



highlands of Paper New Guinea saw the family moving to North Goroka. In 1960 he began a construction business with David Lambert and within a few sort years it had grown to employing about 260 people. Their fourth child Gael was born in 1963. As the children grew older each was sent to high school in Australia. By 1972 Albert's eldest daughter was a qualified nurse and was married to Lage Johansson from Sweden. Lage was given work by the New Guinea government in forestry and a year later their first grandchild Natelkka was born. Norma had a great yearn to travel and in 1970 they embarked on what would become the first of many overseas trips, later to visit their growing family as Rodney, on completion of his dentistry degree at Sydney University had moved to Arkansas USA with his American wife Kitty-Jo and later to Pennsylvania with their two sons. Albert left New Guinea at the end of 1972 and began work on the completion of his home while Gael began school. He helped in the construction of the new Seventh Day Adventist Church, hall and Visitor's Centre on its current site. Karen moved to Sweden where she lives with her three children and three grand children. Bene, as he was affectionately known here, led a quiet life tending his garden and helping out when needed. He and Norma found time to serve with the Red Cross and several clubs. In 2008 he laid to rest his beloved Norma. A year later he was diagnosed with asbestosis and was air lifted off the island some days later. He recuperated and was able to enjoy some quality time with Gael and her husband Alan before returning home. On a recent trip to Australia he was reunited with his sister Margaret and brother Bill and they spent many wonderful hours reminiscing. On June 22<sup>nd</sup> his health took a turn for the worst and two days later Bene lapsed into a coma and passed away. Bene was a selfless man of faith, with a quiet unassuming manner, was always ready to lend a hand and was ever thankful for help given to him. To his family and many friends this House extends its sincere sympathy. May he rest in peace.

**Keith Leslie Snell** was the first of Hazledene and Keith Snell's children and was born in December 1941 at Bishop's Court. A brother to the late John, and to Lisle, Deputy Speaker of this House. Keith grew up in Cascade and was educated at the School. In November 1958 at the age of 17, he left Norfolk and moved to New Zealand where he worked in various jobs around Auckland. In 1961 he went to Melbourne to attend a friends 21st birthday. Returning to New Zealand Keith found himself in Christchurch, walking past the recruiting office for the New Zealand Army, with no place to call home and no job. He walked through those doors not knowing that he was starting 26 years as a New Zealand soldier. Keith loved his career in the Army. Following basic training he entered the Ordinance Corps and was posted to Trentham in the Wellington region as a private. While mowing lawns he spotted Diane through the fence. They were married in Trentham, on Waitangi Day in 1965. After their honeymoon at 'Greenways' they returned to Keith's base in Sylvia Park in Auckland. In July they were posted to a camp north of Hamilton and there, their first child, Andrea was born. From Hopu Hopu the family was posted to Trentham and they welcomed Jonno to the family. By this time Keith was being steadily promoted through the ranks. Over the years Keith had various postings around New Zealand, to Hawaii and Australia on exercises with the ANZUS troops. On his return from Hawaii in 1981, Keith accepted a Queen's Commission to the rank of Lieutenant. Following a trip to Norfolk in 1987, and after 26 years in the New Zealand Army attaining the rank of Captain, Keith decided to retire and come home to Norfolk, a pull so strong that he gave away his promotion to Major to come home. On their return Keith and Diane bought their home in Middlegate and settled into their new island life. His first job was painting with Barry Nicolai, before joining the boys at the works depot as Purchasing Officer/Storeman and setting up the new warehouse. This was his job for the next 11 years before they returned to live in Blenheim, in the South Island of New Zealand. Keith loved being home on Norfolk where his love for the sea was so strong. He loved to fish both on the rocks or in the boat with Puss and Pelly after trumpeter, or in the Cook Strait of New Zealand chasing Grouper. He had a busy life with his work, his passion for gardening, fishing, various committees and clubs, his many other interests and helping in the communities in which he lived, and his new found love of Masters

Squash. He treasured his family and was so excited to get his two grand kids Croyden Keith and later Timi Grace. In his last six weeks at Marlborough Hospice Keith received the best care and after a fulfilling life, Keith lost his battle with cancer. To Diane, Andrea, Jonno and Jo, Croyden and Timi, to Lisle and his family, to his many friends both here and in New Zealand, this House extends its deepest sympathy. May he rest in peace.

**Jill Helena Steven** was born on Norfolk Island in August 1952 the second daughter of Leo and Marie McCoy, a sister to Kaye and Anne. She attended the local school and completed her education where she excelled in the classroom with comparative ease. She possessed a wonderful singing voice and was selected to lead the Pitcairn Anthem at school assembly. Her excellence carried to the sporting field where she was outstanding in both track and field disciplines. Jill was an exceptional runner and long and triple jumper. She was Captain of her School House and when asked what House she represented, would simply reply "Norfolk of course". At 16 Jill left home to commence a secretarial course in Newcastle. On completion of that course she took up hairdressing. In 1971 Jill returned home and was married a few years later to Les. In 1975 she returned to Australia and worked at Concorde Hospital in Sydney as an administrative clerk. A few years later she came home and joined her sister Kaye in the QANTAS airline office with Lisle, Roselyn and the late Kevin Olsen. At the closing of the QANTAS office in 1977 and the subsequent establishment of East West Airlines, she continued working in the airline industry and in 1984 she moved to East West's new premises at Martins Agencies where she worked for a number of years alongside her lifelong friend Joe Adams. For those who knew Jill, she possessed an incredible sense of humour. She adored her nieces and nephews, and loved having them around her, forever playing games and joking with them. That was the wonderful caring side of her nature. She was a great cook. Skills that she undoubtedly learnt and honed from her wonderful mother, Marie. Although she loved to travel and had travelled overseas many times, two weeks away from Norfolk was two weeks too long. Norfolk meant everything to Jill and for her, was the most precious place on earth. Jill became ill late last year, but with that unwavering determination and competitive nature she fought a great fight to regain her health. After almost five months in hospital she had seemingly beaten the odds and was given clearance to be able to travel home. She was delighted. But after some time at home Jill had to return to hospital in Australia and her next flight home was her last. To Kaye and Anne and their families, to Jill's wider family and many friends, this House extends its deepest sympathy. Thank you Madam Speaker

SPEAKER

Thank you Mr Sheridan. I now call on Mr Snell

MR SNELL

Thank you Madam Speaker. **Charles Ephraim John Adams**, was born on Norfolk Island in 1920. Affectionately known as Bob Pat, and many other names, the name he was most proud was, Norfolk Islander! The eldest son of Guildford Patterson and Helen Elizabeth Adams, older brother to Ernie, Mac, Norris and Tom. Bob left school at 14 to help support his family. He worked as a harpooner mate in the open whale boats earning two shillings a week. During the season his crew threatened to strike unless he was paid a man's wag His wage then doubled to four shillings a week. He worked at Fred Tattle's hand milking the diary cows at 4.30am every day. At other times he worked, harvesting beans, peanuts and potatoes when they were flourishing industries. Bob enlisted for World War II, joining the 2/2nd Battalion and saw action in New Guinea. He returned to Norfolk immediately the war ended. On arrival, the sea was too rough to off load so Bob and simply clambered down the side of the Merinda by rope and came ashore in the launch. Bob was a foundation member of the RSL and helped to build the club. He again did many odd jobs, including driving a taxi with Leo McCoy. He also worked in the Cascade Whaling Station office for a short time. Arriving on the Merinda that same voyage, to teach at the School, was Miss Heather Bradshaw. They married in 1947 and three children followed, Glynn, Sue-Anne and Robert. Bob and Heather wanted more for their children so in 1958 they moved as a family to Sydney where Bob immediately started work with the Dept of Civil Aviation (DCA) at mascot until he transferred to the Stores Dept at

Marrickville, where he worked until his retirement. With DCA he regularly returned to Norfolk as relief staff at the Airport and on one of those trips home he helped to connect the electricity supply through Burnt Pine. Bob and Heather purchased their first Sydney in Beverly Hills. A few years later they bought the larger house across the road, where Bob remained until his passing. After his retirement, they travelled overseas and whilst in London Bob renewed his passion for his family history. They renovated the old family home at Cascade so they could have many long holidays on Norfolk. On one of their long holidays he and a few others formed the legendary "Dad's Army" to play golf. Bob played sport as it should be played, for the sheer enjoyment and fun, the friendship and love of the game. He was a great tennis player and a single handicap golfer. He was a member of the Norfolk Golf club, and a member of the Bankstown Golf club for over 40 years. He played football with the Cascade Reds mainly playing at fullback and after moving to Sydney he became a graded rugby referee. In later years he took up lawn bowls joining the Beverly Hills Bowling club and later Roselands. He loved to play Jaroh and was a great hoarder. To him everything was worth keeping and he would treasure everything he owned. Bob loved to sing and had a fine voice. He had a strong faith and attended church regularly. To Rob, Glynn, Sue-Anne, their partners Catherin, Bob, and Jim; to his grandchildren Robbie and Natalie, Rachel, Andrew and Emma, Cameron and Natasha and Alison and great grandchildren Bronte, Sasha, Lachlan, Freya and Ada, to his family and many friends this House extends its sincere sympathy. May he rest in peace.

**Phyllis Mary Andrews** was born in Wellington New Zealand to Winifred and Frank Andrews. She was the smallest baby to survive in New Zealand at that time weighing 16 ounces. Phyllis' father was a noted musician and entertainer and in her childhood days, from very young to 17, she travelled around and accompanied him in song and dance. In her younger days Phyllis loved to travel and went on a trip to Canada where she met and married Sam Norfolk Quintal. They returned to New Zealand where they had a milk bar for awhile, then returned to Norfolk where they did speculation building. Sam built some very nice homes on the Island, including their own house on the property today known as "Highlands". War service and years as a prisoner-of-war had taken its toll on Sam and he died leaving his young widow. Phyllis later married Don McTavish who had served on Norfolk with the New Zealand Forces during the second world war. Phyllis continued with her interest in real estate and bought and sold many properties on the Island, finally settling in the Bumboras area where she had a small but serviceable flat, and she stayed there for over thirty years living a very quiet life, growing a few flowers, cleaning up the leaves and keeping the lawns immaculate. Her skill at rug making and knitting was well-known. The years and illness finally caught up with her and she died at the Norfolk Island Hospital, aged 92 years on 16 July, 2010. Phyllis had a half-brother in New Zealand, a nephew in Australia and a longstanding friend in Honey McCoy. To them, this House extends its sincere sympathy. May she rest in peace.

