view we look at minimum power generation installations of somewhere between 200 and 50 kilowatt hours per installation and that wherever possible, we dot these around the island in various locations which will reduce the need for electricity to provide upgraded distribution of cables throughout the island as we would have to do if we maintained all of our generating capability in the centre of the island. It's anticipated that Norfolk electricity will be in a position to pay power generators something in the range of 14 to 16 cents per kilowatt hour for every kilowatt fed into the grid and it would be up to the individual investor to decide for themselves whether they could make a business case stack up with or without Commonwealth Government contributions under the various programmes that are running so that's a pretty exciting initiative that we will formally launch sometime within the next fortnight

MR SHERIDAN Mr Speaker a question for the Minister for the Environment. Minister during the March sitting of the House this year, Minister Jack made a statement saying that the Chair of the KAVHA Board had asked the landowners and land occupiers within the KAVHA precinct who wished to vary their property boundaries listed on the Norfolk Island Heritage Register to make submissions for variations under the Heritage Act 2003. Minister Jack stated that nine applications were received. Minister I put to you that this statement is not correct and in actual fact quite misleading to this House. All nine submissions referred to were submitted wholly and solely by the landowners themselves without the request of the Chair of the KAVHA Board and subsequently refused. Minister I ask of you as Minister with carriage of this portfolio to investigate Minister Jack's statement and if incorrect, make a statement refuting her claim and setting the record straight. Minister will you do that

MR GARDNER

Yes

MR SHERIDAN

Mr Speaker again one for the Minister for the Environment. Minister has all the necessary baiting been completed to eradicate the ant menace that the island has experienced over the past few years

MR GARDNER

Thank you Mr Speaker, I have no advise on that at the moment. The most recent report that I received before the departure of the Minister overseas was that the baiting programme had been under way but I'm not sure what the status of that is at the moment but I'm more than happy to find that out and relay that to Members of the Legislative Assembly

MR SHERIDAN

Mr Speaker one for the Chief Minister. Chief Minister its been now some months since the financial stimulus package was requested of the Commonwealth. Chief Minister has the Commonwealth agreed to your request and if not what is plan B in relation to financing the various sectors of the Service which require funding

MR NOBBS

Thank you Mr Speaker and thank you Mr Sheridan. To give some background to the question that was asked, we had put through a proposal for the stimulus funding from Minister Debus's office as he had offered to take carriage of it for us, and Minister Debus has had discussions with Lindsay Tanner and we have subsequently had some written communications as to how those discussions went with some issues still to be discussed in that process. I spoke to Minister Debus Friday just passed in the afternoon to ascertain what any issues were in regard to gaining access to those stimulus packages, or a stimulus package that was specifically owned to Norfolk Island's situation and he further gave a commitment that he is working with us to see what outcome we can get out of that by taking our proposal to Treasury and Finance. During that conversation as well as making it quite clear that he supports where we are going with the stimulus funding package. We both shared some disappointment over what appears to have been some background interference that's intruded into our discussions both with regard to governance and separate issues to governance such as the stimulus funding and even the Nation Building funds. However, we've both committed to getting those into the full realm of discussion with the Treasury and Finance area and currently there are four Nation Building infrastructure grants in the final stages of preparation with the Service that I will actually provide more detail on in a statement later in the sitting so, in answer to the first part of your question the stimulus funding application is still in process. Certainly not dead. In answer to the second part of your question, which was, if that funding is unavailable to Norfolk Island how would we continue to fund our way forward. As part of the budget review process we've looked at our income and expenditure for the coming new year given the upcoming financial year sorry, given the changes that we've seen already in our tourism industry and our incomes that spur off the tourism industry and we've also looked at ways we can rationalize the expenditure in many of the areas as well to combat some of those issues and the issues. What we've intended to do is use party of the stimulus funding to alleviate the need to make any major dents in our economy and if the stimulus package funding does not come through then what we anticipate doing is we're looking at a range of other options open to us in expenditure cuts or other income generating areas

MR GARDNER

Thank you Mr Speaker, a supplementary question Chief Minister you made mention of some interference in the process of securing stimulus funding. Is that a suggestion that there are persons trying to work against the intent or attempts to derail our bid to the Commonwealth for similar funding

MR NOBBS

Thank you Mr Speaker in a broad regard that interference has interfered with that access to the stimulus funding already. On a broader note the Federal Minister Debus and myself have been working on the

accountability and transparency matters which will form what will be part of a Cabinet minute paper that Minister Debus will take forward. That being the case that will be the main issue however in request for clarification in the Minister for Territories health area our application for MBF for discussion for different officer areas occasionally returning to us an answer cannot be given at this present time as these may be subject to ongoing governance discussions. Minister Debus made it quite clear to me that the discussions that we are having at the moment on governance wholly and solely are centered on accountability and transparency issues that will form part of the cabinet minute

MR GARDNER Thank you Mr Speaker, just a further a supplementary question is it correct that the stimulus funding on offer to the States and Territories are not linked to governance changes in the other States and Territories and has it been agreed that any review on governance arrangements is not a consideration in the bid for stimulus package funding for Norfolk Island

MR NOBBS Thank you Mr Speaker the answer to that is yes

MR N CHRISTIAN Thank you Mr Speaker a further supplementary question to the Chief Minister, Chief Minister are you able to say whether the interference you refer to has its source in the wider community or a Commonwealth employee in Norfolk Island

MR NOBBS Thank you Mr Speaker at this stage I'm unable to state any such sources but I would point out that both the Federal Minister for Territories and myself were very disappointed and are quite keen to find out where these sources were coming from so that we can straighten out these issues. Thank you

MR SHERIDAN Mr Speaker a question for the Minister for Finance. Over the past couple of weeks SPIN with a fibre optic cable. Considering that the cost of \$2.2 m for the next 25 years strategy of providing for these costs

MR N CHRISTIAN Thank you Mr Speaker certainly. I signed off on behalf of the SPIN project with the authority for me to sign off was formalised by the Tenders Committee of the Norfolk Island Administration and the \$2.2m that Mr Sheridan refers to will be funded purely from commercial operations that we expect Norfolk Telecom will grow into over the next couple of years. In the meantime I've always consistently stated that a period of subsidisation may be necessary from gaming revenues that we expect to derive in the next few years and indications given to me is that by the year 2010/2011 our gaming revenues may be pulling in as much as \$3.5m per year so it's part of that that I intend to use to cross subsidise Norfolk Telecom until it stands on its own two feet again. I've also consistently said that voice traffic in the future will no longer fund Norfolk Telecom either in its current or future format and as I see it, if we move to the fibre optic in the future, VOIP will become more predominant and therefore that will further erode Norfolk Telecom's income streams. Now that's just a bi-product of better communications and that's the way we've got to go, as I've consistently stated. Now. How to do I fund it. The proposal is that we develop commercial relationships with others and those negotiations have already commenced and will be fast tracked over the next couple of weeks, when we will sell our surplus capacity on the SPIN network. We have termination points in Sydney and Hawaii. We are able to carry traffic in both directions but I cannot poach traffic from the Members of the SPIN network within the two termination points so basically what that says, is I can pick up traffic from Australia and New Zealand, transmit it to the US and I can do that in reverse as well and we intend doing that. We also had some exciting proposals on the table from people who are in the audio text industry that alone if it comes to fruition will deliver revenues to Norfolk Telecom to the tune of about \$2.2m per year itself from just one potential customer. I'm also very confident that as a result of the improved Telecommunications of Norfolk Island the gaming industry will follow through as well and increase their presence in Norfolk Island so that will provide additional revenue to Norfolk Telecom and

it will also provide additional revenue to the Administration by way of gaming commissions. So that's where we plan to go. What's driving me in this, is the need for Norfolk Island to embrace the 21st century and I think it's worth repeating some of the comments that the Minister for Commerce and Industry have made in recent days and it's simply this. The world today as we know it has basically been split into two. Those who are into e-commerce and those who are into manufacturing. Norfolk Island because of its remoteness and relatively high wages will never be in manufacturing. The manufacturing industry will progressively move to what we would term as third world countries, therefore for Norfolk Island to supplement tourism, we need to participate in the world of e-commerce and that's where I see the future for Norfolk Island and SPIN is the foundation stone as the future of Norfolk Island's economy. Is it a visionary move. Probably. Will it deliver. Yes

MR SHERIDAN Mr Speaker just one final one for the Minister for customs. Minister some years ago a donation was made from a resident to enable an x-ray machine to be provided to the incoming customs area at the airport to screen baggage against illegal drugs etc. As of this date, the machine is still not operating at the incoming customs area of the airport, and one might say that this residents donation, who I might add is no longer with us, has not been made the most of. Minister when can we expect to see this x ray machine operating at the arrivals area at the airport

MR N CHRISTIAN Thank you Mr Speaker I can't give you a definite time at this time as to when the machine will be installed at the arrivals hall at the airport at this time and Members will be aware that during the budget review process that was undertaken in the latter part of 2008 a decision was taken to hold the extensions to the arrival hall at the terminal which would have housed this equipment. We also took a decision at that stage to halt any further work on the upgrade of the carpark. We gave priority to the completion of RESA at the western end, to getting the new fire station to lock up stage and having the Aviation Fire part of that building completed and the emergency services and volunteer rescue section would wait for completion at a later date so that's what we've done at the airport. However, the machine itself has not been wasted because it is installed as I understand it at the Post Office and all parcels and the like are put through the machine and if for instance there is something of suspicion that comes through in a passengers baggage at the airport it can be transported to the Post Office Customs complex and screened through the machine there so we still do have the ability to use it

MR SHERIDAN Mr Speaker a supplementary question. Minister I believe that the Customs area now has two x ray machines in the back to enable them to screen either customs items that come through the mail. Why is it not possible for this machine that was bought specifically to screen baggage etc in the incoming customs area, if they are using it in a ad hoc capacity, considering that there is sufficient room now there with the extension that they did to extend that baggage claim area around the belt, why can't they use it in an ad hoc capacity until the renovations are complete

MR N CHRISTIAN Thank you Mr Speaker we do use it on an ad hoc capacity at the Post Office Customs complex. The advise given to me is that there is insufficient space to install it in a temporary nature in the arrival shall and I rely on the advise given to me. There has been a small extension completed in the arrivals hall but it is office space rather than the space designed to house the equipment. The situation hasn't changed

SPEAKER Thank you Minister. Any further questions Honourable Members. Thank you and before we move on

LEAVE OF ABSENCE

SPEAKER I would like to ask if leave could be granted for Mrs Jack and Mr Brendon Christian from this Sitting. Is leave granted? Leave is granted. Thank you Honourable Members

PRESENTATION OF PAPERS

Are there any Papers for presentation this morning Honourable Members

MR NOBBS Thank you Mr Speaker, I am pleased to table for the information of members an Exposure Draft of the Employment (Amendment) Bill 2009. I intend to move that this document be noted and then printed, so that comments can be provided to me by Members and also by any interested members of the Norfolk Island community. Mr Speaker, as this is an Exposure Draft of the Bill, I do not intend to go into detail of the actual provisions. However, as an overview, this Bill proposes to give effect to suggestions for changes to Part 2 – Employment Terms and Conditions - of the *Employment Act 1988* of the arising out of the working party established to review the Act. The Bill deals with such issues as full, part-time and casual employment and loading, spread of hours, personal leave, minimum wage rate, annual leave, rest periods, work outside hours and agreements in restraint of trade. The Bill also clarifies the situation regarding payments to be made for public holidays to classes of employees. The Bill provides for a new subsection to make it clear that the provision of payment in relation to public holidays includes full and part-time employees but not casual employees. Mr Speaker, the measures proposed in the Exposure Draft of this Bill will clarify areas that have created confusion for both employers and employees and ensure that our employment legislation is in accord with modern management practices. I look forward to the comments of Members and the community on this draft Bill. I now move that the Exposure Draft document be noted and printed. Thank you, Mr Speaker. I now move that the exposure draft document be noted and printed

SPEAKER Thank you Chief Minister. Is there any further debate. The question is that the paper be noted and printed Honourable Members and I put that question

QUESTION PUT
AGREED

Thank you. That is agreed to

MR CHRISTIAN Thank you Mr Speaker, I present the financial indicators for the month of March 2009. Thank you Mr Speaker the best that can be determined at the 31st March 2009 is that the revenue fund's overall income is estimated to be at 101.2% of the revised approved budget. That is, \$125,000 ahead of where we thought we would be. Customs duty receipts are \$138,000 under budget; GST receipts has achieved 109% of the revised budget which equates to \$388,000 over our budget estimates, however included in the total GST receipts is an accrued sum of \$500,000 for March 2009. The accrual of \$500,000 is based on the average monthly receipts from July 08 to February 2009. The sum total of other taxes categories is \$39,000 short of the revised budget; departure fees is \$67,000 short of the revised budget, the revenue fund's budgeted income from the liquor bond is \$65,000 over budget, earnings from other charges, income categories is currently \$67,000 over budget, \$91,000 of this \$67,000 net excess is the gaming currency exchange on funds converted to euros in August 2007 to purchase the two Rosenbauer fire tenders and the balance converted back to Australian dollars in January 2009. Mr Speaker on the expenditure side, the overall expenditure including known creditors at the end of March 2009 is \$1.3% or \$140,000 under budget. All expenditure categories except for Health and Quarantine, that is, the Hospital grant etc which have prepaid a \$5000 over and that means the prepayment is for the current period and a future period so it's technically not an overspend, and Community Services. A tourism grant has also been prepaid \$313,000

in advance so we are under budget in respect of expenditure and the most significant one being Administrative, and that's the salary side of the Administration which is \$234,000 under budget. At the 31st March 2009 the overall revenue fund's budget is in deficit \$446,000 which is \$265,000 better than budgeted at that time and if you add the two together, what that tells us on pro rata basis is that we would have expected at this point in time to be \$711,000 in deficit so it's quite a positive outcome there and if we could maintain that trend for the rest of the financial year, we should still be able to come out a little bit better than the \$948,000 deficit that we originally expected. So if we turn now to the revenue fund's capital works and purchases page, the revised budget provided for an annual spend of \$97,900 and to date we have spent \$70,200 of that money so we're tracking fairly well there. If we now turn to the revenue fund and I stress this is the revenue fund not the whole of the Administration situation in respect to current assets and liabilities the estimated position is this, cash at bank situation is \$1,487,200 and our other assets including debtors and the like comes in at \$1,146,600 so our total current assets held by the Administration at the end of March 2009 stand at \$2,633,800 and our liabilities which stack up against that total \$2,772,700 and then when we add that to our long term employees entitlements of a figure of \$452,200 we arrive at a total liability of \$3,224,900 which would give us reserves at the 31st March 2009, negative reserves of \$591,100. Mr Speaker as I've said before, the long term entitlements are not likely to be called and when you deduct that \$452,200 from the \$591,000 the overall result at this time isn't actually too bad considering the economic times that we are operating in so once again I am comfortable with the situation and I can fund that through to the end of the financial year. Whilst I'm speaking about funding the Administration for the rest of the financial year, I must highlight that this morning I have authorised the transfer of an additional \$217,000 to the Norfolk Island Government Tourist Bureau and that is funding that will allow the Tourist Bureau to continue to operate until the end of this financial year. It will allow the Tourist Bureau to meet its financial commitments, which include the continual promotion of Norfolk Island through until the end of the financial year so I am delighted that I've been able to assist my colleague, the Minister for Tourism and Health in that respect. If we turn to the page in the financial indicators entitled cash at bank, and I'll read for the benefit of the community the numbers contained within it. The total cash at bank held by the Administration at the end of March 2009 stands at \$7,776,600 and as I say, this is the whole of the Administration not just the revenue fund, so there's \$7.7m sitting there. Interestingly if you look at the figures the Norfolk Island airport is in the red at the moment of \$574,000 and that relates purely to the operation of the airline out of the airport GBE and I am doing what I can to turn that around but it is awfully difficult in this environment. Interestingly, if we split the cash at bank into non trust and trust type accounts, we have a touch over \$4m in non trust accounts, so there's a healthy amount there and in trust accounts we are sitting on about \$3.7m, \$3,748,000 and included in that amount is the figure of \$2,998,000 so just on \$3m in prepaid airline ticket sales. When you look at that figure it's quite interesting because it actually defies to the downward trend that we've been experiencing in visitor numbers and returns the funds held at this time, back to similar amounts that were held in October November of last year. We have some fairly sophisticated sales measuring tools in place at the airline now and we compare weekly sales made to the corresponding week in the previous financial year and some weeks are up, and some weeks are down. Overall the trend has been upwards, but I've got to say that last week, we actually experienced about a 26% decline over the corresponding period last year in weekly sales. That's not the news that I relish receiving and it indicates to me that from an airline perspective and tourism perspective we've got some serious work to do and to that end, I think the Norfolk Island Government Tourist Bureau will hopefully soon complete the recruitment of a dedicated marketing person because if we ever needed somebody dedicated to that role it's now. It will be a shared resource between the airline and the Norfolk Island Government Tourist Bureau and Terry Watson and Geoff Murdoch, two key people there in those establishments, are working fairly vigorously at the moment with our major wholesalers at getting some new advertising out there into the marketplace. To give you some idea of how difficult it is, major campaigns were run with some of the wholesalers over the

weekend just gone, and those ads probably cost us collectively somewhere in the region of \$30-40,000 for the weekend and at close of business yesterday we had received 14 enquiries. So, the bang for your buck in this environment is not very good so we are working now on a daily basis to come up with strategies where we can work harder and work smarter and I've got to give thanks to Terry Watson and Geoff Murdoch for sticking in there with Geoff Gardner and myself in these difficult times and at the moment I can't see it getting any easier in the short term. To give you some idea of how things have changed. It's not that long ago you could talk to tourist accommodation proprietors in Norfolk Island and they would tell you, yep, we're pretty happy, we're booked out a year and a half in advance in good forward bookings. Well from the airline's perspective those days are long gone. I can tell you now that the bookings profile is as short as two to three weeks now and that's not a comfortable position to be in when three weeks out from a scheduled flight you've got low factors around 24 or 25% and you've got to work your backside off to get it up to somewhere around the 65 to 70% which is our target so that's what we are striving to do, and I've not doubt that we will rise to the challenge and we will succeed.

The last page I wish to refer to is the results for Norfolk Air for March 2009 and to give Members of the community some idea of how the airline is going. Total income for the airline for the month was \$1,960,000 and our total expenditure came in at \$1,750,300 but that would deliver us an income excess of about \$210,000 for the month which is a little bit less than what I was expecting because March was a very good month, but it just reflects the level of discounting that we've had to put into the marketplace to achieve those passenger numbers. At the expenditure side there are two fairly large ticket items in there which are non recurring. Fit out and maintenance for the aircraft is \$60,000, this is the cost of painting the Our Airline in our corporate colours, and there's an amount in there of \$38,000 which is the figure that we provided to fit six premium economy seats to the front of the aircraft. Those seats had to be purchased separately in the United Kingdom and air freighted out Australia and hopefully they will be fitted in the not too distant future and they are non recurring costs and some of it will actually be amortised back from Our Airline over the next twelve months, so a pretty good result for March. Now if we look at the year to date, from July to March the results are these. Total income for the airline from all sources was \$14.5m a total operating expenditure if you like is \$15.5m which would put us in the red to the tune of \$1.3m for the financial year to date. We've been able to offset that with accumulated profits from previous years, from the 06/07 with a figure of \$759,000 and from 07/08 a much lesser figure of \$35,000 so the wash up there is a net loss of \$505,000. That's not too bad a position for the airline to be in. An extra column has been added to this page, which I will explain. I've decided to table this today, but the column is basically for my information, rather than the community's information because what the column does is project it out for the full year, and it says if you do nothing, where will we end up and if we do nothing this is what it says. We expect that gross revenue will come in at \$19.7m. Total expenditure will come in at \$21.4m and the net loss for the year would come in after advertising, a predicament of \$450,000, to a little over \$2m. Some people might be alarmed when they read those numbers but to me they are very handy management tool and obviously it is not our intention to sit on our hands and do nothing, but I must point out as well, that in that \$2m figure are some fairly large amounts and I will explain them. We have listed in that as doubtful debt, the \$800,000 that was advanced to Ozjet some time ago as a bond. That money is due to be repaid when the current contract expires. I am aware that Ozjet aren't sailing too well financially, and I will meet with the owners of Ozjet and Heavy lift in Sydney on Thursday of this week to formulate a payment plan where they will repay that money to the Norfolk Island Administration possibly over the next six months, so whilst it is listed in there as a doubtful debt, I've not given up hope yet that I will recover that money. There is another large number in there of \$450,000 which actually falls in the aircraft fit out and maintenance category and I need to explain this as well. At the time that the contract was signed with Our Airline to take over the provision of air services into Norfolk Island I had to protect the Administration's position because at that stage I had some doubt that Ozjet would actually come good with the \$800,000 so I effectively

sold the Norfolk Air contract to the Nauruans for \$1m. That was my hedge and they had to pay to the Norfolk Island Administration \$450,000 upon signing of the contract and upon commencement day they had to transfer to the Norfolk Island Administration a further \$550,000. Now the world that we are living in today is a vastly different one to the world that we lived in a year ago, when all these negotiations took place. Our airline did the right thing. They went out and bought a dedicated aircraft for the Norfolk Island service. They bought that aircraft probably a lot sooner than they needed to and a hole was being burnt in their finances meeting the lease payments for the intervening period from the purchase of the aircraft until it actually started earning income with it flying for us. What I've agreed to do is actually give them back the \$450,000 to assist them and the reason I've agreed to do this is that in the current environment we have contracted at the time of signing the contract, a guarantee of 2007 hours per year of utilisation. On current rates we will only be giving them 2001 dollars of utilisation so I am paying the \$450,000 back to them weekly in small amounts and I will probably waive the requirement for them to pay the \$550,000 on commencement of the contract and we will put all of this into the melting pot at the meeting in Brisbane on Wednesday of this week where I will trade the \$1m in exchange I suppose for the acceptance of reduced flying hours by Our Airline for a period of time. Otherwise they would be able to renegotiate the contract and charge us higher charter fees so there's a little bit of wheeling and dealing that will be going on this week and I'll keep my executive colleagues informed. There are some potential other exciting news in the airline world that I'm working on but at this stage I can't share that with the community Mr Speaker. Thank you

MR SHERIDAN Mr Speaker may I move that the paper be noted. Mr Speaker just a question for the Minister in regards to the figures there to satisfy my own curiosity. I note in the cash at bank page the Norfolk Island Airport for the last four months have been running at well over a deficit of \$400,000 and currently it stands at \$574,000. Now this is for the Airport Enterprise and also for the Norfolk Air operation. Minister my question is, how do we keep funding these operations if for the last four months we have been on an average, well over \$400,000 in the red

MR N CHRISTIAN Thank you Mr Speaker the answers fairly simple, if you look at the total cash at bank and you take out the IBD's there's \$5.2m sitting in the Administration's account and that's what funds it

MR SHERIDAN Mr Speaker a further supplementary question there, but exactly where does it come from Minister. What area of the Administration. I know we have checks and online accounts of \$5.2m but it's not actually dedicated to the airport. It's the access to the Administration you might say. If these areas are running at that difference, so where are we taking the actual money from. What areas

MR N CHRISTIAN Thank you Mr Speaker Mr Sheridan has answered his own question. The Administration has a single bank account, a single cheque trading account, and all of its funds reside there. The amount in that account at the end of March is \$5.2m. That funds the entire operation of the Administration. What we have done in itemizing all of this is pointing out where each of the entities stood at that point in time. Now if you look at what we've done in the airport, we funded RESA, we funded the fire station, we funded some car park drainage work and things like that. What that tells us is that the Norfolk Island Airport is in effect, borrowing from the rest of the Administration. When will that turn around? I expect that it will be turned around by about June of this year and that's why we've stopped the RESA work and it starts later on in the financial year, in the new financial year, and that's why we've proposed at some point in the near future unless things improve to also suspend work on the fire station and that number there could get worse or it could get better, depending on how the airline performs

MR SHERIDAN Mr Speaker I know what the Minister is trying to say and I understand the total cash at bank is \$7.7m at 31st March but I also note that

\$3.7m of this is in trust accounts. Now if these are all lumped together in one account in the Administration how can we be assured that trust account moneys are not being utilised to fund an activity within the Administration

MR N CHRISTIAN Thank you Mr Speaker once again Mr Sheridan has answered his own question. Monies that are held in trust accounts are in trust. If you look there at the cash at bank, \$5.2m of it is in the cheque account. There's \$2.4m in term deposits. We don't delve into trust accounts. I do not use any of the prepaid ticket sales, monies that are held to run the airline. I believe I'm entitled to. They are listed there as being in trust. I don't consider them to be in trust but we treat them as if they are in trust

MR SHERIDAN Mr Speaker just to further clarify the point. I understand that we have \$7.7m in the bank. Term deposits amount to \$2.4m of that but in trust accounts is \$3.7m so I'm saying that there's a difference between the \$3.7m and the \$2.4m. That has to be in the cheque or the online accounts meaning that that's money that's available to be used. Is that correct Minister

MR N CHRISTIAN Mr Speaker I use whatever funds the Administration has available to it on the advise of the Finance Manager and I so have stated. If I wanted to, I am quite entitled to use the airport prepaid ticket money to fund the airline. I choose not to. I identified them here as if they are in trust but I would be quite entitled to put all of that money into the airport GBE

MR MAGRI Thank you Mr Speaker whilst I recognise and obviously appreciate the efforts of the Chief Executive Officer and the entire Public Service in constraining and reducing the public expenditure in order to limit the size of our revenue fund deficit we all need to remind ourselves that in light of what is a sustained downturn in visitor numbers in a very difficult global economic environment, that the next six to twelve months will not be easy for anyone. Mr Speaker having said that I remain extremely confident about the future for Norfolk Island and some of the exiting new opportunities and the flow on in increased Government revenues that will occur from these opportunities. This will all be possible through initiatives including high speed broadband activity; through the SPIN network; cruise ship tourism and a vibrant and growing gaming industry. Mr Speaker in light of the significant regional and global financial environment we are facing and as these significant new initiatives will not have a positive effect for another 12 to 18 months, the Norfolk Island Government will need to continue its tight reign on Government spending, especially over the intervening period. With the Australian Federal Government facing their most difficult budget in recent history, the Norfolk Island Government will continue to face the challenges of a depressed economy with the utmost diligence.

MR SHERIDAN Mr Speaker just a further question of the Minister there that slipped my mind just previously, Minister just with the forecast projected for the airline of some \$2m I think it is, negative for this current financial year, that's what you were talking about, the projection, is the airline executive considering consolidating some flights over the next few months to alleviate that loss

MR N CHRISTIAN Thank you Mr Speaker Mr Sheridan continues to refer to the \$2m deficit there. I've attempted to explain that \$1.2m of that is for special purposes. The \$800,000 doubtful debt I think I can now confidently recover in the next six months, which makes a huge difference to that figure. As I say, that figure there is principally for my information. I've chosen a the moment to share it with the public, but it's not really for their benefit. Have we decided to cut schedules. No is the simple answer. We have looked at our passengers booked on forward flights to see if we can trim some flights and every flight that's in the system now, through til about September has more passengers booked on it than we can carry if we took some services out of the schedule so it's not as simple as just taking a service out. We can't at the moment.

We've looked at it, so the focus needs to be on filling the seats and that's what I'm getting on with Mr Speaker and our efforts in the Australian marketplace over the next few weeks will be significantly ramped up

SPEAKER Thank you Minister. Further debate Honourable Members. There being no further debate, the question is that the paper be noted and I put that question

QUESTION PUT
AGREED

Thank you. Any further Papers for Presentation Honourable Members. No. We move on to Statements

STATEMENTS OF AN OFFICIAL NATURE

Are there any Statements of an official nature this morning Honourable Members?