**Christina Jean Vincent**, known to all her friends and family as Jean, was born in Hastings New Zealand in 1922, the middle child of five, having two sisters and two brothers. Jean was close to all her siblings and loved to spend time with them prior to moving to Norfolk and catching up when she could, after moving here. After finishing school, Jean worked as a nurse in Wellington and then joined the army in 1943. Jean was a Lance Bombardier for the 9th Heavy Regiment, based on Rangitoto Island in the Auckland Harbour, where she spent many nights spotting for enemy aircraft. While serving in the NZ army, Jean met and fell in love with Tom Vincent. They were married in January of 1944, and after the war started their family. Jean and Tom had two children, Virginia and Erle. The family lived in Auckland until 1967 and those years were Jean's favourite times, where the whole family would go on driving holidays and camping around the beautiful areas of New Zealand. During the summers of 1965 and '66 Tom and Jean visited Norfolk Island to see Tom's sister, Eunice Mackenzie. They both loved the Island a lot, so when offered a job to manage Hopkins Grocery Store, they moved here in 1967. After working at Hopkins for some time, Jean and Tom purchased

Robbie's Supermarket and renamed it Vincent's Supermarket. They were quite a hit when they started, importing crayfish, prawns and other sea foods.

Jean's grandchildren started arriving from 1970, and she played a large part in their lives, particularly their early years. When she retired she would often have one or two running around the house. She was a loving and kind grandmother and all the grandchildren enjoyed her company. Family was an important part of Jean's life, and as well as her own, she was very close to her Eunice and her children. Sunday afternoon would find Jean and Tom having family lunch and playing cards especially Follow the Leader, a day thoroughly enjoyed by all. Jean loved her handicrafts, and was particularly clever with her knitting and cross-stitch. She was a wonderful cook and made excellent cakes. Jean's love for her family was evident in 2006, when although quite frail she travelled home to New Zealand to attend a family reunion where she was able to see her family and relatives and show off her Grandson. Jean never a bad word to say about anyone, and could always make you laugh. To Virginia and Erle, the Grandchildren, Gizelle, Suzanne, D'anne and Callum, her Great Grandchildren Naomi, Carlita, Amber, Carlos and Zahra, and the extended family of Eunice, Wayne, Michael, Karina and their families, and to Jean's many friends this House extends its sincere sympathy. May she rest in peace.

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

### **PETITIONS**

We move now to presentation of petitions. Are there any petitions this morning?.

### **GIVING OF NOTICES**

Are there any notices today?

### **QUESTIONS WITHOUT NOTICE**

Are there any questions without notice Honourable Members

**MRS WARD** Thank you Madam Speaker my question is to the Minister for Tourism. The Minister has previously stated that the RESA project was to be done mostly in house which demonstrates that minimal works were to be done by private contract. Was that cost factored in to the original vote of \$270,000 under the airport programme in the Appropriation Act and what contracting guidelines are in place to necessitate additional plant hire for the RESA project

**MR NOBBS** Thank you Madam Speaker at a later point in the sitting with regards to Questions on Notice, I'll be tabling the entire RESA project analysis which does answer that question but just to provide a brief answer my understanding was that the presentation made as part of the budget preparation to enable the RESA works included the works by the Administration as well as some private contractors that were needed for specific equipment that the Administration does not have and as I understand it the project management of that to ensure no cost over runs or any such thing came out of it, was coordinated by the Airport Manager and just to add recent process to that, Members may have been aware in the newspaper last weekend I believe was an advert for expressions of interest for excavation equipment for a large scale excavator I think, and that is part of the equipment the Public Service does not own

**MR KING** A supplementary question please Madam Speaker, given the current scaled down RESA or runway end safety works, are significantly less costly than those works planned and approved by the previous Government can you, or

in the information you are to table at a later time, explain why the current RESA plan was not previously acceptable to the regulatory authority

MR NOBBS Thank you Madam Speaker and thank you Mr King for the question, within the documentation that I'll tabling with regard to the question on notice, there is a response from CASA dealing with the proposal that was put forward and their acceptance of it as an ongoing process on how it goes, the best way forward to meeting some of those RESA requirements. As Mr King has pointed out, it is quite dramatically less than in terms of excavation movement compared to the St Barnabas end of RESA. I think it would be about one tenth

MR KING A supplementary question please Madam Speaker, Minister will the documentation also highlight the fact that if the current approach to RESA was implemented at the northern end or the St Barnabas end then the public purse would have saved somewhere in the vicinity of \$800,000

MR NOBBS Thank you Madam Speaker, No, absolutely not. We are required to satisfy the runway end safety area to the best of our capacity. At the St Barnabas end that went through quite a logistical analysis as well as an ongoing week by week analysis that was further provided to CASA so in real terms compared to the I think it was the GHD proposal some time ago for the provision of RESA we've come out quite well in that their proposal involved I think about \$14m

MR KING A supplementary question please Madam Speaker

SPEAKER One more on this subject Mr King

MR KING Is the Minister saying in respect of the St Barnabas end or northern end of the runway that the RESA project there was not able to be completed using the approach that we now find is acceptable at the southern end

SPEAKER Minister if you are only able to offer an expression of an opinion on this matter, that is out of order

MR KING I'm asking if it is a fact or not

MR NOBBS Thank you Madam Speaker I would be relying on the project management of the St Barnabas end of RESA and given that as I pointed out in an earlier question I think from Mrs Ward, the RESA at St Barnabas end is some ten times larger, it was an enormous amount of excavation, fill, drainage and realignment, as well as the ongoing densometer controls and mixture of soils and clay to ensure density is correct, I think the project was handled very appropriately

MRS WARD Thank you Madam Speaker my question is to the Minister for Community Services, Mr Sheridan, would the Minister inform the House of the work that will be carried out at the Waste Management Centre under the heading Environmental Impact Statement Incinerator, with \$5000 allocated and public education programme with \$2,500 allocated

MR SHERIDAN Thank you Madam Speaker and thank you Mrs Ward for that question. That money that was set aside in the budget, the \$5000 that you referred to for the EIS study is applied to the Administration's intent to develop plans for a high temperature pit incinerator at the Waste Management Centre. At this point in time the EIS is being undertaken by a local consultant and this is where the \$5000 will be expended and on completion of that a development application will be submitted to the Administration through the Planning and Environment Board, and then it will be assessed as to whether or not it will be able to go ahead there. The EIS will hopefully provide things as to the type of waste that will be burnt in the incinerator, what toxins etc

will be released into the atmosphere, from what different types of waste so I believe that \$5000 will be very well spent, that's if it comes in at under \$5000. I've had some indication that it may just go over that, and if that's the case and we achieve our aim of getting the ability to burn our waste at the Waste Management Centre instead of Headstone it will be a very good outcome. As for the couple of thousand dollars in regards to public education I would expect that, that would be to facilitate the transfer of the burning of the waste at the Waste Management Centre from Headstone and the public education campaign that is intended to happen once the approval is given for the development application so that we can then strictly start the recycling of most of the goods that we can. Of course not all items will be able to be burnt in the high temperature pit incinerator so there will be a public campaign to advise the public exactly what will be required, how the Waste Management Centre will virtually change their mode of operation to facilitate the best outcome for the community

**MRS WARD** Thank you Madam Speaker my question is to the Minister for Tourism. \$20,000 has been appropriated under the Legislative Assembly vote for use by the Minister relative to commerce development. Will the Minister itemize the projects he has planned in that area

**MR NOBBS** Thank you Madam Speaker I actually have to refer Mrs Ward to the Hansard perhaps two meetings ago where I gave a fairly detailed outline of the purposes in mind for that commerce development allotment and the reason I refer Mrs Ward to that, is that off the top of my head I wouldn't be able to get all the answers and some of the areas there have non disclosure agreements which I also referred to in the Hansard but there are a number of areas that particular funding is set aside for to enhance our revenue opportunities from other areas outside tourism

**MR SNELL** Thank you Madam Speaker. I direct a question to the Minister for Tourism. Minister you are aware that there had been some queries in the community about the advertising programme that was offered to the Island. Minister could you please advise the reasons given for not following up on this particular proposal

**MR NOBBS** Thank you Madam Speaker I recently spoke about this matter at the chamber of Commerce meeting. Prior to that I had a number of meetings with a group of local business owners and operators who had suggested an idea utilising a reward system and promotion system through a specific retail outlet. Upon first meeting with them to discuss that option I asked them to provide some detail in writing which they did. At that point in time there was a suggestion that it may deliver 2000 passengers over the course of its promotion and rewards programme. I subsequent to that met with the proponents of the programme and also invited the Minister for Finance to join me as well so that we could both carry out an evaluation that we could then take to the Airline Board. At that point, having received some of the detail of how the promotion would work in some print media, in email out through the singular retail agent and the rewards programme, myself and the Minister for Finance contacted a wholesaler to see how effective this programme might be for Norfolk Island. At that point we were advised that the proposed figure of around 2000 passengers would not be achievable and that the probably more likely scenario of around 500, however, we should be more happy if we achieved around 200-250 which at that point in time made the per capita spend on that project not very attractive to us at all in which case, with the detail we had I took it to the Airline Board, we discussed it as well as some of the further information that we would like to support the programme, and in fact as I said to the group when they met with us, I did support the concept of what they were proposing. The Airline Board meeting concluded with us seeking some specific data from the retail outlet in Australia that would be selling it through the rewards system on what it would involve and what it would deliver to Norfolk Island. That information was delivered some time during the later part of that week. I further met with one of the Members of that group on the weekend and at that stage also discussed it the following Monday at Cabinet and given the reasonably short lead in for this programme, given the cost of this

programme at around about \$75,000 as well as a rewards scheme in place, and given some of the profile issues that the mystery shopper and my own experience has shown through some of those outlets, this didn't seem to me to be the most effective spend of our money at the moment and that view I think was shared around the table by cabinet and in saying that, it also of course involved the GM of the Tourist Bureau and the CEO for the airline to ensure that all views were sought there as well, and what I've proposed is that we relook at this initiative but with a better lead in timeframe and being able to capitalize on a better profile in the travel market

MR SNELL Thank you Madam Speaker if I could ask a supplementary question. Minister the proposal as for a time frame of how long, how long was it going to last

MR NOBBS Thank you Madam Speaker from my memory the proposal ran from the 15<sup>th</sup> August to the 28<sup>th</sup> August from my recollection, so for a relatively short timeframe