MR MAGRI Thank you Mr Speaker, I would just like to commend everyone involved in the preparation on the report on retail shopping which was recently jointly released by Norfolk Tourism and the James Cook University. The comprehensive 95 page report is available to anyone wishing to study it in detail from the Norfolk Island Tourist Bureau website at www.norfolkisland.com.au. Mr Speaker, the retailing report arose from a very detailed survey, which was designed to focus on five important shopping issues: Customer service standards; Price; Merchandise issues; the in-shop experience; and the shopping precinct experience. The study identified a large number of strengths in the Norfolk Island retail industry, but I think it is fair to say that the report concluded that we could do better in all five of the key areas. I welcome the findings of the study, and the 10 key recommendations made in the final report. As Minister for Commerce and Industry, I will continue to consult with the peak bodies for retailing in Norfolk Island, as well as my Ministerial colleagues, to consider those recommendations in detail and to work towards an implementation strategy. Mr Speaker, the past few weeks have seen major steps toward revamping our overall approach to tourism and the promotion of Norfolk Island, including a new tourism brand. I believe that the James Cook University study of retailing gives us a similar opportunity to reinvent ourselves as a shopping destination with world's best practice in retailing. This task will not be easy or quick, but now is an excellent time to start the process. Thank you, Mr Speaker

MR GARDNER Thank you Mr Speaker. I welcome the opportunity this morning to update the Legislative Assembly and the community on what has been both a very difficult and eventful year in tourism for Norfolk Island. We came into this 2008-09 having achieved a very modest gain in visitor numbers over the previous year. We were also well positioned to pursue further tourism reform as outlined in the tourism strategy that the Legislative Assembly formally adopted in 2007. In the early 1990's the Tourism Strategy then called for new markets, new products and improved service delivery. The initiative to reform the industry was not embraced unfortunately, with the enthusiasm, skills and resources necessary to translate those aspirations into action, nor did it deliver the sustainable growth in the industry that was needed. Professor Bruce Prideaux of James Cook University, mentioned earlier by the Minister for Commerce and Industry suggested in 2004 that if the island fails or is slow to change its product and method of presentation there is some danger that baby boomers will seek other more relevant destinations. Between 2002 and 2007 outbound short haul holiday traffic from Australia raised by 60% yet despite such positive indicators and with an ever increasing financial investment by the Norfolk Island Government and the Tourist Bureau's activities and increased activity in marketing promotion, visitor numbers to Norfolk Island faltered and have since struggled to maintain the levels enjoyed in the latter half of the previous decade. What does this mean for Norfolk Island. We were a tourist destination that was

declining in market share, in a growing market. Some within the community suggested that the answer to reversing recent trends is to call for us to just get bums on seats. What we've done in the past no longer achieves even this seemingly simple goal. Furthermore this only works if the airline, who control seat prices, cut them significantly and that is not a sustainable strategy, for Norfolk Island, for Norfolk Air or for any other carrier for that matter to do longer term. The Tourism Strategy we are midway through implementing is the way forward. It addresses reform at virtually every aspect of tourism on Norfolk Island, reform necessary for Norfolk Island to retake it's rightful as a top of line tourist destination. So what is the state of play so far this year. Tourism Norfolk Island held the second tourism awards in December 2008, and planning of the next event is already well-underway. The awards entry has evolved over the last two years so that it can now be the basis of an accreditation programme for all businesses on Norfolk Island. This will establish standards for business and enable a continuous improvement culture within our industry. Tourism Norfolk Island completed an intensive research project to understand our potential markets. This clearly demonstrated and reinforced the views of Professor Prideaux in 2004 that the baby boomer market was ideally suited to what we had to offer as a holiday destination, and Norfolk Island has agreed. This market analysis informed the development of a new brand for destination Norfolk, and that brand – *'The World of Norfolk. Small World. No Small Wonder'* – has received overwhelming support both on-island and with our off-island partners. Local media, including The Norfolk Islander, has embraced the new brand, an anecdotal evidence suggest that the registration of website domain names incorporating 'The World of' concept are on the rise. Why did this brand generate such positive acclaim? Well it reflects how we live on Norfolk Island and how we see ourselves as living in a world in its own right with so much to do and enjoy. It reflects how many of our visitors perceive us to be too. The brand's call for unity, *'Wun World. One Norfolk'*, and it resonates with so many of us. The brand positioning will drive a complete rethink of how we creatively take Norfolk Island to the world to build awareness that we are not only a most worthy place to visit, but a must do destination. Tourism Norfolk Island introduced an online booking system, Bookeasy, into the Bureau to provide more choices for potential visitors to book a holiday on Norfolk Island. This also provides a platform to take Norfolk Island to a world market in a cost effective manner. Tourism Norfolk Island introduced a new marketing partnership program with Australian wholesalers that sought to maximise the returns from our limited marketing dollars, remove duplication of marketing effort, and allow us to better assess marketing performance. Tourism Norfolk Island undertook a study into the retail sector on Norfolk Island that my colleague the Minister for Commerce and Industry just recently referred to, that informs the industry here as to the issues and challenges it faces to improve its viability. The author of this report, Bruce Prideaux, was on island last week to inform stakeholders of the report's finding and the way forward. During that visit I also took the opportunity to introduce him to Members of the Legislative Assembly for him to make a presentation on the findings of that report. It is important to recognise that this report was not an industry or Government appraisal of retail in Norfolk Island. The results and recommendations are drawn directly from survey responses from our visitor market based on their expectations, their perceptions and more importantly, their experience of the Norfolk Island retail environment. The Tourist Bureau has undergone restructure and financial reform during the year. It continues to do so and I will discuss these in more detail later. New Zealand marketing was overhauled to improve partnerships with industry there. We have encouraged the Tourism education programme to incorporate all relevant tourism studies in the school curriculum. Over a dozen industry workshops to inform, educate and update the industry have been held. Market intel have become a must read for all who have an interest in our most important industry. The inaugural Norfolk Island Tourism Exchange endorsed by all who attended as a huge success improved relationships between over half of the local industry and key industry wholesalers and just last week we attended our first OzTalk the region's, largest Tourism Exchange. Our participation in this important event was only achieved following discussion with, and securing support from, the Australian Federal Minister for Tourism, the Hon. Martin Ferguson and now a further 137 retail agents know lots more about Norfolk Island. This

is a sound platform for further reform and I must pay thanks to the General Manager for Tourism, Mr Terry Watson and his staff for having achieved so much for Norfolk Island Tourism in his sixteen months at the helm. Much remains to be done, but never before has Norfolk Island been better positioned to achieve higher levels of sustainability from our major industry. Never before have so many been involved in building this future. Never before have we placed so much information in the hands of our industry that might be used by business owners to inform their decision-making for the future. In other words, Get on Board. Yet the year has been beset by challenges far less pleasant to deal with. Norfolk Island, like the rest of our market, is captive to the worst global economic and financial downturn since the 1930s. The economies of our most important markets for visitors, Australia and New Zealand have moved into recession. Visitor numbers to Norfolk Island have fallen away by 13.7% to the end of March 09 compared to the same period in 2007/2008. We are all experiencing the significant impact this is having on both the public and private economies on Norfolk Island, and despite solid March arrival figures, there remain challenging and difficult times ahead. There were left-over challenges from 2007-08 to address deep-seated structural problems within the Bureau specifically, and our industry generally. Some of these are worthy of greater attention here today. The restructure of the Tourist Bureau has not been without difficulties. The current Tourism Board approved the restructure in June 2008 after adverse audit reports, and after repeated attempts to improve financial management and reporting was not successful. Evidence suggests that these matters had been of concern to previous boards, and were known as far back to 2002 by the then Norfolk Island Government and quite possibly before then. The Government fully supported the initiative to improve the management of substantial public monies within the Tourist Bureau. While in the past things could and should have been done better in some instances, and hard lessons have been learnt, significantly, systems, both manual and automated, and checks and balances, have been vastly improved. A proper budget is in place, profit and loss statements and a balance sheet are now relevant and useful management tools. Yet, major problems came to the fore as reform progressed. Unaccounted for Departure Tax monies totalling \$42,000 were investigated by the Police, yet insufficient evidence to support further action being taken has been uncovered to date. An independent forensic audit of the Bureau trust account that has been completed recently could only conclude that these monies had not been banked. In addition to this, over \$340,000 of unpaid creditors from the 2007-08 financial year surfaced in the first four months of 2008-09, and we have had to settle these accounts from this year's allocations. While Tourism Norfolk has worked to the budget agreed to the 2008/2009 and will meet that budget, these credited transactions which recent evidence suggest were compounded over a number of years, and, importantly, that were not recorded in the Bureau's financial systems, have resulted in a significant cash flow problem that the Tourist Bureau and the Norfolk Island Government are now jointly addressing. This is a most regrettable situation that it would appear, has come about over many years. This Government remains committed to Bureau reform, particularly financial reform, to remove once-and-for-all the malaise that had become a way-of-life at the Bureau. In relation to that, both the Minister for Finance and myself have had discussions with the Public Service on Norfolk Island about the mechanisms that need to be put in place to bring back under the Administration's wing for financial management and use of their systems and under the scrutiny of the Public Monies Act the financial management of the Norfolk Island Government Tourist Bureau. Reform also involved a significant upgrade to the management and skills capability of the Norfolk Island tourism team. We, the Norfolk Island Government and the community generally, have consistently asked the Bureau to do more, and improve outcomes, with little if any thought about resources and expertise. Arguably this same claim could be made for many other situations on Norfolk Island. The last two General Managers of Norfolk Island Tourism were asked to continue with 'business as usual', a fulltime task already, and in addition, implement a tourism strategy based in growing demand in new market segments, and improving the delivery of what we offer visitors. Again without consideration of resourcing and skills. With increased demands to deliver growth in an increasingly competitive marketplace and without complimentary levels of people skills

and financial resources we unwittingly, in my view, were merely setting up people to fail. If the Bureau is to do what we expect of it, and be a leader in tourism reform, we have to upskill. We have to invest in our people as well as better work practices. This work continues, and going forward we will continue to improve management, project management, teamwork, marketing, IT and web capability within the Bureau. The last two, IT and web are critical because our website needs significant work before it is an information source that supports the internet as an important and growing distribution channel for Norfolk Island. To date we have increased the fulltime staff levels of the Bureau by one position. This position was initially for events coordination and it was originally envisaged to do two things. Firstly, it would manage the existing events, namely, the Jazz and Opera Festivals, and the Tourism Awards. Jazz and Opera continue to perform poorly on the revenue side and are not profitable although they might well be to the community generally. Work is underway to improve these events so that they can become candidates for outsourcing in the medium term. Secondly the position would help Norfolk Island individuals, existing event organisers, and other groups improve existing events, including sporting and cultural events and to create new events. The coordination role was not one of creating more events for the Bureau to manage unless they were part of delivering on the role of the Bureau. An event like the very successful Norfolk Island Tourism Exchange is a prime example of this type of event. But in the tourism strategy the need for a far more strategic role that would guide the development of product for the destination of Norfolk Island, and ensure product was delivered well, time and time again, was identified. Events form only part of the product required. Cruise ships, and improved and new products based in special interest activities, history, the environment, and retail, are also required. As well, industry accreditation that ensures we deliver on-island to consistently high levels demanded by our customers, is of paramount importance. As such, the events coordination role has morphed into a far more strategic role of destination development in line with the tourism strategy. Notwithstanding this role change, there have been significant improvements in the events area in the last year and the Tourist Bureau has played a role in many of them. In 2007 a 'Bright Ideas for new events' competition was held in partnership with The Travel Centre. Many ideas were generated, and some of these have seen, or are now seeing, the light of day. Summerfest has happened twice, with the latest in January 2009 including a re-enactment of the burning of the Bounty. Over 40 people of the Christian faith were on Norfolk recently. Over 60 Red Hatters will be on Norfolk in June. These are new events for Norfolk Island and examples what the Tourism Strategy suggested must be done. Target groups with a special interest. And there is more. Foundation Day celebrations received a new lease of life in 2009 with a very successful partnership between the Bureau, Kingston and Arthurs Vale Historic Area, the Norfolk Island Central School and Pinetree Tours. Work is underway on a Norfolk food festival. Over 140 opera buffs visited us recently with a similar event scheduled for September of this year. The Christmas shopping event will evolve to where Norfolk Island is competing for the 'World's biggest Christmas tree', if not this year, certainly in 2010. And assistance is being provided for broadcasting and marketing for the World Bowls next year and for bringing our major festival, Country Music, back to profitability, which it has struggled to achieve for several years. Yet the events challenge facing the Bureau, and indeed Norfolk Island, is far bigger than what it might appear. We do not have the physical infrastructure and intellectual property in place to be able to conduct events, or to help the community establish events in the right way. We need a 500 plus seat venue to replace the marquee. This is under consideration. We have no intellectual property of past learning's or templates for event planning, risk management, gaining sponsorship, or taking the event to market, that can fast-start event organisers with improving an existing event, or creating a new one. Building blocks like these are not just ideas, they are the key to better events for Norfolk Island, and are already part of our reform agenda. They are investments that we must make. In the next few weeks we will resume our search for a fulltime Marketing Manager. The position will serve both Norfolk Air as well and co ordinate the joint marketing activities of the Bureau and the airline. The Minister for Finance outlined that in his previous presentation on the financial indicators. This resource will manage the Australian partnership with a revised set of

wholesalers, selected based on performance and potential. They will also ensure we leverage our new website, and its online booking and marketing capability for niche marketing and events promotion. With search engine optimisation technology will play a major role in ensuring we are no longer the South Pacific's best kept secret. This now brings me to next financial year and the draft budget that has been circulated to Members. We can look forward with more confidence than ever that tourism on Norfolk Island can become a sustainable wealth creator for the community if we have the courage to stay the course. We can look forward to the financial mess of the Bureau being a thing of the past and we can look forward to meeting our Strategic Plan targets as the dark clouds of regional financial and economic difficulties fall away. In marketing, we propose to increase funding for the wholesaler marketing program in Australia by 35%, with fewer partnership commitments, and with a destination as well as a co-operative advertising focus. We will completely revamp our creative and public relations approaches in Australia and New Zealand using the new brand, *'The World of Norfolk. Small World. No small wonder'*, as the catalyst for doing so. By April 1 2010 the new brand will be fully rolled out and be a reality in the marketplace. As part of a new approach to marketing and promotion we intend to bring home much of the creative design work, that is currently done offshore, thereby creating job opportunity for Norfolk Islanders. We will embrace the web as a marketing tool to increase visitation to the Norfolk website three-fold to 300,000 visits per year, and hope to convert an industry standard 2% to book a holiday here online. Product development to assist local operators and off-island partners realign to the new brand, and for cruise ships, and six ships will visit us in 2010 and environmental and cultural tourism, will continue in 2009-10. We will redefine the role of the Tourism Ambassadors to help with existing product improvement, new product development, and the selling of this product. A program for business accreditation, that we have called the 'Better Business' program, will begin next year. There is already support in our industry from bodies like the Hire Car Association for accreditation. They see this as a means to improve service and grow profits and I applaud them for their vision and initiative. We look forward to working with them on a combined programme for the future. It's now time to embrace accreditation more fully. Community education in our accreditation approach will be undertaken next year. While work has been done already to define the accreditation program in outline, the next 12 months will flesh it out in greater detail. We will complete the design of the governance model, the benefits approach, and accreditation guidelines, tools and techniques. Partnerships for assessment will be established. In 2010-11 the program will be trialled, and the program will go live the following year. In 2008-09 the tourism budget approved by the Norfolk Island Government was \$1.25m. Down a little from the initial bid of \$1.285m and I foreshadow now that the draft budget seeks an increased investment in the coming year to achieve the outcomes described above. The Tourism budget discussions and robust debate about every line of investment will continue for some time, and in particular in this House I'm sure in an environment where much tougher scrutiny of budget bids will occur than ever before, but once these have been completed and a budget is agreed to, I have requested that the Board publicly present the budget and the plans for the next 12 months to the community. We hope to build on the significant commitment already apparent for further tourism reform in Norfolk Island. There are detractors, but there are many more supporters and many others who are positive in their feedback. We must execute the day to day business of the Tourist Bureau better than ever. We must also I believe continue the implementation of the tourism strategy that we, as an Assembly, approved only two years ago. There is no viable alternative and the proposed budget for 09/10 reflects this belief. I remain committed to delivering the reforms required because this will improve the lot of all Norfolk Islanders. In closing Mr Speaker I would like to thank the many people in our community who have supported Norfolk Island Tourism and provided encouragement to continue the journey we have begun. I value the strong relationship that has developed between the Tourist Bureau and our major carrier Norfolk Air. It is vitally important for the future going forward that that is maintained. My thanks to the Board and staff of the Tourist Bureau for their ongoing commitment in very testing times. To the detractors and there are some, we welcome your feedback as long as it's constructive and to the many

of you who have assisted along the way, a special vote of thanks from this Legislative Assembly for your often tireless efforts. We have set ourselves lofty goals, but if we live, One World, One Norfolk then we will be positioned more strongly than ever before to succeed. Thank you

MR N CHRISTIAN
noted

Thank you Mr Speaker I move that the paper be

SPEAKER
be noted

Honourable Members the question is that the paper

MR N CHRISTIAN Thank you Mr Speaker I commend Mr Gardner on that detailed statement that he has just presented to the House and I just wish to clarify some of the financial aspects in respects of parts that I referred to in my comments on the financial indicators and some of what Geoff refers to in his statement. Because Members of the community are probably wondering out there why the numbers don't stack up. What are you doing about it. The situation is this, the shortfall that the Norfolk Island Government Tourist Bureau was identified for this year as being \$339,000 and Mr Gardner referred to an amount of approximately \$340,000 so there is consistency there. What we have done is today I've authorised the transfer of an additional funding to the Norfolk Island Government Tourist Bureau totalling \$217,000 and that will allow them to meet their commitments, both in a marketing and other supplier sense. \$122,000 will be carried over into the next financial year and will form part of the 09/10 financial years budget and that's how we intend to account for it and handle the situation so it's as Mr Gardner has said, an unfortunate situation. I've got to stress there that with the \$339,000 it's not that any money has been stolen, it's not that any money has been missing, it is simply the fact that legitimate invoices have never been presented to anybody for payment and have mysteriously appeared out of a bottom drawer. We've taken stock of it, we've got the matter in hand and we are doing what's responsible. Thank you Mr Speaker

MR NOBBS

Thank you Mr Speaker I'll just be very brief and just commend the Minister and the management and staff of the Norfolk Island Government Tourist Bureau for sticking to the five Strategic Plan. As the Minister has alluded to it's not always easy and at a certain point in transition there is obviously plenty of detractors who perhaps think that we should stay right where we were, but there's an old adage that fits that, and that's if you do what you've always done, you'll get what you've always got and in the challenges we face in the marketplace at the moment, we can't afford to fall back or behind on those areas. I definitely welcome the reforms that have been put through the areas of our tourism area management and also welcome the branding and the fact that it provides the opportunity for a greater unity for all those working in the tourism industry but also within the community to some degree I would imagine and also leads right on to the accreditation process which will stand us all in better stead I would have thought, and I recognise through the statement the Minister has made that there's community education programmes and various other surveys to help those processes along the way. Thank you

MR MAGRI

Mr Speaker Thank you. I also commend the Minister for Tourism on that extensive statement but just one thing that I wanted to add, and I'm not actually adding anything, I'm only confirming what the Minister said in his statement, that all the talk about the tourism especially in relation to the \$340,000 of unrepresented creditors is not the fault of the current management and in fact, the current management ought to be commended for finding and fixing this problem once and for all

MEMBERS

Hear, hear

MR ANDERSON Mr Speaker I would like to commend the Minister for a most comprehensive and exact report of the situation in tourist industry and the Board at the moment. He covered every detail very succinctly and I think that it's great that such a report can get out to the community so that they can understand just where we stand a lot better because there has been so much misinformation going around as to our current situation. We are on the right track. And as a Member of the Tourist Board I commend the way that Terry Watson ferreted out the financial situation so that it was brought out in the open and he was like a terrier in making certain that we got results and he really does have to be commended on that. The Events Coordinator is an area which is unfortunate that there was misunderstanding in just what should happen with that position. It was never really envisaged and it possibly was an unfortunate term, because it was never envisaged that they were going to coordinate all the events around the island. I think it's important to realise that if we are going to be successful in events, we need more, but we have to have drivers of these events. It's no use people coming up with good ideas if they are not going to drive them. In any environment, whether it's in the House here, or whether it's other events, there has to be a driver. There's always someone who is going to get a hold of that idea and do something with that. Now my point here, is we need more of this. Some of our present events are tired. They haven't made money. These people need to look at and analyse why they haven't succeeded. The Government can't prop up these events. The Tourist Bureau can't prop up these events. The Tourist Board as such, if they have an event that is not showing a profit and is being a drain on our resources, they need to be outsourced because there is plenty of scope for events. We can bring in revenue from events and it needs a complete rethink in this regard, and as I say a lot of events can be outsourced. The two events that are not making money that the Tourist Board are operating, they need to be outsourced. One of the events I think and even the other one, lost quite a bit of money. I don't know the exact amounts. The Country Music week has been losing money for some time. These events don't have to lose money. They need to be rethought and whilst we might need a 500 seat performance entertainment centre what have you, there's a lot of money here and little fish are sweet and I think we have to think more along these lines. Each event that we hold, doesn't have to be a massive event. It doesn't have to be the biggest, it doesn't have to be the greatest, and we know sporting clubs have held events and been very successful. Coming back onto the report, I again commend Mr Gardner for such a comprehensive report. Thank you

SPEAKER Any further debate Honourable Members. Mr Sheridan, Deputy Speaker I would like you to take the Chair please

MR SNELL Thank you Acting Deputy Speaker. Honourable Members it would be remiss of me not to make some comment at this time on the statement made by the Minister on the situation regarding the Norfolk Island Government Tourist Bureau but firstly I would like to thank the Minister for his very frank and informative report on the situation of our tourism industry but he did make some statements which I would like to just comment on. One is that the situation of the Norfolk Island Government Tourist Bureau has been in this decline in financial circumstances for many years. As you Members and the public would be well aware, the Board of the Norfolk Island Government Tourist Bureau and myself as CEO was dismissed in 1992 on the accusations by certain Members of this House that there were discrepancies within the financial situation. That caused a lot of trauma, financial problems for myself and others and it should be recorded that some of those instances related to \$10 taxi fares, the inability to manage a fowl run and very discriminatory comments that were made that were of course hurtful and tourism numbers since then up to the present time have not increased through any additional marketing so you have to ask yourself what has gone on in that Tourist Bureau for the last twenty years. I'm aghast at the situation to be quite honest. \$42,000 of departure tax money not banked. How can such a situation occur. We talk about \$339,000 of unpaid bills not presented. Now I ask you. What is the management situation from that situation that created this problem. How could it have

of the departing passengers so that's why, from our internal and external points of view we didn't detect anything being wrong so that's just by way of explanation

MR SNELL Thank you Mr Deputy Speaker, and thank you for your explanations from both Mr Anderson and the Minister for Finance Mr Christian, it still begs the question though, that the system of accountability within the Tourist Bureau from the period of 1990 to 1992 and the Members of the Board were very vigilant in their operation of that particular Tourist Bureau at the time. We were collecting the departure tax as well, we were accounting for it. We were accounting for it in a proper manner. We were also presenting accounts for payment for both marketing and operational accounts on a fifteen day basis to the Board who then sanctioned it or otherwise. All cheques were written with the Tourist Bureau Manager and of course with the representative on the Board for such things. I just cannot understand why such criticism has been levelled out and I still don't and I've spent many 100's of 1000's of dollars trying to clear this situation in 1990/92. Today we are told that there have been \$340,000 in unpaid bills and there are \$42000 in departure tax not accounted for. I think it is an appalling situation. I think some heads should roll. I think there should be a further investigation. I cannot understand and I don't accept that it should be swept under the carpet. That's all I have to say on this matter at the time. Thank you

MR NOBBS Thank you Mr Deputy Speaker. There are obviously a number of elements that have come out of this debate but one of the key things in the last part of Mr Snell's statement there is that cannot be swept under the carpet. Well it most certainly has not been swept under the carpet. There have been a variety of inquiries and investigations into process, into the handling of monies, into the receiving of monies, into the reconciliation processes used, into the accounting and accounting management external to the Tourist Bureau as well. There was a fairly substantial of that given in this House by the Minister for Tourism and also at a recent Chamber of Commerce meeting that I attended as well, whereby the Chamber's representative provided some information that related to the process of investigation which included full audit and the relevant forensic type accounting processes, and yes, there had been some processes that did not allow some of the finalisation of perhaps a full police report as I understand it, up to this point. However, the bottom line for this is that the outstanding creditors in this instance, we are obligated to pay. They have provided a service and their invoices haven't perhaps been presented in the timely manner that they should have. The ongoing process from this point, is very similar to what Mr Anderson brought forward in his part of the debate, however, it's not the Government taking over the management of the finances of the Tourist Bureau, it will be through the Public Service and what that will bring to bear is the full weight of the Public Monies Act in terms of procurement and reconciliation. Thank you

DEPUTY SPEAKER SHERIDAN Any further debate. There being no further debate I ask the Speaker to resume the Chair

SPEAKER Thank you Honourable Members. The paper has been noted. There being no further debate I put the question that the motion be agreed

QUESTION PUT
AGREED

Thank you. The ayes have it, the motion is so agreed

MR NOBBS Thank you Mr Speaker I would like to provide a review of the second year of the 12th Assembly. Mr Speaker, this is the first Assembly meeting since the second anniversary of the swearing in of the 12th Assembly on 28th March 2007. Executive Members were sworn in on the day following. I now present my second annual progress report on what has been achieved in the past 12 months, and look once more to what is planned for the remainder of the life of this Assembly. Mr

Speaker, when we framed the budget for 2008/09, we looked forward optimistically to another year of growth in tourism and economic wellbeing for Norfolk Island. However, external conditions have had a drastic effect on the world economy and have flowed on to Norfolk Island. We were not very far into the financial year before the first real effects of the global financial crisis began to make themselves felt in Norfolk Island. Incomes for those relying on superannuation and other investments declined rapidly, resulting in the reduction of discretionary expenditure by many people in the demographic from which we receive a high proportion of our visitors. By October 2008, this had resulted in several consecutive months of decline in visitor arrivals, and I informed that month's Assembly meeting that the government was "...intensely aware of the current global financial crisis, which has seen unprecedented volatility in world share markets, the collapse of significant financial institutions and a credit freeze between lending institutions. This comes on top of a long but consistent fall in equity prices in Australia, New Zealand and other world markets which have had a negative effect on superannuation funds and retirement incomes for many people who have been a significant part of Norfolk Island's traditional tourism market. We in Norfolk Island are not immune from these huge upheavals in the world economy. As a small but largely self-sufficient economy, we must brace ourselves for some of the flow-on effects of the global situation. We face a very challenging market situation in our main industry of tourism, possibly for many months ahead. One of the first activities put on hold by individuals and families in tough times is holiday spending." As we all know, the global financial crisis has now become a worldwide recession and the future remains uncertain. Toward the end of 2008, we projected a loss of over \$1 million in public revenues due to a predicted fall of 15% in visitor arrivals for the financial year. As a consequence, the Norfolk Island Government undertook the most comprehensive budget review in the island's history, resulting in identified expenditure savings and the slowing of some capital works projects. In accordance with the objective of the strategic plan, a further outcome from the comprehensive budget review was the decision to move toward performance and program budgeting over the next financial year. This is being implemented in a controlled manner that will not only modernises the incremental budgeting system currently in place, but also align the public service with longer-term strategic planning for Norfolk Island and improve accountability both in terms of management and delivering outcomes to the community. Mr Speaker, the Australian Government has responded to the global financial crisis with a range of initiatives. These have included cash payments to some targeted individuals and stimulus packages for schools, banks, local government and state and territory governments. Norfolk Island has been excluded from all of these initiatives, but we have made a separate submission to the Commonwealth for \$2.5 million in stimulus funding specifically in relation to the global financial crisis. I had further discussions on this matter with the Minister for Home Affairs (the Hon Bob Debus MP) last week, and have received an assurance from Mr Debus that he intends to have further discussions with the Minister for Finance and Deregulation to support our request. Minister Debus and I agree that the issue of possible economic stimulus funding from the Commonwealth is not dependent on the outcomes from our ongoing governance discussions, which continue to progress well. I shall return to that subject later in this statement. In the meantime, we have almost completed the framing of the 2009/10 budget through a detailed process including submissions, consultations and meetings. We have carefully considered all of the revenue and expenditure options open to us and have taken a conservative view of the external economic situation which is likely to continue to depress visitor numbers next year. The Minister for Finance will present a comprehensive overview of our forward projections when he presents the budget to the Assembly at a future sitting. Mr Speaker, although 2008/09 has been a year during which the global financial situation has had significant impacts in Norfolk Island, I am pleased to report that it has also been a year in which we have been able to strengthen service delivery in many areas, move forward with many new initiatives, create new business opportunities, develop our culture and language and position ourselves to take advantage of a future recovery in the world economy. Mr Speaker, we have moved forward in so many areas that I cannot detail them all today. I am sure that there many achievements that each of my colleagues