MR SNELL Thank you Madam Speaker a supplementary question, so Minister you are saying that for \$75,000 we would only have had an exposure of some two weeks

MR NOBBS Thank you Madam Speaker in effect yes. With the print media and the mail out and whatever in store activities they may do with the retailer operator. There was of course one other concern, but its one that we have to weigh up in all of these things and that's the level playing field when we engage any of the wholesalers as well

MR KING I have a question on the same matter please Madam Speaker. Minister isn't it a fact that promotional marketing of the island as a tourist destination is a statutory function of the Board and given that fact, why wasn't this decision left for them

MR NOBBS Thank you Madam Speaker it's quite a commonsense answer to that one actually. The funding for this was proposed to have come out of the airline budget. The involvement of any change to airline fares as it turned out, they were seeking a special fare to co-exist with this promotion, so it became a consideration across the Airline Board and as I indicated through the GM of the Tourist Bureau through the CEO of the Norfolk Air entity and additionally, because we are obviously mindful of our budgets moving forward, it also involved myself and the Minister for Finance at a number of meetings

MR KING A supplementary question please Madam Speaker, so Minister are you saying with those of whom we charge with statutory responsibility for marketing and promotion, given their expertise in the area, were not consulted in this matter

MR NOBBS Thank you Madam Speaker I imagine they were being consulted through the GM

MRS WARD Thank you Madam Speaker my question is to the Minister for Tourism. Would you care to expand on your statement made last month in the House, a large interest in foreign travellers who would like us to review our methodology to get them here in large groups? What is the current methodology for dealing with large foreign groups and has this been reviewed by the entire executive

MR NOBBS Thank you Madam Speaker this came out of an interest from a foreign national group and as far as I'm aware, it hasn't occurred in the past, with a proposal that if they were to coordinate a travel group, whether or not that

could be coordinated if they provided enough numbers to independently charter the Norfolk Air aircraft to arrive on Norfolk Island. I've since provided them the information that they will need to address with regard to appropriate visa's and visitation documentation and as yet I haven't had any response through their intermediary

Tape 2

MRS WARD Thank you Madam Speaker my question is again to the Minister for Tourism, you also stated that King Island recognises Norfolk Island as a tourism powerhouse in the terms of the mechanisms we have in place. Will the Minister remind the community of those mechanisms and how the Minister will ensure they are working for us

MR NOBBS Thank you Madam Speaker, and thank you Mrs Ward for the question. Those comments regarding King Island came out of our visit to King Island with myself and a representative from the Electricity Department as well as the Minister for the Environment and the discussion we had with them revolved around the structures we have in place to support tourism, for example the Tourist Bureau, the advertising programmes we had in place at that time, and a range of mechanisms that we have under our control to promote tourism on Norfolk Island and promote deals in the marketplace. At a later stage I will be presenting the passenger statistics and at that point I actually have a list of some of the profile initiatives and other options that we have operating at the moment and that might further answer Mrs Ward's question

MRS WARD Thank you Madam Speaker will the Minister remind the House of the performance budget allocated to the Government Tourist Bureau for the year 2010-11

MR NOBBS Thank you Madam Speaker off the top of my head, it's around about \$1.6m. \$1.641m. Thank you for the question, Finance Minister

MR KING Thank you Madam Speaker, may I ask a supplementary question to the Minister for Tourism, isn't it a fact that a proportion of those funds allocated for expenditure in 2010-11 will be utilised in repayment of creditors incurred during 2009/2010 and if so, what proportion of that allocated funds you just mentioned will remain for 2010/2011

MR NOBBS Thank you Madam Speaker I think Mr King is referring to some comments we made in the monthly financial indicators that indicate that there has been some perhaps late arriving invoices for the Norfolk Island Government Tourist Bureau and I think the Account Manager's suggestion is there may be up to ~ I'll just look it up ~ excuse me one second I'll just get the document out, at this stage on the document I've got in front of me ...

MR KING I'm not referring to the comment made in the financial indicators. I am referring to the comment made by the General Manager of Tourism in his report recently circulated to Members. Perhaps you haven't read it

MR NOBBS I certainly have. Madam Speaker there are some late, as I pointed out earlier, some late arriving invoices that have caused some issue with regard to the Tourist Bureau and the budget and from projections given by the General Manager for Tourism at a recent executive meeting he attended with us, or cabinet meeting I should say, he indicated that there may be up to a \$100,000 of late arriving accounts. It is worth pointing out that in one of those instances one of the engagements made by the Tourist Bureau had been requested not to forward their invoice until the end of June this year so it does create some difficulties for us

MR KING A supplementary, is this therefore a repeat of the scenario of the previous year where some \$300,000 worth of creditors came out of the back door after the end of the financial year and are you firm in relation to the upper limit of \$100,000

MR NOBBS Thank you Madam Speaker as Members will be aware and particularly Members of the Cabinet will be aware, I am taking a particular interest in the budget for the Tourist Bureau and ensuring that we run to the projection for the year. The fact that these additional requirements have also appeared, is something that we will have to deal with within the existing budget. As I said earlier, one of the difficulties has been that in the earlier times, there had been a direction given to one of the creditors to not forward their invoice until the end of June of this year, so that does create an issue for us

MR KING I wonder why that was said?

MR SNELL Thank you Madam Speaker a supplementary question to the Minister if I may. Minister on the matter of the Tourist Bureau and I quote from the explanatory memorandum if I may, the Finance Manager indicated that he had just received an advertising invoice for \$47,100 from the Tourist Bureau. Minister is it the policy that accounts of this nature are sent to the Finance Branch of the Administration without any authorization through the Tourist Board or the spend of money through these advertising agencies that we have in Australia. Have they a carte blanche spending without any pre authorization or any budgeting requirements at all. Do they have an open cheque book to spend money as they wish

MR NOBBS Thank you Madam Speaker and thank you Mr Snell for the question. No they do not. The \$47,100 pointed out in that particular document was agreed in writing by the previous acting Chair as a result of a particular intent to speed up the process involved in the branding campaign so in that manner, that would have actually gone through the Board and the acting GM at that stage

MR SNELL Thank you Madam Speaker, Minister would you have any idea if there are invoices out there that will be coming to this Legislative Assembly in this manner in the next month or so. Is there any budgetary accounting for outstanding amounts owed to whoever in Australia or New Zealand that will surprise us again like this

MR NOBBS Thank you Madam Speaker I can say this Mr Snell, that there has been an in depth review of contracts of committed amounts of monthly payments committed to previously and the like and in so far as the material that has been available and there has certainly been a comprehensive look through all of the material that's within the Tourist Bureau, I think the proposal or the number that the General Manager for the Tourist Bureau gave would be absolute outer limit and that would be the \$100,000. As I said before it is very difficult if some of the documentation is not within the Tourist Bureau and particularly if there has been a commitment or a direction given to not present invoices until the end of the financial year, having said that, we have passed the end of the financial year so I would certainly hope that, that's the end of the surprises for all of us

MR KING I have a supplementary question Madam Speaker, Minister how could Mr Snell's question be possibly answered in the affirmative when by your own admission the Tourist Bureau Board has been given to incurring expenses and then requested creditors to send their invoice at a later future date

MR NOBBS Thank you Madam Speaker as I said, that is from a previous operational methodology, not the current

MRS WARD Thank you Madam Speaker, a question for the Minister for Community Services, Minister if the protocol and process for the importation of apple and pear tree bare rooted stock is different to that of mango, citrus and avocado as advised by the Administrative Officer, would the Minister explain how this difference will effect future importation of apple tree stocks and will the Minister undertake a publicity campaign to advise the public of the process of ordering bare rooted fruit trees from the mainland

MR SHERIDAN Thank you Mrs Ward, the importation of bare rooted fruit trees. I'll go to the easy one first with regard to the advertising to the community, the policy with regard to importation to bare rooted fruit trees and in particular citrus, mango and avocado. These processes are already in place and I have requested the CEO of the Administration to publicise these so that should be forthcoming into the local Norfolk Islander in due course. I'm not sure when it will be. As for the apple and pears there are substantial differences in the requirements for the importation of these bare rooted trees and as Mr Tavener from Quarantine has stated, all imports of bare rooted trees has the risk of importing potentially devastating plant pathogens and or pests. Each species of plant has their own particular problems and therefore most protocols will be different so the protocols for apples and pears will be different for citrus or avocado or mangos and he goes on to say that to cover different risk factors we need to ensure that the protocols we have in place to minimise the risk to ensure that Norfolk Island's biodiversity is not put at unnecessary risk. Having said that I believe the problem with the bare rooted apple trees is that there's a certain pathogen or virus which in simple terms is a root rot disease and if that disease actually got into Norfolk Island it would have a devastating effect not only on fruit trees but through a whole wide variety of trees so the protocol that is being developed and Mr Tavener is working on a policy on how we can import these bare rooted apple trees, it's not a simple process or quick process and you have to take a lot of things into consideration so the Public Service is working on it and hopefully in due course in the near future we will have a policy where all aspects of the environment are covered, our biodiversity, to ensure that we don't import any new diseases or pests into Norfolk Island

MRS WARD Thank you Madam Speaker a supplementary question, and the question I'm asking is the potential effect of the importation I understand has to be taken into consideration but could it be said that bare rooted apple tree stock would never be imported into Norfolk Island

SPEAKER Be mindful of an expression of opinion Minister Sheridan

MR SHERIDAN Thank you Madam Speaker, Mrs Ward, I wouldn't go so far as to say that it never will be, it's just that before we do we need to ensure that we have the right processes and protocols in place, we have to carry out a risk assessment of bringing them in or not bringing them in and these are things that we have to do. It may be that when we come to the final numbers or position, that it would be best left unaddressed and that they will not imported but I can't say that at the moment so it's a matter or process, going through the risk assessment and making sure that the processes in Australia through their quarantine facilities are sufficient so that we can guarantee that we are not introducing any new pests etc to Norfolk Island

MR SNELL Thank you Madam Speaker, I direct this to the Minister responsible for Parks, Mr Sheridan it's been brought to my attention and of course to all of Norfolk Island that the Forestry Reserve that we have at the Anson Bay area is part of the Norfolk Island National Park and as such activities by the Administration Forestry within this area is subject to regulations pertaining to the Australia National Parks and Wildlife Service and not to the Public Reserves Act of