could add to the list which I will give to provide some overview of the many initiatives we have taken and the progress achieved in the last year. In summary, I will comment on some specific issues and the programmes and initiatives we have put in place to achieve economic growth, social cohesion and improved service delivery during the second year of the Twelfth Assembly. Strategic Planning. The Government of the 12th Assembly has continued to implement its strategic plan, which details our priorities for change and improvement in five key areas: Growing prosperity for all of Norfolk Island; Delivering better services; Ensuring a sustainable environment for living; Promoting fairness, opportunity and responsibility; Enhancing leadership, communication and consultation. We have made considerable progress in these identified areas, and have ensured that the strategic plan remains dynamic by adding to it and developing new and challenging objectives. New business opportunities and economic development. The past year has seen a range of initiatives to broaden the economic base of Norfolk Island and to provide better supports and facilities for new and existing businesses. I will detail just a few. Rather than paying a dividend to the Revenue Fund, Norfolk Telecom completed the purchase of the former cable station facility at Anson Bay, which it now fully owns. This is already proving to be a valuable asset which promises to generate new businesses and public revenues for the future. Media and Gaming have already established the internet-based Typhoon Pools business at Anson Bay, and have plans for future expansion. Other internet businesses have also come on line, and there are a number of promising negotiations for more to come. I should stress that the range of possible businesses extends way beyond gaming to other activities including international telecommunications and provision of a range of services and information online. During the past year, we conducted the successful negotiations with SPIN SA, which have now resulted in the signing of a contract for provision of high speed broadband within the next two years. The SPIN contract is essential to enable us to encourage new businesses and to ensure that we remain competitive with other states in our region. It also opens up a wide range of new opportunities for new enterprises here, while allowing us to on sell any surplus capacity to defray the cost of the service. The year has also seen significant progress in developing and implementing renewable energy projects. The successful consultancy with IT Power Group has pointed the way forward, and we are making application to the Commonwealth's Building Australia Fund for assistance with the capital cost of implementing wind power generation. We have instituted a programme where individuals can qualify for subsidies and obtain rebates on costs for the installation of photovoltaic systems and where surplus power can be sold into the Norfolk Island electricity grid. Norfolk Island has also been chosen as a pilot site for two revolutionary new technologies for alternative energy generation, both of which are about to commence. There has been much progress with boating and fishing policies, and I pay tribute to the Minister for Industry and Commerce who has achieved a great deal in cooperation with the Commonwealth in these areas. The Norfolk Island Fishery Management Policy has been developed and should be fully implemented by the end of June 2009, following an extensive 15-month consultation process. During the year, a joint initiative between the Norfolk Island Fishing Association (NIFA) and the Norfolk Island Government assisted boat owners to purchase an essential equipment kit including emergency flares and an Emergency Position Indicating Radio Beacon (EPIRB). EPIRBs are devices which are designed to save the lives of people in boats which get into trouble, by alerting rescue authorities and indicating the location of the vessel. In the past 12 months, we also encouraged and facilitated two visits by deep sea adventure fishing operators, with positive results for both tourism and related on-island spending. During our second year, we introduced some other changes to assist businesses by reducing costs. These included lower fuel costs through the mini-bulk fuel scheme and volume discounts to businesses for IDD telephone calls. I will detail some other new business initiatives when I turn to tourism later in this statement. *Public Infrastructure.* The second year of the Twelfth Assembly has seen some of the greatest improvements to public infrastructure in Norfolk Island for a long time. As I highlighted last year, we had identified the need to make a range of significant improvements to the Norfolk Island Airport, which remains one of the most important assets of the Norfolk Island community, and one that is critical to supporting and growing the tourism industry.

The projects were vital to ensure that our international airport continued to hold at least Category 6 status so as to assure the future of air services from Australia and New Zealand – and perhaps in time from other international destinations. The major capital expenditures at the airport have included: Work completed at the western end of the extended Runway End Safety Areas (RESA) and the eastern end which will be constructed in the next budget year. When both ends of RESA are completed, we will be in compliance with RESA requirements set by Australian and international air safety authorities. Completion of RESA will improve the safety of operations at the airport and ensure its ongoing contribution to growing our tourist trade. The purchase of two state of the art fire tenders with full capacity to meet airport and commercial fire emergencies and to supplement other community fire fighting resources. The purchase of these much needed new fire trucks was fully funded from Norfolk Island Government resources. We are of course grateful to the Royal Australian Air Force for their subsidised transport of the fire tenders from Brisbane to Norfolk Island. Work has begun on redeveloping the terminal area, car park and hire car security area to make the airport more attractive to visitors, easier to navigate and safer for rental cars and private vehicles. The project also includes better lighting and new landscaped entrance and exit areas. This work is ongoing and is due for completion in the next financial year. The building of new accommodation for the fire engines, emergency service vehicles and volunteer rescue services is well underway and will be completed in the coming year. Once the fire station is completed, work will commence on the extension of the terminal building, to provide a larger arrival hall and room for the modern screening and x-ray equipment which will ensure that we meet all passenger and baggage screening security requirements. It is very pleasing to note that during the year, the Norfolk Island Airport was awarded the Civil Aviation Safety Authority (CASA) District Aerodrome Inspectors Award for Excellence in the category of Best Island Airport. I congratulate all staff of the airport on achieving this well-deserved recognition. I have already mentioned improvements to public infrastructure in telecommunications and energy areas. The Norfolk Island Government is also about to lodge four significant applications for infrastructure development projects under the Commonwealth's Building Australia Fund. We are grateful to the Commonwealth for ensuring that Norfolk Island is eligible to apply for assistance from this fund, which is part of the Nation Building Funds programme. We have developed strong applications, each including a business case and cost/benefit analysis, in the areas of renewable energy, telecommunications, roads and transport infrastructure. These applications will be lodged with the Commonwealth within the next week. Norfolk Island Hospital is developing a separate application for redevelopment and/or rebuilding of the hospital, which it will lodge under the Health and Hospitals Fund. Of course, the lodging of funding applications for these important infrastructure projects does not guarantee that any or all of these applications will be successful. But we believe that we have a strong case and will support the applications with strong representations to all of the relevant Commonwealth portfolio ministers. *Tourism and Norfolk Air services.* Tourism in this time of global financial crisis remains our most significant industry, and one which of course faces many challenges. In the past 12 months, the Norfolk Island Government has committed significant human and financial resources aimed at improving our tourism promotion and market appeal. In implementation of the five-year tourism strategy, there has also been enormous effort to restructure our tourist industry so as to widen its appeal across the market and to best position it to capitalise on any future recovery in the world and regional tourism economy. On 19 March, Norfolk Tourism announced that new initiatives in place or underway included: a Marketing Partnership Program with 11 wholesalers selling Norfolk Island in Australia; increased focus on co-operative partnerships with wholesalers in New Zealand; rebranding of the destination to change the perception of the island in key target market segments; a bi-annual Norfolk Island Tourism Exchange (NITE) to enable visiting wholesalers and travel agents to meet directly with island tourism operators to develop holiday packages and experiences; establishing Norfolk Island as a cruise destination with visits from Carnival Australia and a range of expedition cruise ships in 2010; extensive recommendations to revamp the island's retail sector based on findings from a comprehensive retail survey into visitor shopping requirements in conjunction with

a leading retail expert from James Cook University; an upgraded special events program to attract a wider range of visitors of all ages and interests; the planned appointment of a dedicated Marketing Manager to support the Marketing Partnership Program and seek out new ways to promote Norfolk Island as an affordable and exciting holiday destination; and a centralised BookEasy reservation system that enables consumers to search, book and pay online for their Norfolk Island holiday. Of these steps, there are two that are worthy of further comment. Firstly, the rebranding concept has been well received in the industry both here and off-island. It offers a fresh approach which should widen the appeal of Norfolk Island to a broader range of potential visitors. Secondly, our economy stands to benefit substantially from the arrival of large cruise ships from 2010 onwards. Norfolk Tourism is setting up a working group to ensure a smooth commencement to cruise ship tourism and to maximise the opportunities for local businesses and individuals to benefit. The Norfolk Island Government will budget to undertake some relatively minor capital works to facilitate the transport and disembarkation of passengers at our wharves. Looking ahead, we have put in place contracts to ensure that from late May 2009, Norfolk Air will have access to larger and more modern aircraft to replace the current 737-200 service. This will increase capacity for incoming visitors, provide better in-flight conditions and reduce Norfolk Air's operating costs. The "new" Norfolk Air 737-300 aircraft has already been in operation, and has performed the Newcastle services as recently as yesterday. Also in the near future, as a further part of the five-year strategy Norfolk Tourism will launch its accreditation programme, aimed at improving service to our visitors across the board and at protecting and promoting the highest possible levels of service and facilities. This should increase the appeal of Norfolk Island to discerning tourists, while at the same time providing training to local operators in the delivery of high class tourism experiences.

Major policy review and reform

In the past year, there has been significant progress on policy review and reform in two of the major areas within the portfolios for which I am responsible – namely immigration and employment. I established working groups to look at legislative and procedural changes to make our programmes more responsive and relevant to the needs of a modern Norfolk Island economy. Following extensive consultation and consideration of the many issues involved, both working groups produced discussion papers which were made public for comment. We received a great deal of detailed and helpful comment from all areas of the community, which has enabled the refinement of the policies involved. I have circulated these discussion papers to Members and earlier in this sitting I tabled an exposure draft of the Employment (Amendment) Bill 2009. I expect to be able to supply Members with final proposals for changes to immigration categories and procedures within the next month. Taken together, the measures to implement a population policy through changes to immigration legislation and policies and through revisions to employment legislation are aimed at providing certainty to the business community in these critical areas and as well at achieving sustainable population growth to aid in the expansion of the Norfolk Island economy. I expect that final legislation in both areas will be introduced in the next few months.

Social programmes and community services

There have been many improvements in delivery of community services in the past year, plus a range of new initiatives aimed at building a stronger and better informed community. These changes have spanned the whole year and have been announced in the Assembly, through print and electronic media and on the government website. I do not intend to list them all, but will mention just a few. It is disappointing that the Commonwealth has ruled that the Norfolk Island Central School is not eligible for its stimulus or infrastructure funding. We did not let this stop us from making available to the school (through sponsorship from Norfolk Air) funds to purchase 53 new computers and ancillary software and equipment up to a value of \$42,000. A similar grant is planned for this year to allow the school to complete its computer upgrade. There have been a number of improvements in health services this year, most notably new programmes for free childhood immunisations and Gardasil vaccinations for girls and young women. Under these initiatives, immunisation is provided free of charge for all infants from birth to the age of one, representing a saving of around \$1,500 to parents of

babies in their first year of life. In the area of social welfare, we have increased the electricity rebate to pensioners, introduced clear guidelines for equitable access to a range of health related services such as optical, physiotherapy, chiropractic and podiatry services and placed before the Assembly new social welfare legislation aimed at achieving equity and fairness in our pension and benefit programmes, including income and asset testing procedures. This legislation will proceed to debate after the return of Minister Vicky Jack from recreation leave. The Minister will also be moving forward with the new Child Welfare Bill to protect and codify the rights of children. The Social Awareness Advisory Committee, made up of interested volunteers from the community, has been active during the year. A number of its recommendations have been actioned by the government, including new roadside breath testing legislation, dealing with unlicensed drivers and unregistered vehicles, new provisions on the definition and importation of firearms and proposals for extensions of child protection and safe houses. Norf'k CIRCA has extended its email network to around 70 recipients of information on government and private sector services, funding opportunities, conferences, training and development opportunities and general community activities. It will form the nucleus of the new community information centre, to be opened in shopfront premises in Burnt Pine in the near future.

Language, culture and the arts

As Minister responsible for cultural affairs, I have taken particular pleasure in being able to launch several major projects this year, including some designed to have a long-term influence on the promotion and protection of our unique cultural values and the Norf'k language. The Year of the Norf'k Language was launched on Anniversary Day (Bounty Day) in 2008 and will culminate with announcement of the winning entries in the Norf'k Song Competition at this year's Anniversary Day celebrations. But it is not intended that government support for the Norf'k language will end – in fact, we will continue to support the teaching and promotion of the language through a range of ongoing programmes. During this year, UNESCO confirmed its recognition of Norf'k and listed it in the definitive *Atlas of the World's Languages in Danger of Disappearing*. This listing will assist those seeking support and funding for Norf'k language projects, and adds to the recognition given to the language in legislation by the 11th Assembly. During the Year of the Norf'k Language, we have promoted its use through the creation of new prize categories for Norf'k writing, activities and photography at the Royal Show, a Norf'k Skrabl competition in association with the successful annual Scrabble® Festival, enhanced teaching at the school, a community survey and a song competition. Most of these activities will be repeated annually and we will continue to work closely with the Norf'k language project of the University of Adelaide which seeks to find common ground on the spelling and grammar of the Norf'k language. Another initiative began on Anniversary Day 2008 with invitations for traditional Norfolk Island families to nominate members to a Council of Elders. The publicly stated purpose of the Council was for members to be able to look at issues in an informal manner and make recommendations on a whole range of social issues and ideas including the Norf'k language. In opening the first meeting of the Council last November, I stated that "...while I see the Norf'k language as one area where the Council of Elders can make a significant contribution, I would not want to see you confined to that area alone. I see the Council as an important way for you and your family to help inform the Norfolk Island Government about community future directions and considerations across a range of matters. I envisage the Council as an informal yet significant means of establishing clear and sincere two-way communications on critical community government issues". I see the Council of Elders and the Norf'k language activities as being closely linked as key planks in a strategy to grow the knowledge of, and respect for, the Norfolk culture and language, especially among younger generations of Islanders. Also during this year, the Norfolk Island Government provided funding for a delegation of our artists to attend the Pacific Festival of the Arts in Pago Pago and for freight on artworks exhibited in the Mosman Art of Friendship Exhibition in Sydney. We also organised and funded an international conference held in Norfolk Island on the theme of Isles of Exile, which was attended by prominent academics and researchers from as far away as Korea and South Africa. It is intended that the conference papers will be published later this year.

Environment

There has been much activity in the past year in relation to the protection and enhancement of our environment. The Natural Resource Management Plan has been completed after extensive public consultation, and will now guide our environmental protection efforts. Under the Natural Heritage Trust the Commonwealth has funded our applications for a range of important projects including groundwater testing and conservation, protection of native plants and bird nesting sites at 100 Acre Reserve and waste management activities. As well, our two governments have again supported many worthwhile local projects under the Ivens F (Toon) Buffett Environmental Trust. Following changes to Commonwealth funding arrangements, the Administration coordinated a substantial joint submission with community organisations for funding under the new Caring for Our Country programme. We now await final funding decisions on those applications. After obtaining detailed specialist and scientific advice, we launched a major exercise to eradicate Argentine Ants from Norfolk Island. These ants are endemic in Australia and many other countries, but the advice to us was that with a concerted effort there were good prospects for elimination of this costly pest from Norfolk. Two major stages of the eradication programme have been completed, with promising results. One of the main infestations was at the Waste Management Centre, where we have undertaken major works to prepare the site for treatment through removing, burning or spreading a large quantity of waste materials to allow baits to be laid in an effective grid pattern. This exercise is nearing completion but careful monitoring will be needed before the Waste Management Centre can be reopened for disposal of most forms of waste. We are making special arrangements for green waste, and hope to reinstate our full waste programmes in the not too distant future. We have worked with the Australian AQIS agency to ensure resumption of shipments to Australia of recycled materials such as steel, aluminium and car batteries, and a glass crusher has just been purchased to allow for recycling of glass materials.

KAVHA

Mr Speaker, I am sure that for many of us, and for our visitors, the Kingston and Arthurs Vale Historic Area is the jewel in the crown in this magnificent island. In recent months there has been significant restructuring and change in KAVHA, including the appointment of a site manager and the recruitment of a works supervisor. The Commonwealth and Norfolk Island governments also commissioned a comprehensive consultancy to review the administrative and management arrangements for KAVHA. The final report is expected soon, and will no doubt include recommendations regarding the presentation, protection and development of the entire KAVHA precinct. It is our intention to ensure that KAVHA is presented in the best possible light when UNESCO assesses it for World Heritage listing as part of the Convict Nomination Group put forward by the Australian Government. Assessment will take place later this year, and a final decision is expected from UNESCO some time in 2010.

Transparency and accountability

Mr Speaker, I have reported frequently during the year on the progress made in developing a wide range of transparency, accountability and administrative review mechanisms. These have been central to the governance discussions with the Commonwealth, and I have previously made public most of the outcomes, so I will be brief in talking about these areas. We now have a fully functional administrative complaints system, under which members of the public are able to seek redress in relation to decisions and actions which they believe to be defective. The system operates at arm's length from the original decision-maker and is designed to incorporate comprehensive internal review and to provide remedies where appropriate. The complaints system is an essential precursor to the creation of an ombudsman service of external review of administrative matters. Much progress has been made in establishing ombudsman and anti-corruption complaint services in cooperation with the Commonwealth Minister for Home Affairs, the Commonwealth Ombudsman and the Independent Commission Against Corruption from New South Wales. We have largely taken as much action as we can in these areas (including the preparation of draft Norfolk Island legislation), and now await Commonwealth decisions and actions on the necessary legislative and administrative arrangements within their jurisdiction. I am

hopeful that there will be concrete achievements in all of these areas in the next 12 months. As well, we continue to discuss other accountability and transparency measures with the Commonwealth Minister for Home Affairs, including the appointment of the Australian National Audit Office to conduct financial, programme and performance audits; procedures to facilitate freedom of information; expanded roles for tribunals to review decisions and possible reforms to the Norfolk Island Act 1979 (Cth).

Relations with the Commonwealth

The governance discussions with the Australian Government since October 2008 have made solid progress, and I have continued to report to the Assembly and community on outcomes as often as possible, including some joint announcements with the Commonwealth Minister for Home Affairs. The discussions to date have largely centred on the transparency and accountability measures I have already outlined. It has been agreed that these will be formally reported to the Australian Government in the near future, and a joint public announcement of details will be made by myself and the Commonwealth Minister. We have also agreed on a longer-term process aimed at achieving more mature and stable constitutional and financial relationships between Australia and Norfolk Island. Underpinning this is a commitment to resolve the many anomalies in the current relationship concerning Norfolk Island's access to Commonwealth programmes and mutual expectations on rights and responsibilities. I am grateful to Minister Debus for making time to consider answers to these long outstanding issues, and for the cooperative and collaborative nature of the discussions to date. I believe that we have also entered into a new era of communication with the Joint Standing Committee on the National Capital and External Territories (JSC), under the astute leadership of Senator Kate Lundy. Senator Lundy welcomed our offer to share with the JSC Norfolk Island's experience in designing and delivering cost effective essential and community services in relation to the Committee's new inquiry into the changing economic environment in the Indian Ocean Territories. They will inquire into areas including communication services (such as broadband internet, digital television and mobile telephony); transport services and costs including passenger and freight transport; the operation of businesses in the region; the cost and availability of housing; and the impact of climate change. We will be making a submission to the JSC on these matters when some members of the Committee visit Norfolk Island early in June. Mr Speaker, this statement really just scratches the surface of the many areas where we have made significant progress in the last year in social, community and economic development and in establishing a more mature and productive relationship with the Commonwealth. I trust that the overview I have provided gives some idea of our overall social and economic priorities and the areas in which we plan further advancement in the third year of the Twelfth Legislative Assembly. We face many challenges in the next year, not least the continuing global recession. But we are confident that the government's strategic initiatives and the forthcoming budget will point the way to ongoing improvements to our social and community fabric. Mr Speaker, I am also confident that because of the enterprise of our people and the indomitable spirit of Norfolk Islanders, we can come through the recession and move forward into more prosperous times in future. Thank you, Mr Speaker and I move that the Statement be noted

SPEAKER
Statement be noted

Honourable Members the question is that the

MR MAGRI
Mr Speaker I obviously thank the Chief Minister for the statement of the overview of the efforts of the Legislative Assembly in the last twelve months, but during his statement he made reference to the Norfolk Island language and we've had quite a lot of discussion over this last twelve months over the Norfolk Island language and I wonder especially in the Year of the Norfolk Laengwij whether the Chief Minister intends to bring a motion to the House to formally adopt a system for writing the Norfolk Island language and to possibly assist the students at the school and possibly allow for the recognition by the New South Wales Board of Studies of the Norfolk Laengwij

MR NOBBS Thank you Mr Speaker and thank you Mr Magri for the question. We have discussed the recognition of a written system for the Norf'k Laengwij around this table many times in not so formal meetings of the MLA's and I've also discussed it with the wider community and obviously with the Council of Elders. The Council of Elders have recently written me a letter supporting the notion that we recognise a system of writing the Norf'k Laengwij and I will point out that I'm saying "a system", I'm not saying that we are gong to specify a one and only system. In answering the Minister's query, yes, I do intend to bring to the next sitting a motion to recognise a system in our language, the Norf'k Laengwij

MR GARDNER Thank you Mr Speaker, the Chief Minister has given us a comprehensive overview of the activities by the Legislative Assembly over the last twelve months, and that is appreciated I'm sure not just by Members around the table but by the community generally. In his presentation the Chief Minister made reference to the Building Australia funds and the fact that the hospital was separately developing an application under the Health and Hospital's Fund which is part of the Building Australia project or Building the Nation project. Mr Speaker I just need to clarify that at the moment the Norfolk Island Hospital Enterprise is not advancing an application under the Health and Hospital's Fund because a major component of an application under that fund is actual final drawings and full costings of the project and in the absence of those the advise is, to progress the application would be fraught with all sorts of difficulties and in relation to that, I discussed advancing the planning and costing phase of that directly with the Minister for Home Affairs, Bob Debus whilst in Canberra the week before last and had suggested a joint approach to overcoming that difficulty of which I am writing to him at present to ensure that, that project can be advanced so we certainly welcome his enthusiasm to want to assist in that project as well. There have also been albeit minor advances in the early reported proposal of developing better aged care support services for the aged on Norfolk Island, not just those within the Hospital arena but with an idea of trying to maintain people in their home environment for as long as is possible. A small committee was formed of community and Administration Members to advance that proposal and much of what they were asked to look at has been included in a report that has recently been received from an independent body looking at putting together a proposal for the Norfolk Island Government for the provision of those services in Norfolk Island. We await the final outcomes of that report and the costings associated with it, as a proposal presented to the Norfolk Island Government and then to give consideration as to how that could be funded. If that group is not in a position to be able to provide those services then obviously we would be looking to create a structure in Norfolk Island that would be able to co ordinate and deliver those services in Norfolk Island so hopefully in the not too distant future I will be able to report in greater detail on those developments as far as aged care at the Norfolk Island Hospital are concerned. Thank you

SPEAKER Thank you Minister. Any further debate Honourable Members. There being no further debate, the question is that the Statement be noted and I put that question

QUESTION PUT
AGREED

Thank you. That Statement is so noted

Any further Statements of an official nature Honourable Members.

SUSPENSION OF SITTING

Honourable Members I take note of the time. Which is going on for one o'clock. Can I have some indication from the floor if Members wish to proceed or break for lunch. I therefore suspend the meeting of this House until 2.30 pm when we will resume

RESUMPTION OF SITTING

Honourable Members we recommence our meeting for this afternoon at Notices

NOTICES

CUSTOMS ACT 1913 - EXEMPTION FROM PAYMENT OF CUSTOMS DUTY

MR N CHRISTIAN Thank you Mr Speaker I move that under subsection 2B(4) of the Customs Act 1913, this House recommends to the Administrator that the goods specified in the first column of the Schedule imported by the person specified opposite, and on the conditions mentioned, in the second column of the Schedule be exempted from duty. The article in question is a defibrillator imported by St Johns Ambulance, of Norfolk Island and the amount of duty that the Administration would forgo is \$568.57 and I commend the motion to the House. Thank you

MR GARDNER Thank you Mr Speaker, this is a necessary piece of equipment obviously for the St Johns Ambulance who provide a tremendous service to the community of Norfolk Island and I am fully supportive of this motion

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

QUESTION PUT
AGREED

Thank you. The motion is so agreed to

APPOINTMENT OF NORFOLK ISLAND GOVERNMENT AUDITOR

MR N CHRISTIAN Thank you Mr Speaker I move that the Legislative Assembly recommends to the Administrator that he (a) appoint CST/Nexia Chartered Accountants of New Zealand, a firm in which at least one of its members is a registered auditor within the meaning of section 51A of the *Norfolk Island Act 1979*, to be the Norfolk Island Government Auditor under section 51 of the Act for the financial year ending 30 June 2009; and (b) for the purposes of section 51 of the *Norfolk Island Act 1979* determine that the terms and conditions of appointment of the Norfolk Island Government Auditor be (i) an annual base fee of \$34,650 for the financial year ending 30 June 2009; (ii) the reimbursement at their actual costs of out of pocket expenses incurred in relation to the appointment up to a maximum of \$11,000 in any one year.