Norfolk Island. Minister I ask you, is there any future plans for the relocation or the development of a forestry reserve area outside of the Norfolk Island National Park

MR SHERIDAN Thank you Madam Speaker and Mr Snell, I can't say that I've turned my mind to segregating that part of 'forestry from the National Park. I will have to take that on notice and do some further research. I understand that they operate under a Memorandum of Understanding, I think the National Park was formed I think when self Government was formed in 1979, round about then so I just don't know the history behind it. I would have to do some work on that and see whether or not there is the ability to separate that Forestry segment away from the National Park

MR KING Madam Speaker a question which ranges across two portfolio areas, that of Planning and that of the Airport and perhaps either or both Minister's may be able to address the question. Construction on what seems to be public lands at the airport is taking place just off Ben Christian Road adjacent to the airport electricity works building. Can either or both of the relevant Ministers offer advice and confirmation on the proposed use of the building, the cost of construction, whether appropriate planning permissions have been obtained and if the building is to be occupied by private sector interests, how can others access a piece of public land for private use

MR SHERIDAN Thank you Madam Speaker I can shed some light on it and thank Mr King for the question. Firstly turning to the process of getting approval fo that development, I'm aware that it was before this 13<sup>th</sup> Legislative Assembly's time so I would have to have a look at that and see exactly what approvals were given but I believe that it's going to be a hangar for a person who has his own aircraft located here on the island and I believe that's the construction of the hangar he'll be parking his aircraft in. As to the process for other community members to gain access to public land for their own use, I believe no, that would be on a case by case basis and it would depend on what it is. I believe that this came about in the airport zone and I believe the Airport Manager had a lot to do with this so maybe the Minister responsible for the airport can shed more light on it but that is what the construction is for I believe. Obviously it's being undertaken by private enterprise not under the Administration workers, and I believe it's just that portion of airport land was provided for the construction of that hangar so he could park his aircraft in it. Maybe the Minister for the Airport can provide more

MR NOBBS Thank you Madam Speaker I'll participate very briefly and that is to say that any such construction or proposal would have to go through the development control plan I would think for the airport and the proposal I think was one on a commercial basis looking forward so I'm happy to get some data on that

MR KING A question for the Minister with responsibility for Social Services Madam Speaker, is it a fact that neither the Handicap Children's Benefit nor a Special Benefit, both benefits payable under the Social Services Act, are subject to statutory income tests

MR SHERIDAN Thank you Madam Speaker with regards to the Handicap Children's Benefit I can confirm that, that benefit is not subject to an income test. The Special Benefit an income test would be applied to that because in the main...

MR KING ...talking about the statutory income test

MR SHERIDAN The statutory income test, and that's what we are talking about, whether it would apply to that benefit and that's what I'm saying, it will and the reasoning is because that Special Benefit, as Mr King obviously knows, under the Act, the executive member being myself is the only person who may grant a special benefit to a person. If the executive member is satisfied that the person is suffering

hardship, is not able to earn sufficient livelihood for himself or his dependents and he's not qualified to receive any other benefit, so to adjudicate whether or not the applicant would be eligible would require myself as the executive member to be satisfied as it states, satisfy myself and that would entail assessing their income so that's why I'm saying that when it says it's mandatory you might say well, is it mandatory or not, well it would entail an assessment of their income to determine whether or not I am satisfied that they are suffering hardship and that they are not receiving any other benefit. Well that's easy enough to assess, and not able to earn sufficient livelihood so yes, you would have to undertake some sort of assessment and that being an income assessment to see whether or not they qualify

MR KING Madam Speaker I don't want to pursue to any great length about the special benefit, I'm fully aware that an income test would apply. I asked whether the statutory income test that applies to standard type pensions would apply to the special benefits. Is it a fact that you have just said yes

MR SHERIDAN Yes

MR KING ...and you'll stand by that

MR SHERIDAN I'll stand by that and it's the standard income test that's applied to aged pensions, I think there's a few there, but yes, it would be the same income test that would be applied to the special benefit

MR KING Thank you Madam Speaker a supplementary question please. Let me return to the Handicapped Children's Benefit then, isn't it then also a fact you having said that the income test does not apply to Handicapped Children's Benefit, is it not also a fact that it is a benefit available as of right

MR SHERIDAN Thank you Madam Speaker yes that benefit would be a benefit as of right but it must be just pointed out that the person who would apply for this may be required to undergo a medical examination and to obtain documentation to certify that the child is actually handicapped, but that would be the only requirement but yes, there is an amount there that once that condition is satisfied, it is as of right that they get that benefit and I would just like to point out Madam Speaker that as of this date, and I queried this with the Public Service only yesterday that no person has applied for a handicapped benefit so the Public Service can't do anything ...

MR KING ...there's a good reason for that...

MR SHERIDAN ... the Administration Officer in charge of the area can't go out there handing out handicapped benefits if nobody's applied. The application has to be put in first

MRS WARD Thank you Madam Speaker. My question is to Minister Anderson, responsible for Immigration. The Minister stated last month that bringing about improvements to the economy was necessary before investors, that is, not resident investors, would in any way be interested in migrating to Norfolk Island. Acknowledging that, that would take time, would the Minister consider policy that might attract non investors, that is, self reliant immigrants or retirees to the island

MR ANDERSON Thank you Madam Speaker and thank you Mrs Ward. Yes. I would be happy to consider any opportunity to attract more people to the island given that I definitely believe we need to extend the population

MR KING I have a question for the Minister for Finance Madam Speaker, can the Minister advise whether forward estimates have been prepared for the remainder of the term of this Legislative Assembly and if not, why not

MR ANDERSON Thank you Madam Speaker and thank you Mr King. As far as I am aware when you say forward estimates, I assume you mean beyond the current budget period, so as far as I'm aware there have never in the past been prepared beyond the current budget period. That will and is about to change. They are required under the new Commonwealth Finance Minister's orders which are currently being negotiated with the Commonwealth. At the moment the first year 2011-2012 requires only estimates for one year and 2012/2013 requires estimates for three years so it is being worked on. We don't have them at present and we will have a requirement by 2012-2013 to have three year estimates. Because we have no experience in preparing these, we have already request assistance and guidance from the Commonwealth in order that we may commence the process of preparing for the need to report estimates

MR NOBBS Thank you Madam Speaker just a supplementary to the Minister for Finance if I may, the request for advise I would imagine that has gone through as part f the co operative financial officers working group

MR ANDERSON that's precisely where it's going through, yes

MRS WARD Thank you Madam Speaker a question for the Minister for Tourism, is the Minister able to clarify the status of the Worley Parsons report on construction estimates for a harbour at Cascade that was commissioned by the previous Government

MR NOBBS Thank you Madam Speaker an overview of some of the work carried out on that report was brought forward in draft form to a recent cabinet meeting and once we were able to collate that information I will certainly be happy to provide some response on what that report offers us in moving forward in analysing port and harbour facilities

MR KING I have a question for Mr Sheridan Madam Speaker but he appears to have left the room. Can you perhaps send the Clerk to bring him back

SPEAKER Honourable Members have we any other questions in the meantime for Minister's who are present in the Chamber

MRS WARD Thank you Madam Speaker the Minister for Tourism stated last month in the House and I quote ..."SPIN operators are in the process of formalising an alternative proposal for the Norfolk Island Government to consider". Has that proposal eventuated and what new commerce is waiting to be satisfied by Norfolk Island Telecom providing a new line of connectivity

MR NOBBS Thank you Madam Speaker I suppose a draft proposal has so far been put on the table with regard to the South Pacific Island network. At this stage it involves a substantial payment prior to commencement and an ongoing payment that in one instance where it's just a link directly linking Norfolk Island to New Zealand, is a reasonably low cost option however if we are to be able to capitalize on this fibre link to generate other revenue through unused capacity enabling other traffic we would need a link through to Noumea. To attain that link through the Noumea the pricing structure for the south pacific island network becomes quite large and as a result of those figures and that draft proposal, I met with Telecom New Zealand whilst in New Zealand recently and discussed options with them on whether or not it was attractive enough for them to have an alternative fibre optic route through Norfolk Island, through Noumea and then back down the Gondwana fibre optic cable to Australia for their redundancy, whether it was worth their joining with us in a proposal. As yet I haven't got anything definitive back on that

MR KING Can I have a supplementary question please Madam Speaker to that. Does the Minister's new description of the SPIN proposal as a draft proposal on the table, release us from any liability for the \$2.4m deposit on commencement of laying the cable and does it release us from the \$30m obligation if we can't proceed at all

MR NOBBS Thank you Madam Speaker and thank you Mr King. I would imagine, and this might actually be referring to a legal opinion, so I'll just give an overview in that I would assume that the existing contract is or existing arrangements are still in place until they are nullified either by non delivery of the cable or some other arrangement

MR KING ....

SPEAKER Mr King

MR NOBBS Perhaps you need to use proper protocol in the Chamber Mr King

MR KING Well you just used the description draft document

SPEAKER Are you looking for a supplementary Mr King

MR KING Yes Madam Speaker if I may. Are you finished with this answer

MR NOBBS Thank you Madam Speaker no I wasn't and perhaps Mr King would do well to listen as I describe the difference between the draft contract and the existing contract which is precisely what you asked me about

MR KING Can I have a supplementary question Madam Speaker if I may. Is the Minister's recent statement to the Chamber of Commerce about new and possibly better technology, an admission that Fibercon activity was not the only solution to high speed internet

MR NOBBS Thank you Madam Speaker at the time of negotiation the South Pacific Island network fibre would have been one of the only options to satisfy both business and community requirements as well as education requirements, telemedicine type requirements. The technology that I've referred to at the Chamber of Commerce is a system of low orbit satellites which are capable of larger band width than the current satellites with a lower latency or a lower up and down time frame for transmission and reception so although they don't necessarily negate all the issues of satellite technology and they certainly don't directly come in line with fibre optic capacity, they are an optic that perhaps we could use. Having said that the low orbit satellites are also going through a similar process to SPIN whereby the commencement date was initially proposed for end of 2011 and that date is dynamic to say the least in that it seems to have already been delayed to 2014

MR KING A supplementary question Madam Speaker to what extent do the Government give consideration to the rapid change in the pace of internet technology at the time they committed the Island to a \$2.4m deposit within a short period and a \$30m commitment over a long period