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

QUESTION PUT
AGREED

Thank you. The motion is so agreed to

APPOINTMENT OF AUDITOR FOR NORFOLK ISLAND GOVERNMENT TOURIST BUREAU

MR GARDNER Thank you Mr Speaker, I move that for the purposes of subsection 18(1) of the *Norfolk Island Government Tourist Bureau Act 1980*, the

Legislative Assembly resolve that CST/Nexia Chartered Accountants of New Zealand, appointed as the Norfolk Island Government Auditor under section 51A of the *Norfolk Island Act 1979*, be the Auditor of the Norfolk Island Government Tourist Bureau for the financial year ending 30 June 2009

MR GARDNER Thank you Mr Speaker, I guess its one of the anomalies in a small place such as Norfolk Island there we have a requirement to have to separately appoint an auditor for what is in essence a Government entity, being the Norfolk Island Government Tourist Bureau but those are the facts of the matter that there is a requirement under the Norfolk Island Government Tourist Bureau Act to make such an appointment. Generally in the past it's been the Norfolk Island Government's Auditor. It is the only Government entity as I understand it, or statutory body that requires such a motion and certainly in the future I'll be looking to amend that so that the Norfolk Island Government Auditor is automatically the auditor for the Norfolk Island Government Tourist Bureau. That certainly is the same situation that exists for the Norfolk Island Hospital Enterprise and contained in the Norfolk Island Government Hospital Enterprise Act, is a requirement that the Norfolk Island Government auditor be their auditor also

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

QUESTION PUT
AGREED

Thank you. The motion is so agreed to

PLANNING ACT 2002 – REJECTION OF A PROPOSED VARIATION TO THE NORFOLK ISLAND PLAN

MR GARDNER Thank you Mr Speaker. Today, for and on behalf of and at the request of the Minister for the Environment, Education and Social Welfare, I table a proposed variation to the Norfolk Island Plan and to move that in accordance with subsection 12(4) of the Planning Act 2002, this House resolves that the draft plan laid before this House, being a proposed variation to the Norfolk Island Plan approved by the Legislative Assembly on 25 February 2004 and last amended on 5 September 2008, and deemed to be the Plan under section 8 of the Planning Act 2002, be rejected

SPEAKER Thank you Mr Gardner. Any debate Honourable Members

MR GARDNER Thank you Mr Speaker, the draft plan I referred to, I table and as I understand it that draft plan is a single page document which would constitute a schedule to the Norfolk Island plan which refers to portion 183 at the Norfolk Island airport. The purpose being for a tourist facility and the conditions as detailed in the instrument of approval for Development Application DA0044/08. That being the draft plan and I also in speaking to the motion table the supporting documentation which is the planing report and the ministerial submission in support of the Planning and Environment Board's recommendation that the proposed variation be rejected

SPEAKER Honourable Members for the record I wish to place on record that I will not be participating in any discussion or recording a vote on this matter for possible conflict of interest

MR N CHRISTIAN Thank you Mr Speaker likewise, I will not be participating in debate on this matter and nor will I participate in the vote

MR MAGRI Mr Speaker I just wonder whether the Minister would be able to inform the House and also the listening public as to the reasons why this particular application to vary the plan is being proposed to be rejected

MR GARDNER Thank you Mr Speaker, I'm more than happy to do that and just bear with me and I will find that section of the planning report refers to that and read it in its entirety for the benefit of Members around the table and also the listening public. The conclusion and recommendations contained in the planning report to which I've referred say the following. The Administration has assessed the Development Application and Plan Variation Application and determined that (i) there is no scope to justify the variation of the Norfolk Island Plan to allow the proposed development of the proposed development site. A proposal has been assessed against the provisions of part A of the plan, which is the Strategic Plan and part B(1), Zone Intent and Objectives and it is concluded that variation of the plan to allow the specific development of the specific site is not justified. The proposed tourist facility is not specifically related to the provision of a central public infrastructure or airport and aviation activities and use of the subject site for a tourist facility of the character proposed is not consistent with objectives to provide land within the airport zone for a range of industrial activity. If the proposed tourist facility was approved there is potential for land in the vicinity of the tourist facility to be rendered unsuitable for industrial use or development in the future. As there is limited land available on island for industrial use or development, this outcome would be considered an inappropriate use of limited resources. (ii) assessment of the proposed development demonstrates that the proposed development site is not suitable for the proposed tourist facility. In addition to the reasons noted in point (i) above, there is insufficient information to demonstrate the potential hazards and risks of allowing a use that involves the gathering of people to a close proximity to airside activities and the Avgas facilities are within acceptable limits. (iii) the proposal aims to use the natural features of the banyan tree as an attraction for a tour based on a display of historical photographs however the site does not have attributes that make the site essential or ideal for photographic display. It is expected that alternative sites and locations would be available that, taking into account broad social and economic issues, are on the whole more suitable for the development of a tour based on a photographic display. (iv) There is insufficient information to demonstrate that the development can be undertaken within appropriate environmental limits, in particular in relation to the protection of the banyan tree. Those are the reasons attached to the Planning Report

MR MAGRI Yes, I'm just a little confused as to the process that we would normally follow here but the Minister might be able to correct my understanding of this or misunderstanding, but normally when there's a variation to the plan, or more specifically a general variation to the plan, there is a requirement to come to the House to consider that variation so that in light of that variation an application for a development may be considered. In this particular instance, this is not a general variation to the plan as I understand it. This is a variation specifically, specific to this Development Application so a change to the table of use or development should we approve this today, there would be no change to table of use or development of the airport zone because this is an application specific to the development activity proposed. Mr Speaker the process as I understand it, is that we considered the possibility of a tourist facility to be used in that area and then the Development Application is considered. Not have the Development Application rejected so that we can come here and reject it all. The reason I say that Mr Speaker is that it seems to me that some of the reasons given don't take into consideration the facts. And that's in specific reference to some of the security issues in relation to having an operation next to the airport. Again I may be wrong here but certainly having taken the time to have a discussion with the Airport Manager, he certainly doesn't seem to think, and whilst he recognises that there are risks, all of the risks are easily manageable. He thinks, the Airport Manager that is, thinks that this proposal doesn't really have any downsides for the airport, and in fact there is a possibility of some significant upsides in revenue for example. The environmental reasons proposed are again, out of order in my view. Things that once the Development

Application gets approved or not approved, the applicant always has the opportunity to go back and try to fix those problems but in my opinion all we are doing today is considering whether to reject or not an ability to vary the plan specifically so that an application can go to the Board on this matter. I have some difficulty with it. I wonder if the Minister could respond to some of my concerns and maybe correct me where I was wrong

MR GARDNER Thank you Mr Speaker, as far as my understanding of the process is, there is a requirement for a Development Application to accompany the application to vary the Norfolk Island Plan and as so, they have been considered in tandem. However, the second part which is dealing with the Development Application hinges entirely on whether there is an ability for a Development Application to be approved subsequent to a variation to the plan. So there must be the first step, which is the variation to the Norfolk Island Plan to allow for a thing to happen. The second step is dealing with the application itself and contained within these pages are the recommendations from the Planning Board. First and foremost that the variation be declined, and if that happens, then they have left the door open for the Minister therefore to make a determination in relation to the Development Application and if the plan is not varied, the Development Application simply because of its nature and being a prohibited activity within the zone cannot be approved so that's an open and shut case if the House decides to not approve the variation to the plan. If the House does decide to reject this motion, then another motion would need to come back to the House asking the House to approve a variation to the Norfolk Island Plan. That then opens the door for the Minister to consider the recommendations of the Planning Board in relation to the Development Application and at this stage, as I said, the advise from the Planning Board is that subject to a variation to the plan, there are two ways that the Minister can then turn, and that is to either approve the application or refuse the Development Application following the variation to the Norfolk Island Plan so that door remains open if that was a view of the House to approve the variation to the Norfolk Island Plan, however, if it refuses the variation to the Norfolk Island Plan my view is that the Minister is bound to refuse the Development Application that accompanied the original application

MR CHRISTIAN Thank you Mr Speaker, I had indicated that I would not participate in the debate and I'm only seeking some clarification from the Minister who has carriage of this at the moment and I do not intend voting, but the motion before us today seeks the support of the Membership to reject the application to vary the plan. If this motion goes down today does that constitute an approval to vary the plan

MR GARDNER What I understand is that no, it doesn't. It would then require a motion that would approve the variation to the plan and then have to be brought back to the Membership of the House to actually approve it. Might I just add that the Minister for Commerce and Industry is not alone in concerns about the process. As I have already expressed in this House on previous occasions, the method and the ease by which the Norfolk Island Plan can be amended I think is a significant failing in our planning process. A significant failing in our planning process. That is certainly not a criticism of the officers as the officers are bound by the provisions that the Legislative Assembly back in 2002 put in place, and the necessary guidelines that are provided in determining such approvals. One of the issues that was brought to my attention yesterday is that though a motion such as this which is appropriately worded appears on the Notice Paper, unless you are a Members of the Legislative Assembly or you take a very keen interest in what is happening, you wouldn't have one clue about what this application and this motion means for the Norfolk Island Plan other than somebody is proposing to vary it, but it gives no detail, it gives no history of the site or the applicant, or any of that other detail, yet as Members of the Legislative Assembly we're provided with that information. We get to make a decision without necessarily ensuring that the general public have an ability to provide input on the motion itself, despite the fact that the variation has to be under the Plan, publicly aired. In this instance, there were no public submissions either in support, or against it and that I see as a major flaw in the process. We need to ensure that when you are playing with something as important as the Norfolk

Island Plan that there is an appropriate ability in every single step of the process to make sure that the decision makers are made fully aware of the pro's or the con's in relation to any of these proposals. We sort of get it partly right by having to gazette an application to vary and invite submissions, but then after that, it's left up to the officers and then the Legislative Assembly to deal with it without it returning in any form or fashion back to the public arena for any discussion save for the limited, exposure that it gets from within this House. Now there's a couple of ways of dealing with that, that we could deal with today and one of those is to leave the matter to sit and adjourn it to another time. It's been publicly aired. For discussion, the debate, the proposal and why it's there and where it is and those sorts of things, and then come back and determine it next month or at a subsequent sitting. Maybe that's one way of dealing with it. Certainly this and previous applications that have come to the House, we dealt with the Sanders one at the last sitting, which the House supported not proceeding with for virtually the same reasons that this is, and that was for only an independent dwelling house, not a tourist facility but there are issues, and there are issues that need to be considered subsequently, in relation to the review of the Norfolk Island Plan and how it serves the community. This whole process is messy. It's untidy. There's uncertainty about exactly what should constitute the words of the motion. There is a distinct lack of clarity about every single step in that process and that's been highlighted today by the questions that the Minister for Commerce and Trade have asked and also the Minister for Finance. We aren't very good at this self assessment. We, as an Legislative Assembly are not very good at this. We need better advise and we need to better understand the implications of the variation to the Norfolk Island Plan. I've said very clearly Mr Speaker in the past, I don't support just willy nilly off the cuff, variations to the Norfolk Island Plan unless there are absolutely overwhelming arguments in support of changing our primary planning document and in this instance, just because somebody's come up with an idea that might fit, and the Planning Board have said look there's some issues here, that don't mean it necessarily has to be sited in that place, it could be sited in a number of other places all over the island, that that warrants a change to the Norfolk Island Plan. Where my view is. I support this motion. Simply based on that because I don't believe there's the overwhelming arguments that support us having to take such a major step as a change or a variation to the Norfolk Island Plan in this instance. However. That said, the point that I'm trying to make is that there are issues with the process. It's not a perfect process, but the Minister in this case, Mrs Jack, has to work with what she has available to her. She has put this proposal on the notice paper for Members of the Legislative Assembly to consider. Now it is a matter for us to deal with. As I said, there are different ways of dealing with this if the House so chooses. One is to not support this motion. Then you would automatically suggest that it would then require the motion to approve it and then be brought back to this House and have the debate. If you want to approve it. It might not get up at that debate. Or by publicly airing now what this is in relation to, where it's in relation to and the possible benefits of it, it could sit on the table for the next month and we could deal with it at the next meeting, and I'm very comfortable if that was the way the House wanted to deal with it

MR SHERIDAN

Thank you Mr Speaker. Just a few words. Mr Gardner says that this process that we tend to get ourselves into is very messy. He mentioned the planning variation that came before the House last month for a Mr Sanders to rezone some of his land and one of the main reasons why his application was rejected, was because it was not supported with a Development Application. That was one of the main reasons because he just wanted to rezone portions of land and he indicated what he wanted to do in a previous letter but with the application there was no real Development Application attached to it to say what he wanted to do. Now we have virtually the same thing, we have an application to vary the Norfolk Island Plan with a Development Application and we don't consider the Development Application, all we are doing as Minister Magri says, we are considering whether or not to vary the plan to allow a tourist facility into the airport zone. In saying that, if that was the only thing that we are considering today, I would most probably have to support that because if you look at what's permissible with consent in the airport, light industry, industry not hazardous and

offensive, but you look at light industry, there's about eighty businesses that can be accommodated there. Now if a tourist facility was considered a light industry, then we wouldn't be considering it as a prohibited item, we would be considering this as permissible with consent. So if we were just considering whether or not to add tourist facility onto the column three, permissible with consent, you would virtually have to support it because some of these things tabled in light industry go from bottle making; glass working, corset making, house removing depots, joinery, laundry, painters depot, pastry cooking; printing, it's got a mirage of things that are permissible with consent. Just because tourist industry is defined in the back of the Norfolk Island Plan it exempts it from being listed here as light industry. Now I would really consider that tourism attraction or something like that, may be considered as a light industry. So it does get very confusing. It really does. It gets very confusing of what we are trying to achieve. But just in going back to the application, the Development Application that's attached to this motion, again reading the Development Application there's too many holes missing, there's too many if's and but's. it's not an application that nails everything down so that you can make an informed decision about whether or not that activity should be approved in that area and I just go to one thing there, I think in the Norfolk Island Plan it refers to the Airport Land Use Development Plan and in the Norfolk Island Plan it says that the Plan as approved by the executive member. That's just part of it, that's what you adhere to. And in the Development Application it indicates that the only Development Application is emergency works and runway upgrade works only. So they don't have one for the actual airport itself. And then it goes on down to the Civil Aviation Safety Authority requirements, and they say that if they fenced this project off it would be outside the airport zone and therefore, providing you fence around the proposed site, it would enable the removal of the site from the airside security restricted area and the applicants would become responsible for the management blah blah, but removal of the site from the airport airside area would require approval from the Commonwealth Government. So there's too many if's and but's I think this has come to the House too soon. That approval should have been sought from the Commonwealth Government to see whether or not they would actually allow something like that to happen in the zone first, and if they said yes, well then you go down the road of varying the plan to allow that tourist facility, a facility, a tourist facility and then you consider the Development Application. So it is very messy. If we had to vote on this today I would most probably support it and not allow it. That's what it means. It's been rejected. But as Minister Gardner said, if there's another way around it, and it can be left on the table and some more homework can be done to it, something to clarify these issues then maybe we can work our way through it so that activities such as tourist facilities may be allowed on the airport zoning and as Minister Magri said, that's what we are really considering. Whether or not a tourist facility should be allowed on the airport zoning. Not necessarily this particular one. But whether or not it will be allowed to happen. If no, well then there's no need to allow for that. Thank you Mr Speaker

MR GARDNER

Thank you Mr Speaker, just briefly if I could just respond to one point there and it goes to the question of a precedent that you establish by making variations to the plan. I think it would be very difficult for the House if we were to make a different decision to that which is the subject of the motion today and that would be to approve a variation for this purpose because then it's going to be very difficult to say, that in the airport zone there will not be dozens of tourist facility's looking to utilise airport land for the purpose. It would be very difficult to reject any further applications so long as it has attached to it a Development Application and I think in the Minister's view originally when this matter was circulated and discussed with Members of the Legislative Assembly it had been highlighted and I think of the recommendation of the Planning Board, highlighted that there was a very clear need to finalise the Development Control Plan for the airport that was proposed to be done back in 2002 by the then Minister, Toon Buffett and attempts were made at doing that and I think that there was a preliminary plan or an emergency Development Control Plan that was developed and if that was done, that then would clearly set out the views on what are acceptable uses in the airport precinct. And I think that that's something, regardless of whether there is a result on this today or not, is something that needs to be addressed with some urgency to make sure

that that task is actually undertaken and it's put in place, but I just wanted again to touch on the issue of precedent and we have made variations to the Norfolk Island Plan in the past which I think is going to be very difficult for this or subsequent Legislative Assembly's to not be able to provide the same sort of approval for in the future particularly in relation to tourist accommodation unless as we said at the time the plan which is undergoing review at the moment it is decided as a result of that review, that there be changes made to the conditions that are applicable to the various zones within Norfolk Island and accommodate that. Thank you

MR MAGRI Thank you Mr Speaker I just am going to propose a way that we can move forward on this, but with all the talk that we've been having about the variation today, interestingly enough, it's a conversation that we wouldn't have to have if the applicants had decided to have a nightclub underneath the banyan tree; or a third premises underneath the banyan tree. Both which under the plan are permitted with consent. None of which have to come to this House for a variation to the plan. This is a really simple thing we are doing here. We are varying the plan to allow for a tourist facility to be considered. That's all we are doing. It's not a difficult issue. I mean, we're in the business of tourism here. That's what we talk about all day every day so an application like this considered on its merits is not unreasonable. If this application doesn't get up, it should be open for another applicant to put in an application without it coming back to this forum, so we can do two things, we can adjourn the meeting and wait for another month at which stage if the motion doesn't get approved at that stage we have to wait a further month to come back with another motion suggesting that the proposed variation be approved. I mean, it is possible we can do it at that same meeting but I am moving that the motion before us today, be amended and the word "rejected" be removed from the motion and the word "approved" be inserted in the motion so that whatever we decide to do, if we vote in favour of it, then this motion will be a motion to approve a variation or not and I do so move Mr Speaker

MR GARDNER Thank you Mr Speaker, I move that the question be put

SPEAKER The question is that the question be put Honourable Members

QUESTION PUT

Madam Clerk could you please call the House

MR SNELL	AYE
MR SHERIDAN	AYE
MR N CHRISTIAN	ABSTAIN
MR NOBBS	NO
MR GARDNER	AYE
MR ANDERSON	NO
MR MAGRI	AYE

The result of voting Honourable Members, the Ayes four, the noes two with one abstention.

The question is now whether the amendment to the motion be put that the word "rejected" be removed from the motion and the word "approved" be inserted and I put that question

QUESTION PUT

Madam Clerk could you please call the House

MR SNELL	ABSTAIN
MR SHERIDAN	AYE
MR N CHRISTIAN	ABSTAIN
MR NOBBS	NO
MR GARDNER	NO
MR ANDERSON	NO
MR MAGRI	AYE

The result of voting Honourable Members, the Ayes two, the noes three with two abstentions. The motion is lost. I now invite debate on the question

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

SPEAKER Thank you Mr Gardner. That now becomes the question and I put that question

QUESTION PUT
AGREED

The Ayes have it. Debate is so adjourned Honourable Members

NORFOLK ISLAND BROADCASTING AUTHORITY (AMENDMENT) BILL 2009

MR N CHRISTIAN Thank you Mr Speaker I seek leave to present a Bill the Norfolk Island Broadcasting Authority (Amendment) Bill 2009 and for the Bill to be considered through all stages at this sitting

SPEAKER Is leave granted Honourable Members. Thank you. Leave is so granted. Mr Christian

NORFOLK ISLAND BROADCASTING AUTHORITY (AMENDMENT) BILL 2009

MR N CHRISTIAN Thank you Mr Speaker the purpose of this Bill is to abolish the Broadcasting Authority and devolve its powers on the executive member subject to the overriding authority of the Legislative Assembly when the grant of a licence application is proposed to be made. The existing enactment contains a number of drafting inconsistencies and the opportunity is taken to correct these. The Bill contains the usual introductory provisions and provides for the Act to commence upon gazettal of assent. The Act is renamed the *Norfolk Island Broadcasting Act 2001* to reflect the changes. To provide for the possibility of there being existing applications for licences, the Bill provides that these may be dealt with under the Act as amended by the Bill. The various changes to the Act are set out in the various Items in the Schedule. Item 1 repeals the definition of "Authority" which is no longer needed. Item 2 amends section 6 by providing a simple cross reference to the various names by which the Government Broadcasting Service is referred in the principal Act. Section 6 imposes on the Administration the establishment of the Broadcasting Service and an amendment provides that a manager of the service is to be provided and that the manager is to ensure that the executive member receives such support as is necessary to enable his or her obligations under the Act to be complied with. Item 3 is an extensive provision that is primarily concerned with the repeal of the references to the Authority and related changes to Part 3 which is re-titled. The principal change to Part 3 is the inclusion of a new subsection 10(6) that provides that a licence cannot be issued until the executive member has put the details of the proposed licence before the Legislative Assembly for approval by resolution and the approval has been published in the Gazette. Item 4 makes consequential changes to section 16. Item 5 makes consequential changes to section 19. Item 6 makes consequential changes to section 20. Item 7 inserts a new provision authorising the

executive member to delegate his or her powers except for those relating to the power of delegation; the power to set fees; the power to issue licences; and the power to issue rules concerning broadcasting. Item 8 repeals the old transitional provisions that are no longer relevant. Mr Speaker I've taken this course of action because I have received two applications for licences under the Broadcasting Act and I have been unable to deal with them because the Broadcasting Authority actually had no current Members and we all know in Norfolk Island that it's getting more and more difficult to find volunteers in the community who are prepared to serve on various boards and authorities so I've taken the opportunity here to remove the requirement for the authority to exist and as this explanatory memorandum has pointed out, the power has devolved to the executive member who has responsibility for broadcasting, in this case it's me, but the check and balance is that the executive member can't actually issue a licence until this House has agreed to do so by way of a resolution and I see this as the model that we will adopt for quite a few more of our boards and authorities going into the future and I hope my colleagues around the table will support what I'm hoping to do today. Thank you

MR SHERIDAN

Mr Speaker I totally agree with the Minister in his last comment that he made that this may be the first of a few of disbanding some of our authorities or committees. I think in the past they've just delayed activities on Norfolk Island to some degree and I believe they've passed their use by dates some of these committees because they were introduced some years ago when the Administration was very much smaller and they didn't have the support from within the offices of the Administration to the extent that we do have now. I think that we are quite capable now with our officers within the Administration, the expertise there, the research that they can do to do away with a few of these bodies and as the Minister stated, it's very hard to find people to sit on this committee so he's gone down the road of disbanding it and giving himself the authority, but like he says he can't do anything just by himself, the check is there and it has to come before the House and I'm quite happy with that, the only thing I'm not too happy about is he's trying to get it through all stages today. I would have liked to see it sit on the table for a month if it wasn't urgent, just to allow public comment more than anything else

MR MAGRI

Mr Speaker I don't have any problems with this bill at all. One of the good things about a board or an advisory authority or whatever you want to call a group of interested people or a community Member who takes the time to sit on these boards is that sometimes you can get people who have a relative expertise in the field that you are talking about and even broadcasting requires, when you are making a decision to have access to that expertise to make a sound decision on it. I believe that as long as Members around this table take the time to research the question that's before them or proposed before them at any time, and that Members of the public feel free to come and talk to any of the Legislative Assembly Members prior to making a decision, then I think that the checks and balances that are in this place, are more than adequate so I'll be supporting the Bill today

MR N CHRISTIAN

Thank you Mr Speaker I would hope that we can deal with this Bill through all stages today and the reason I say that is that there are currently two applications that were before the authority that couldn't be considered because there was no constituted authority and I think it's unreasonable to keep those people waiting when they've been waiting for some time as I actually did call for expressions of interest from Members of the community who were prepared to serve on the authority. Unfortunately not many were forthcoming and I decided on this course of action. For the public out there listening there's an application to issue a licence in respect of the local television broadcasting station and the owners have expressed a desire to sell the business and of course, the new purchasers want to be certain that they actually have a licence that authorises them to broadcast. The other one is an application by the Colonial Hotel of Norfolk Island to install a small wireless broadcast network for effectively what is piped music and such within the confines of the Colonial Hotel so that's why I'm asking for this to be dealt with through all stages so that those who have already

made application under the old legislation aren't adversely affected. Interestingly, Mr Speaker this Act or the principle Act was actually done quite some time ago and it's an unusual one in that it's got the title of the Act in both the English language and the Norfolk language and I could probably demonstrate to the community how wael I kaa riid Norf'k. By actually reading what it says in part 3, subsection 3(b), Wan Aekt laanen wathing wi haew'duu f' laisens, kontroel, en regyuliet boeth d'lisnen en d'wohchen brordkaas soe dat gat boeth 'wailles en' tiivii oparieten hya withiin d'Teratri of Norf'k Aieln etsaelf, eswaeles f'orl dem tedha orthing haew' duu soe el getetgwen. Now if you can understand what that said Mr Speaker yu baeta den mii.

MR GARDNER Thank you Mr Speaker, just a couple of observations in that I've been through this Bill with a fine tooth comb just reading it back against the principle Act which is proposed to be amended. There are a couple of things obviously that will be required for the executive member, the responsible Minister to actually be able to deal with the applications, and I think that that will need to rest with amended regulations. There were regulations promulgated for an application for licence back in about 2002 or 2003 which still sit on the books providing for a form of licence which still refers to the authority and all those other things so as a requirement obviously for somebody to be able to make application those regulations will need to be amended or revisited to allow that to happen. Mr Speaker there are also provisions within the principal act itself I think under subsection 10(3) that provide a mechanism for complaints to be lodged in relation to the content of broadcast programmes in Norfolk Island, I'm not saying that's going to hold up the passage of the Bill today, but obviously there will need to be those forms and mechanisms that will have to be developed to allow the executive member to deal with those complaints so that there is a clear process for people who have complaints to follow if they wish to lodge a complaint. Aside from that, as I said, my reading of the amending Bill against the principal Act give me comfort and my areas of concern when I initially viewed the Bill have been addressed and I'm more than happy to support the passage of the Bill today

MR NOBBS Thank you Mr Speaker I intend to support the Bill whilst I support the motion as discussed around the table earlier about some of the refinements of committees and the like we have the policy and guidelines to assist us in a lot of these applications. Mr Gardner mentioned a complaints handling for the Broadcasting authority. I would be of a view that that would be able to be encompassed within the existing complaints system of content

SPEAKER Thank you Chief Minister. Is there any further debate. No. I put the question that the Bill be agreed to in principle

QUESTION PUT
AGREED

The ayes have it. The Bill is agreed to in principle

We now move to the detail stage. Is it the wish of the House to dispense with the detail stage. We so dispense. I call on Mr Christian

MR N CHRISTIAN Mr Speaker I move that the Bill be agreed to

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

QUESTION PUT
AGREED

Thank you. The Bill is so agreed to

ORDERS OF THE DAY**CUSTOMS ACT 1913 – EXEMPTION FROM PAYMENT OF CUSTOMS DUTY**

SPEAKER Honourable Members we resume debate on the Exemption of Payment of Customs Duty and the question that the motion be agreed to and Mr Neville Christian you have the call to resume

MR N CHRISTIAN Thank you Mr Speaker I introduced this into the House at the last Sitting and decided to adjourn it when Members asked me to clarify some aspects and I wasn't able to do so at that time. Mr Speaker I have now sought additional information and I share that with Members around this forum and also the listening public. Mr Speaker there are a number of items contained within the schedule and the first one is an aluminium shed which is imported by the Rotary Club of Norfolk Island and the amount of duty that we would forgo there would be about \$1700. That didn't cause too much concern to the Members. The second one was gas fryers imported by the Rotary Club of Norfolk Island for their voluntary efforts in the community and the amount of duty there would have been \$659. The one that did cause concern is the portable ultra sound machine and the amount of duty that will be foregone there is \$940. I can inform the House that the machine was imported by the Animal Welfare Society of Norfolk Island and that is a distinct body from the Cat Welfare Association or any other like body. The Animal Welfare Society of Norfolk Island will at all times retain ownership and responsibility for the portable ultra sound machine, but it will be used in the Veterinary Clinic of Dr Candice Snell. Candice will obviously charge a commercial rate for the work that she does as a Vet and as I understand it, 10% of whatever she charges will be given back to the Animal Welfare Society of Norfolk Island to maintain the machine and eventually replace it when it's due for replacement so on that basis I am happy to support the motion that's before us today and I would ask my colleagues to also join me in supporting the motion. Thank you

MR NOBBS Thank you Mr Speaker I'll just declare an interest and let you know that I'll be abstaining from debate and the vote

MR SHERIDAN Mr Speaker just briefly. Thank you Minister for that explanation. I was the Member who had the query there and his explanation is quite satisfactory and it's good to see that they'll be able to utilize this machine and the Animal Welfare Society will be able to raise some funds through its usage so I will support the motion

SPEAKER Thank you Mr Sheridan. Any further debate Honourable Members. I also wish to advise the House that I too have a personal interest in this matter with the Doctor involved and I too will be abstaining from the motion. No further debate? The question is that the motion be agreed to Honourable Members and I put that

QUESTION PUT
AGREED

ABSTAIN MR SNELL
ABSTAIN MR NOBBS

Thank you. The motion is so agreed to

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 20th May 2009, at 10.00 am.

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

SPEAKER Thank you. Is there any further debate Honourable Members. The question is that the motion be agreed to and I put that question

QUESTION PUT
AGREED

The motion is agreed to

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 Thank you Mr Speaker. Just in brief though I haven't been able to confirm it with the Radio Station given that we're on an unusual day for Sitting perhaps, but tomorrow morning I'll seek to have the Minister's forum on the radio

SPEAKER Thank you Chief Minister. Any further debate Honourable Members. I now put the question that the motion be agreed to that the House do now adjourn

QUESTION PUT
AGREED

Therefore Honourable Members this House stands adjourned until Wednesday 20th May 2009, at 10.00 am.