MR NOBBS Thank you Madam Speaker just to clarify that, the long period is twenty five years I think within the contract that Mr King is alluding to and I would have to go through the documentation of the analysis of other technologies but as I pointed out, there really were no other technologies on the spectrum available

previously that do away with the latency or propagation delay that has suffered through satellite communication that affects our business opportunities for those who would seek to put technical equipment in Norfolk Island that operates over the Telecommunications or broadband network

SPEAKER A supplementary Mr King. I will allow one more supplementary

MR KING Well I'll put two questions into it Madam Speaker if I may. Isn't it a fact that the Government was warned that internet technology was being replaced approximately every two years or less and where would we find the \$2.4m we are required to stump up if the cable laying commences within this year or the next financial year

MR NOBBS Thank you Madam Speaker that would be hearsay both from Mr King and from myself if I was to say that I was aware of such discussions going on. I mean it's common knowledge within telecommunications industry that there are ongoing changes in all areas of communications, whether it's broadband, telephony, voice over IP, SIP

MRS WARD Thank you Madam Speaker I would like to ask a supplementary question if I may to my original question because I'm very interested in new commerce or business and if there is no new business guaranteed, why is the Government at this time spending public money on infrastructure with no guarantee of immediate business investment or return and in light of our current financial position is significant interest enough to justify significant expenditure

MR NOBBS Thank you Madam Speaker I just might need Mrs Ward to clarify the significant expenditure that she's referring to

MRS WARD The SPIN project

MR NOBBS Thank you Madam Speaker and thank you Mrs Ward. The expenditure only occurs once commencement of laying the cable takes place on the process as laid out initially with the South Pacific Island network proposal, so at this stage there is no expenditure in use for that. The proposal at the time had been for the connection through the South Pacific Island network through Norfolk Island, would have also enabled a connection through to New Zealand at which point there was a commitment given from Telecom New Zealand at that time that they had an interest in purchasing unused capacity through that fibre optic

MRS WARD Thank you Madam Speaker a supplementary question and the SPIN project was based largely on new commercial interests and again I ask if there is enough interest to justify significant expenditure which will be forthcoming as a result of the projects completion

SPEAKER Minister, if you can move outside of expression of an opinion

MR NOBBS Thank you Madam Speaker I'll actually answer that by way of my understanding of the draft proposal as put to us from SPIN. It is that there are some limitations in their completing the original proposed project down through the other islands of Hawaii down through to Noumea then through to Norfolk Island. The draft proposal that they passed to us to consider at this stage is, as I indicated earlier, a link that goes from New Zealand to Norfolk Island or additionally a link that goes from New Zealand to Norfolk Island then Noumea. In any consideration of those there would be a documented business case on interested parties

MR KING Madam Speaker a supplementary question please. It is a repeated part of an earlier question which wasn't answered. Has the Minister identified the source of funding of the \$2.4m commitment. Yes or No

MR NOBBS Thank you Madam Speaker if that commitment was to be required it would mean that we would be getting a connection. The connection would then enable the disconnection from the micro carbon? satellite network and the differential between payment that we currently make through the satellite network and the bandwidth that we currently use which is minimal as opposed to the differential of going to fibre optic cable and the operating costs I think was in the vicinity of some \$500,000 difference that we would need to find over a financial year

SPEAKER Thank you Minister, Members I'm mindful of the time for questions without notice

MR KING Madam Speaker may I move an extension of thirty minutes

SPEAKER I look to the Membership. The question before us is that Questions Without Notice be extended by thirty minutes

QUESTION PUT  
AGREED

The ayes have it, Question time is extended by thirty minutes

MR KING Madam Speaker could I ask a question of Mr Sheridan in his responsibility for health and I ask him what studies have been done in relation to e health opportunities and what obstacles if any have been identified

MR SHERIDAN Thank you Madam Speaker and thank you Mr King. I'll have to take that on notice because I'm unaware of any studies that have been undertaken in e-health and the opportunities or obstacles that are in place so I'll take that on notice

MR KING A further question for Mr Sheridan in relation to health, has the Minister considered the adequacy of the visiting medical specialist programme

MR SHERIDAN Thank you Madam Speaker, no I haven't undertaken that assessment at all. I can undertake to see whether or not the Director of the Hospital has undertaken one and I can get back to Mr King

MRS WARD Thank you Madam Speaker a question to Minister Sheridan, has the Minister taken further action regarding child care requirements for centres on the island

MR SHERIDAN Thank you Madam Speaker and thank you Mrs Ward for that, as Mrs Ward is aware I am actively considering some sort of regulations in regards to Child Care Centres. There has been a bit of work done in this area previously and I've requested the files from the Administration and will see what they come up with, but just in discussions with people who work in that area, it is a very hard area to enforce or to put in place all the Australian requirements and this is what I've looked at so far, is the requirements that are in place in areas of New South Wales, Queensland and I believe that by endorsing or adapting their legislation or their requirements into our legislation would make the cost of child care here quite prohibitive so I've got that in mind at the moment, but what regulations or legislation that we do put in place for child care will have to be dovetailed into our economic structure you might say, and the ability for the community to afford affordable day care fees. If we were to make it say, up

around \$10 per hour, that's about triple what it is now, all you would be doing is driving your workforce away from work because it wouldn't be worthwhile going with our wage structure here, so in saying that, yes, I am undertaking some further reviews of it, I am reading upon past history, but I am mindful that by legislating in that area it may force some of these places to actually close down and it may force some people out of the work force which we can't afford so it's a balancing Act that we have to manage and one that will need some careful consideration taken prior to any implementation of any policies

MR KING Madam Speaker another question to Mr Sheridan if I may. At the last sitting of this House the Minister described the Norfolk Island healthcare scheme as and I quote ... "a very good scheme". Is the Minister aware that there are young families and others in Norfolk Island who deny themselves medical treatment because they cannot afford the \$2,500+ they have to pay before they get a penny back

MR SHERIDAN Thank you Madam Speaker and thank you Mr King. I think in relation to what I said last time, what was the words I said there, "a very good scheme", I think in that context it is a very good scheme. We pay \$690, just under \$700 per year, per person over 18 years of age and for that yes, you are required to pay the first \$2,500 of your health bills but after that everything is provided free and I don't believe you would get – really it's just a private scheme and I don't believe that you would find a private scheme that provides the benefits. The contribution would be more, I think the excess would cut out the \$2,500 ...

MR KING I'm sorry, you think or you are aware

SPEAKER Please direct your comments to the Chair

MR SHERIDAN Through my own personal experience yes, I would be aware that the costs are higher, the excess would certainly cut out the \$2,500 very quickly and I think that the service that they do get is very good so I'll stick by what I said at the last meeting Madam Speaker

MR KING I have a supplementary question Madam Speaker. Minister has any direction, instruction, suggestion, been made in recent times that a person who cannot pay by cash or credit card up front will not get medical treatment

MR SHERIDAN Thank you Madam Speaker I have discussed the ongoing problem with the Director of the Hospital with regard to outstanding debts and I have made comment to him in an email that under the Norfolk Island Hospital Act I believe it is, that he has the ability to ensure that the debts payable to the Norfolk Island Hospital are made and I made a couple of suggestions to him, to the effect that to ensure payment of the account, and I think there is a policy up there, there is a sign there that says they require payment after service, if payment can't be made after service I've suggested maybe they should consider a credit card scheme where they take an imprint of the patients credit card and the payment for that service is debited to their card. I'm sure that if they are certainly in hardship and they could not make the payment that service would not be refused. Madam Speaker it just reflects healthcare around the world. I'm sure we must be the only place where you can book up your health service. Every other place in Australia you have to pay for your service when you get it otherwise you don't get it. Over here it's a very good system

MR KING Madam Speaker a supplementary question, so the answer to my question is yes

MR SHERIDAN Yes. I've suggested to him that he has the ability under the Act to ensure that payment for services are made

MR KING Madam Speaker on the same issue, does the Minister accept that early medical intervention is the key to containing the spread of infection and disease and that a policy aimed at ensuring early and ready access to medical treatment is the most cost effective for a family unit, society, the economy generally and over time, the public purse

MR SHERIDAN Yes, I can certainly agree with Mr King there that early prevention is, and all I can say is that services of health are available for the whole community. They just have to present themselves

MR KING They just have to pay!

SPEAKER Mr King, through the Chair

MR SHERIDAN And that's exactly right Madam Speaker, they don't have to pay up front at this point in time. I've indicated to the Director that he has the ability to ensure that his bills are paid. Now we have an ever increasing debt problem, and it's not just the Hospital, it's the Administration as a whole and I would believe it's the private sector, and we're just trying to ensure that the hospital can maintain its services. Services that we provide for our community

MR KING Point of Order Madam Speaker, the Minister is making a statement, not responding to a question

MR SHERIDAN I se dun!

MRS WARD Thank you Madam Speaker the question is to the Minister for Tourism. A recent online media report stated that expanded networks provided wireless area network optimization that saved the island \$80,000 per year in satellite band width cost. Is the media statement correct? And how much did the accelerators cost the public purse and will there be an annual charge for service under contract or did Telecom commit to a one of annual fee only

MR NOBBS Thank you Madam Speaker without having the specific information in front of me that Mrs Ward is referring to, what I can provide is some information regarding the expansion of the current capability of our existing satellite through an enhanced module that fits to the satellite system and that was costed through the Telecommunications Manager and came to the Budget Review Committee and was a proposal from my recollection, was under \$12,000 and enabled virtually a doubling of the band width that we currently have up down quality satellite. Now there are some benefits in that, not only just in the delivery and speed of delivery of current band width on Norfolk Island but also in the expanded capacity that it gives for revenue to Telecom for those people who are downloading larger amounts faster

MR KING Thank you Madam Speaker a question for Mr Nobbs in his responsibility for the airline. Isn't it a fact Minister that the Air Nauru delegation which recently visited Norfolk Island for discussions was comprised substantially of the Chief Executive Officer of Air Nauru, both the Finance Director and the Finance Manager and an Executive Director of Strategic Wealth Solutions Financial Strategist for Air Nauru

MR NOBBS Thank you Madam Speaker, did I just hear Mr King insinuate that there was a member of strategic with that visiting party or were you inferring that ...

MR KING I didn't insinuate anything. I asked, among other things whether an Executive Director of Strategic Wealth Solutions, one of the or the Financial Strategist for Air Nauru was in the group

MR NOBBS Thank you Madam Speaker it's just there has been some confusion about the strategic airline's visit on their Pacific tours route in their process. The short answer to Mr King's question is yes, that delegation did arrive to continue on discussions that we had had in Brisbane with regard to options moving forward with the charter operation

MR KING Madam Speaker a supplementary question, is it not a fact that discussions included discussions on new charter rates apply or the under utilisation of the Air Nauru aircraft and the resultant additional costs to Norfolk Air

MR NOBBS Thank you Madam Speaker there was wide ranging discussion, because there are some opportunities on the table to explore with regard to basing of the aircraft and a number of other areas that at this stage I'm probably not at liberty to disclose because they are still under negotiation by the Airline Board in consultation with the charter operator

MR KING Madam Speaker I have a further supplementary. I'll take that as a yes Minister and continue with my line of questioning, isn't it a fact that Norfolk Air has incurred additional charges of some \$335,000 for aircraft under utilisation for the first half of this calendar year and that the expected total additional penalty charges for under utilisation for the calendar year are expected to be in the order of some \$600,000

MR NOBBS Thank you Madam Speaker the simple answer to that is that in the original contract there was an intent for a block hour utilisation of a certain figure for Norfolk Air. By that utilisation not being fully consumed there are penalties that apply and that we have been addressing those penalties in the regular charter payments. There certainly are other areas that we are looking at to reduce costs of the charter arrangement and there may be discussion on any other payment arrangements previously forming part of the calculations of the original contract

MR KING A supplementary question please Madam Speaker. Isn't it a fact that Air Nauru have issued an invoice in relation to the penalty charges for under utilisation of the aircraft and given that fact doesn't that indicate that negotiations on the subject are complete

MR NOBBS Thank you Madam Speaker and an excellent question Mr King. Now I know where the rumours come from. The answer to that is absolutely not. We have not been presented with any such invoice

MR KING I'll quote you the number shall I. Madam Speaker one final question

MR NOBBS Point of Order Madam Speaker

SPEAKER Mr King, I'm not going to say it more than once, I'm calling you to order for disregarding the Chair. I would ask you to be mindful of that

MR KING Thank you Madam Speaker

SPEAKER Are there any further questions without notice

MR KING Madam Speaker I have one final supplementary question on that. Given that the discussions were clearly high level and considerably

wider than press items would have the community believe, does the Minister concede that any suggestion that the discussions were confined to scheduling would be misleading

MR NOBBS Thank you Madam Speaker as I've said earlier the discussions were wide ranging. You don't get the Airline Board for Norfolk Air or the Membership of Our Airline on the island to talk about just merely scheduling. There were some wide ranging areas looked at. We are in a partnership and we are both seeking to make the best of that partnership

MR KING Madam Speaker a further question for Mr Nobbs. Given that the Minister's published Mission Statement and Vision for Norfolk Air is to operate a financially sustainable airline and carry 45,000 passengers to Norfolk Island out of the mainland by 2012, given that the airline is expected to post a loss of somewhere in the vicinity of \$4m in 2009/10 and given that currently, eighteen months out from the expected attainment of his payload mission objective we are achieving only slightly more than half, would the Minister like to revise his Mission Statement

MR NOBBS Thank you Madam Speaker in some of those personal views of Mr King's I can't comment with regard to his proposed figures and outcome. I can say that yes, he's correct within the Mission Statement there was a commitment given many years ago that by 2012 an achievement of some 45,000...

MR KING ... and repeated by you in April at the latest

SPEAKER Mr King would you kindly direct your questions to the Chair. That is the last warning

MR NOBBS Thank you Madam Speaker. As is the case with any planning and structural process and the process that I have gone through with any of the areas under my portfolio I do review those plans and even the Mission Statement and I have discussed the Mission Statement with the CEO of the airline and in the process of moving forward with the airline board over these negotiations that we are currently having no doubt we'll revisit that Mission Statement as well

MR KING Madam Speaker could I direct a question to Mr Sheridan in his responsibility for roads. In a recent press release the Minister advised that 2010-11 Roads Programme included a reconstruction of Hibiscus Drive. Can the Minister advise the commencement and finishing point of the reconstruction and the expected cost or perhaps provide only part of the answer if he wishes and take some on notice but I'm interested primarily to learn what the expected cost is

MR SHERIDAN Thank you Madam Speaker that part of the question I'll have to double check and get back to Mr King with the estimated cost but the intention is through the Works Depot, they are waiting for winter period to finish before they started on that road because, as Mr King knows, Hibiscus Drive is a fairly, well it's pretty rough at the moment but it's fairly steep terrain and it is the intention I believe to commenced that work in about November. At this point in time they are actually finalising the cost with regard to curb and guttering, storm water drains, I think there's three storm water drains that they are intending to be placed along that road. As for the start and the finishing time I don't know. As to the length of the road I think Mr King enquired where the start was, well of course it will start from Stockyard Road and at this point in time it will stop down towards I think it's down the bottom on the hill towards a block owned by a Miss Sue Ellen, we are negotiating with her to purchase a portion of her land at this point in time, it has many right of ways over it so once that is achieved it will then be declared a public road that part of it, and we will then be able to continue on and seal further, but until that is achieved we'll be sealing down through that portion of her block

MR KING Could the Minister remind me what the reconstruction budget is, or the budget for road reconstruction is for the 2010-11 period. A supplementary please Madam Speaker

MR SHERIDAN Thank you Madam Speaker. No. I'll have to take that on notice. I believe it's around the \$600,000 mark. I'm not positive about that. I will double check and get back to Mr King

MRS WARD Thank you Madam Speaker a supplementary question. Is the Administration Roads Section responsible for the monitoring and upkeep of bridges, for example, Headstone Bridge, and has funding been allocated for such works in the coming financial year

MR SHERIDAN Thank you Madam Speaker and thank you Mrs Ward. Yes I believe the Roads Department at the Works Depot is responsible for the maintenance of those bridges, I think there's only two or three on the island, and I believe there's something like \$5000 in the budget for the maintenance of those bridges and I think that \$5000 is just sort of a minimal amount put in there each year for their maintenance. I'm not sure whether or not there is any planned maintenance to be undertaken on those bridges but if Mrs Ward would like, I can certainly find out

MR KING Madam Speaker question for the Minister for Finance, during the recent budget session the Minister advised the House that a reduction in services was an option if financial decline continues. Can the minister outline what discussions the Government has had in regard to a possible reduction in services, or has the Government not discussed this possibility, preferring to simply hope for the best

MR ANDERSON Yes, thank you Madam Speaker and thank you Mr King. The Government has not as yet had any further discussions in relation to that because we are not as yet to a point where we need to review the budget. Consideration has been given by myself and the service to what services might be effected should that need arise and depending upon the way the budget deficit progresses we would give it more in depth consideration when the need arises

MR KING May I direct a question to the Chief Minister. Does the Norfolk Island Government policy recognise climate change and its consequences for Norfolk Island and if so, what measures does the Government have planned to reduce Norfolk Island's carbon footprint or otherwise address the issue of climate change

MR BUFFETT Madam Speaker climate change has not been a specific agenda item on the Government's papers at this time

MR KING Could I ask a further question of the Chief Minister to advise the House of the cost of the reception or party last Friday evening to receive the marathon runner whose name escapes me at the moment but I'm interested to know the cost of that function

MR BUFFETT Madam Speaker I don't have that cost in front of me but I'm happy to provide that however. Before we move too far off that Madam Speaker I think I would just like to make some mention of the profile of that particular matter. Here we have a very well known person performing in an athletic sense who has chosen to come to this place to make further efforts at records and the like and has done that amicably with sporting people within the island and has gained considerable community want to be involved and there was some great efforts made during the period of this activity with a great deal of community participation. The Government's effort was

to acknowledge that effort and to bring into play those local people particularly who had equally been involved and I venture to say that, that was appreciated by those who were involved in that way. In a wider sense and coupled with that of course was the raising of the profile for cancer research which particularly Mr Tavener and others have been involved in and that too gained profile within the community which is commendable and I thank all of those who have been so involved

MR NOBBS

Hear, hear

MRS WARD

Thank you Madam Speaker Minister for Finance my question is to. The Norfolk Island Government has argued in recent years that Norfolk Island's economic structures are sustainable due to low taxes, low regulation and low wage costs. Does the Minister share this view and will he direct policy accordingly to that now that he has insight into the current economic and financial situation on the island

SPEAKER

In as much as you are not offering or expressing an opinion Minister for Finance I look to you for a response

MR ANDERSON

Thank you Madam Speaker and thank you Mrs Ward. In relation to the affordability of the economic structures on Norfolk Island I would say that there were many factors including taxes, regulation and wage costs, that contribute to the sustainability of those economic structures. I wouldn't say that any of those in particular need to be singled out. As far as further future policy goes, that was the Norfolk Island Government's in the past's view that those were of importance. I think my views have already been expressed fairly clearly in the budget and no doubt in discussion which will occur later on today, in relation to how we can sustain or grow the economy

MR KING

Madam Speaker may I ask a final question of Mr Sheridan. Could Mr Sheridan advise what policies he has adopted, or the Government has adopted to deal with or meet the health demands of a rapidly aging population

MR SHERIDAN

Thank you Madam Speaker and thank you Mr King. I haven't adopted any myself and I will check with the Director of the Hospital to see where he's best placed to provide those services for an aging population

MR KING

Madam Speaker a supplementary question for Mr Sheridan, if Mr Sheridan would also include in his enquiries with the relevant people what studies have been undertaken to identify projected needs of an aging population, particularly the infirm and those who live alone, unless he has that information

MR SHERIDAN

Thank you Madam Speaker I'll certainly undertake that for Mr King and I'll get back to him in due course

MR NOBBS

Just one Madam Speaker and its directed to Mr King on the basis that he's brought to the attention of the Legislative Assembly ...

MR KING

Point of Order Madam Speaker ...

SPEAKER

I'll just hear what the question is please

MR NOBBS

Thank you Madam Speaker Mr King has brought to the attention of the Legislative Assembly ...

MR KING

A Point of Order please...

SPEAKER I'm just waiting to see whether or not the question falls within Standing Orders. Standing Orders is quite clear. I would need to have demonstrated to me very promptly that Mr King has a role to play here and Standing Order 103 deals quite clearly

MR NOBBS Thank you Madam Speaker I can demonstrate quite promptly

SPEAKER Thank you

MR KING I call on him to demonstrate at this time

MR NOBBS Thank you Madam Speaker Mr King has demonstrated to the parliament this morning that he perhaps has access to what would appear to be a fraudulent invoice claiming to be against the Norfolk Air entity

MR KING Madam Speaker I haven't time for this, it is the most ridiculous

MR NOBBS ... and I would request that he table that document so that Members

MR KING Point of Order. I cannot table that document Madam Speaker. I know the standing rules as well as Mr Nobbs does. He is ridiculously out of order here. I don't mind...

SPEAKER If we just turn to Standing Order 198

MR KING If we are going to allow questioning of backbenchers by Ministers I mean, what are we coming to? Is this part of the consensus style of government

SPEAKER Let us refer to Standing Order 198. Am I correct that you are referring to a document quoted from by Mr King

MR NOBBS Correct Madam Speaker

SPEAKER And that may be ordered by the House to be laid upon the table under Standing Order 198

MR NOBBS That is correct Madam Speaker

SPEAKER You need to move a motion to that effect

MR NOBBS I seek to move that motion Madam Speaker

SPEAKER That the document referred to by Mr King ...

MR NOBBS That the document referred to by Mr King be tabled in the House

SPEAKER Can you be more specific as to the document Mr Nobbs

MR NOBBS Madam Speaker Mr King inferred that there was a document indicating that the Norfolk Air entity had been invoiced and I think the amount Mr King inferred was somewhere around \$600,000 at a point of his discussion he also

...

MR KING incorrect, incorrect

MR NOBBS ... he also indicated that he could pass on to me the invoice number. If Mr King therefore has access to this invoice number on this document then table it in the House

SPEAKER The question before the House is that the document referred to by Mr King be tabled in this House

QUESTION PUT  
AGREED

Thank you. The ayes have it. Mr King it has been recorded that you bring this to the House in due course

MR KING In due course. Thank you Madam Speaker

SPEAKER If you do not have it with you today. Otherwise there will be contempt. Let's move along Ladies and Gentlemen. We are in Questions without notice. Are there any further Questions without notice?

#### QUESTIONS ON NOTICE

Let us now move to Questions on Notice. The first question we have on notice is question No 28 where Mr King is asking the Minister for Tourism, Industry & Development and I would ask the Deputy Speaker to temporarily take the Chair

MR NOBBS Thank you Mr Deputy Speaker, I'll read the question on notice which is No. 28, Mr King to ask the Minister for Tourism, Industry & Development, will the Minister table a return showing, in tabular form, the performance of each major item of Norfolk Telecom revenue over the past five years together with a narrative outlining his future plans for improving revenues and profit margins? Mr Deputy Speaker I present quite a comprehensive document that includes the audited statements and income and expenditure statements for the Telecom entity and I will also provide some other details on the Telecom operating entity. Rather than expect the listening public to read through each of these documents and there are some forty odd pages I think within these, I will give an overview of the years 2004 to 2009 in very brief summary form. 2004 saw an income of \$3.786m and expenditure of \$2,139,382 which gave a subtotal of \$1,646,797 and a depreciation figure at that point of \$336,748 was recorded and that gave an outcome after depreciation of \$1.31m. 2005 income of \$4,124,957, expenditure of \$2,232,000 a subtotal therefore of \$1.89m, a depreciation figure of \$404,000 and that gave a total of somewhere in the vicinity of \$1.488m. That's the total after you remove depreciation and Mr King, your question should be directed through the Chair. Perhaps you need to listen. 2006 saw an income of \$3,267,228 and an expenditure of \$2,304,728 which left a subtotal of \$962,500, depreciation figure of \$396,589 and the remainder after depreciation is taken into account of \$565,911. 2007 saw an income of \$3,022,197 and an expenditure of \$2,156,334 which left a subtotal of \$865,863, depreciation figure of \$442,145 and the remainder after depreciation is taken into account of \$423,718. So in each of those years quite a favourable amount of income earned by the entity. 2008, \$3,060,941 in income and an expenditure of \$2,478,917 which gave a subtotal of \$582,024, a depreciation figure of \$571,837 and the remainder after depreciation of \$10,187. 2009 saw an income figure of \$2,769,402 and an expenditure of \$2,615,883 which left a subtotal of \$153,519, a depreciation figure of \$560,566 which left a total for the first time of a negative, \$-407,047. now to just provide some background to some of those figures, many of the expenditures and the ongoing operation of the Telecom entity has meant upgrading of equipment and capital expenditure to improve capacity. To give an idea of capital expenditure on the bigger

ticket items, I've gone back to 2003 where \$368,000 was expended in the purchase of broadcast van to set up a new studio at the Radio Station at the cost of \$47,000, installing the new billing system from OTL for Telecom accounts and customer care \$321,000. 2004 saw capital expenditure on big ticket items come in at around \$225,000. the engagement of Price Waterhouse Cooper's to provide the ten year Strategic Telecommunications Plan cost around \$37,000, the introduction in 2004 of the DSL broadband services with capital cost of \$95,000, the installation of standby generator for Communications Centre \$49,000, installation of underground cabling and other capital costs particularly in the Mountbatton estate area at \$44,000. Capital expenditure in 2005 involved the upgrading of external plant to JE Road, Rocky point, Steels Point, New Farm Road areas at a cost of \$137,000, building modifications to fit out and prep GSM room, cost \$56,000, upgrade of Mission road cable, Martins Road \$63,000, refurbishment of the large receiver dish at secondary earth station site \$92,000. I bring all these up because they are certainly relevant to costs and outcomes for Telecom. 2006 capital expenditure big ticket items amounting to \$1.4m was the purchase of the Anson Bay earth station from Telstra cost around \$500,000, the installation of the mobile GSM switch capital cost of \$900,000

MR KING Point of Order Madam Speaker if I may. I'm sorry to appear to be belligerent but I raise a Point of Order on relevance. The question asked for a report in relation to the performance of major items. Not a discourse in relation to depreciation and capital expenditure over the past five years and it also calls on the Minister to deliver in narrative regarding his future plans. Not past performance. I can tell how he's performed in the past. And I can tell how Telecom's performed in the past. So I raise that Point of Order on relevance Madam Speaker

SPEAKER Mr Nobbs, I offer you the opportunity to respond

MR NOBBS Thank you Madam Speaker these are obviously relational to the question on notice which deals with the performance of each major item. These relate to the major items as they are the major

SPEAKER Minister you are proposing to table a return

MR NOBBS The question also asks for a narrative outlining future plans

SPEAKER That is correct

MR NOBBS That appears very shortly Madam Speaker

SPEAKER As you are I believe still in a narrative, no point of order Mr King. No point of order Mr King

MR KING No point of order

SPEAKER I see this as continuing to be relevant

MR KING I take it then Madam Speaker that I have to be specific in my questions but the answer need not

MR NOBBS Madam Speaker just to make it quite clear and I

SPEAKER You are allowed to entertain some more discussion on it

MR NOBBS I think to help Mr King understand the basic premise of what I'm outlining here is that the depreciation figure that effects the outcome for Telecom should also be relevant so that the community and Mr King...

SPEAKER I've ruled on no point of order

MR NOBBS Thank you. 2007 saw a capital expenditure on big ticket items of \$386,000. I'll summarise these quite briefly now. 2008 saw a capital expenditure of \$133,000, 2009 saw a capital expenditure of \$190,000. I'll table that document for anyone who would like to see the specific detail of those areas. The other aspect of Telecom's return to not only the public purse but also the public infrastructure is also worthy of note because this affects their bottom line so I'll just provide this information. In effect it relates to that and will lead into the future plans discussion. It is worth note that Telecom totally funded the Radio Station and Television, so it's \$212,334 in the financial year budget. Accounting and management fee paid to the revenue fund of \$214,000, credit card fees of \$118,868, 20% of which is really only attributable to Telecom. Telecom also pays their staff to receive accounts of the Public Service and there is the provision of internet to Administration and Government Agencies which estimates a cost of about \$120,000. That will just give you an indication that there is some \$711,000 worth of benefit that is given through Telecom that isn't seen as a direct monetary return. Future plans for improving revenue and profit. Norfolk Telecom's aim is not only to make a profit but also to provide a quality service to the community. Norfolk Telecom has continually implemented technologies that provide efficient and cost effective service additionally providing support to the Norfolk Island Radio and TV Broadcasting Service for the past six years. Last year as I indicated was a cost of \$214,000. Norfolk Telecom also provides free internet access to most Administration and Government Departments as I've referred to. With the implementation of the GST the then Minister for Finance recognised that Telecom would now become more of a Government provided service rather than a pseudo tax on the community. The cost of Telecommunications to the consumer was then significantly reduced. For example the outward call rate to Australia was reduced from \$1.50 per minute to .15 cents per minute. At this time with the discussion regarding whether SPIN project will complete create I suppose some uncertainty so Norfolk Telecom has a plan in place to introduce new services which will further embrace satellite technology. Equipment has been ordered which will increase the international band width by approximately 100%. This in turn will allow Norfolk Telecom to significantly increase the DSL band width to the end user, providing efficiency of service and increased revenue options. Future plans to improve revenue and profit margins, the implementation of roaming services into Norfolk Island from all Australian and New Zealand providers. This is in the final stages of contractual arrangements and testing is already proving very profitable with Telstra being the first to complete the process and their roaming income has been supported. New revised plans for increased GSL band width to assist business at home are also part of the future plans and additional revenue. Posting of telehousing facilities for off shore services, Members will be aware that I commenced the development of a charges and a telecommunications prospectus as well as a gaming prospectus as well as a gaming prospectus and web presence. The utilisation of telecommunications for specialist services. The expansion of the Norfolk Telecom wireless hotspot services and discussions continue with fibre optic agencies regarding potential business opportunities in New Zealand, Norfolk Island, Noumea connections and the sale of excess cables. Thank you Madam Speaker

MR KING Could I ask if you are tabling the document you just referred to? Are you tabling that paper

MR NOBBS I hadn't intended on tabling that document because it's pretty scrappy but I'm happy to type it up in a format

MR KING I have another supplementary Madam Speaker. Given that my question sought no information whatsoever on depreciation outcomes or capital outlays could I ask specifically of Mr Nobbs whether he has provided any specific information which can give us any reason to understand why Telecom's profits have fallen by \$2m over the past five years on a progressive basis year by year and will he or has he provided in that sheaf of information he has there, any specific data on each major item of Norfolk Telecom revenue as requested in the question

SPEAKER I will just ask Members to be mindful that question time is not a time to debate

MR NOBBS Thank you Madam Speaker Mr King will find as I said at the commencement in the income and expenditure statements all those areas are listed as in the performance of each major item of Norfolk Telecom revenue. The purpose of discussing depreciation which I must admit I'm surprised Mr King doesn't want to discuss just generally it pertains to the issue that he likes to discuss, is directly relational to the delivery of the remaining funds after depreciation to the public purse. With regard to the drop in revenue after depreciation from around \$1.5m, as I indicated in the overall statement, as part of the GST implementation it would seem that Telecom was no longer required as a form of service provider that also provided a return on a taxation type basis, and so the fee charges were drastically reduced for call charges. Having said that there has also been the advent of voice over IP and significant other internet based communication systems so each of these have had an impact and in fact, a drastic impact

SPEAKER Members you might find this helpful, just for the moment I'm going back to a paper that Mr King has been ordered to table and the Minister for Tourism having indicated that he is tabling a paper but in a different form and can be lodged with the Office of the Clerk

MRS WARD Thank you Madam Speaker a supplementary question and I appreciate Minister Nobbs' detailed response including expenditure and I appreciate the increase in cost in developing infrastructure and outgoing costs but there has been a decline and my figure of difference to Mr King's was that between 2004 and 2009 which is five years there was a reduction from \$37m to \$27m and I question, to clarify because I do believe Minister Nobbs has answered the question, is that Telecom is no longer a Government Business Enterprise it is to run as a service only, seeking to make revenues for the upkeep of its infrastructure only. Is that correct and will the new Minister responsible for Telecommunications be revising that policy

MR NOBBS Thank you Madam Speaker, there are two aspects of that question which I'll answer. The first is that at the time of introduction of GST it seemed that the call charges which had previously been a major revenue earner and a form of assisting the public purse on a fee for service was addressed at that time. The entity as Telecom operating now still need to operate on a sound business operating principal so if that answers the question. The other response I will make that Mrs Ward talk about some rather hefty figures of revenue, perhaps a decimal point was in the incorrect place but as I say the figures contained within this and they are also contained within the budget and audit figures

MR NOBBS Thank you Madam Speaker, Question 29 Mr King has ask the Minister for Tourism, Industry & Development, at the 16 June meeting of the Assembly the Minister advised that a significant effort was undertaken to "establish risk and a business case", in relation to Norfolk Island's participation in the cruise ship industry. Will the Minister table the summarised findings on risk and business assessment? Madam Speaker there has been a large degree of work done on that analysis. At this stage I will provide some response but what I would like to be able to do

is to discuss with one of the coordinators of the cruise ship Working Group, their deliberations and documentation as we are all aware

SPEAKER Do you intend to table a document on the subject

MR NOBBS Summarised findings? Yes, at this stage I would rather take that question on notice and refer it to the Members of that Working Group and I just point out that we had endeavoured to get as much of this responded to as possible and perhaps where ever possible if a question is to be put on notice and the Member can actually contact us in an earlier time frame we can satisfy at the upcoming sitting

SPEAKER For the purpose of the minutes I note that you are not at this time responding to the question

MR NOBBS Thank you Madam Speaker I'll take that as a question on notice thank you

MR NOBBS Thank you Madam Speaker Question 30, Mr King to ask the Minister for Tourism, Industry & Development, will the Minister table a written reply detailing -

- a) if negotiations with Carnival Cruises for the payment of port fees and charges have been completed and,
- b) how much port fees and charges are collected on average for each visit and,
- c) whether there is any cost recovery at all when disembarkation cannot take place?

Through the Public Service I sought those answers and I'm happy to place this document on the table and to give the listening public a summarised response a) it was agreed with Carnival Cruises that a review of operations would take place after the final cruise ship in September 19<sup>th</sup> of the first calendar year of operation; port fees and charges are part of that review; b. On average the cost recovery from each ship that disembarks is \$6000. This is made up of i. A maximum \$5000 in lighterage and pontoon fees, ii; \$375 in Customs/Quarantine fees iii. \$650 in launch hire. C. There is no agreement to recover costs if the ship does not disembark passengers. And I'll just provide some detail on this. Ship 3 at Kingston incurred wage costs of \$912. An invoice has been submitted as Kingston was ready and it was the ship's call to cancel the operation. Payment has not yet been approved. Ship 4 at Cascade incurred wage costs of \$1,075. No invoice will be submitted as the pontoon was not positioned before the call was made cancel the operation.

SPEAKER Thank you Minister and that document is so tabled

MR KING A supplementary question to the Minister. Could I ask if Carnival Cruise has expressed any opinion at all of the viability or otherwise of the 50% disembarkation rate

MR NOBBS Thank you Madam Speaker and thank you Mr King. I can tell you right now that they have shown a further commitment to Norfolk Island by planning their upcoming schedule with more arrivals in Norfolk Island

MR SHERIDAN Thank you Madam Speaker, I'll read the question out from Mr King. Will the Minister advise what Plans of Management for public reserves have been targeted for implementation in this coming financial year? Madam Speaker I'm not exactly sure what Mr King requires here as the Plans of Management for each public reserve sets out how each reserve is to be managed in accordance with the Public Reserves Act 1997. All Plans of Management for each reserve commenced in May 2003 so that there is no further reserves that require Plans of Management to be implemented so if that's what Mr King is after I can leave it there but if he wants me to go

further into the elements of the implementation for each plan, I've data here, but maybe that's what he's after

MR KING That is something I'd be interested to learn

MR BUFFETT Madam Speaker Mr King to ask the Chief Minister, to what extent are community Members of statutory or ad hoc Boards or committees indemnified against any personal loss or damage arising from their official duties? Madam Speaker there was determined in December 2002 an indemnity programme that is encompassed in a document which I'm happy to table signed by the appropriate Minister at that time. As far as I am able to ascertain it is still current and therefore would cover the categories that Mr King mentioned in his question

SPEAKER Thank you Chief Minister for the purpose of the minutes that document is so tabled

MR KING I'm sorry. If it's so tabled I'm happy with that, thank you

MR SHERIDAN Thank you Madam Speaker question 33, Mr King to ask the Minister for Community Services, can the Minister table in the House a copy of the advice recently given to the Commonwealth Games Federation by the Norfolk Island Administration in relation to Norfolk Island residency and citizenship and their implications for eligibility to compete in the Commonwealth games. Madam Speaker I am unable to table any advice recently given to the Commonwealth Games Federation as I've had no correspondence from the Commonwealth Games Federation unless the Federation is the organisation responsible for direction and control of the Commonwealth Games and I would certainly not provided any information to this organisation without request

MR KING Is the Minister saying that the Norfolk Island Administration did not provide advise in relation to residency and citizenship

MR SHERIDAN Thank you Madam Speaker the Norfolk Island Administration through me provided advise to the Norfolk Island Amateur Sports and Commonwealth Games Association. We've had no contact with the Commonwealth Games Federation whatsoever

MR KING I have to ask a further question, is the Minister prepared to table that advise. Let's not beat around the bush with the issue. I think he knows what I'm getting at

MR SHERIDAN Thank you Madam Speaker. No I'm not. No I won't table that advice and if I may just say why I won't table that advice, it's because the information was forwarded to the Norfolk Island Amateur Sports and Commonwealth Games Association upon request clarifying a couple of questions in regard to residency. That information was provided for use by them and the documentation as requested, I can't table it because the information was for the Norfolk Island Amateur Sports and Commonwealth Games Association for their use and their use only so if Mr King would like to ask them if they would like to provide a copy of it, well and good

MR SHERIDAN Thank you Madam Speaker question 34, Mr King to ask the Minister for Community Services, will the Minister absolutely guarantee;

- That pensions are and will continue to be, paid promptly on their due date, and
- That all healthcare claims and payments are being dealt with without delay, and
- That workers compensation payments are made on their due date and in a manner that allows beneficiaries immediate access to funds, and

- d) That a shortfall in public funds does not and will not affect prompt payment of these entitlements?

Madam Speaker just to reply in short to the question as a whole, no I will not give that guarantee. I think that's a very unsafe thing to do, but in reply to the four queries that he does have, unfortunately and this is coming from the Public Service, we do have managers in that area who act on my behalf, and some delays have been experienced in processing healthcare claims mainly due to the extraordinary amount of large and involved claims received this financial year for both healthcare and workers compensation. It is envisaged that the 2009/10 financial year has finished that all outstanding claims will be finalised in the very near future and following on, provided that all the correct documentation is in place, every effort is made to ensure that workers compensation payments are made on the due date. As signed acknowledgement is required for some compensation payments a cheque is issued to the claimant. The workers compensation scheme has no control over the beneficiaries' access to the funds. This would be a matter for the paying bank to decide. All payments made to date have been paid. There is no indication that this will not be the case in the future and for the shortfall in public funds does not and will not affect prompt payment of these entitlements, these funds are set up with their own appropriation and so unless the appropriated amount is utilised I would expect that a request would be made for some more monies, but no, there is no indication that payments would not be paid. Thank you

MR NOBBS

Thank you Madam Speaker. Question 35 from Mr King is, can the Minister confirm that the working group established by the Minister to recommend a pricing schedule for Telecom leased circuits has convened within the three week timeline advised to private operators on 2 July and that a recommendation has been received from the group? Thank you Madam Speaker. What I will do is table a document of recommendations given to me by the Working Group, to recommend a pricing schedule for Telecom leased circuits as convened within the three week time line as advised to private operators on the 2<sup>nd</sup> July and the recommendations has been received from the group. Thank you Madam Speaker, what I will do is table a document of recommendations given to me by the Working Group and I might read from it if I could just to give an overview of some of the issues and that way the community at large can see what is going on within their deliberations. The Working Group met on Friday 23<sup>rd</sup> July at the Communications Centre and following is the subsequent recommendations from the working group. After much discussion the working group considers the process of determining costs for this type of service is very complex and not easily determined. Any hasty decision made without full consideration of all the issues, costs and service impacts could result in implementation of Policy that has not had its full impact investigated. However, when considering a cost structure the following should be noted: any pricing structure must protect the investment of Norfolk Island Government as well as the service provider. There must be a licence fee entrance fee established to entry to ensure the long term viability of the business. If there is no license fee, or entry fee, to access the Telecom network it would open up the industry on Norfolk Island to multiple service providers for a minimal hardware set up cost. This in turn might add to the governments costs in ensuring that these entities are complying with issues such a s reliability, privacy, quality of service and the like. A license fee would ensure only those who intend to operate the services for on selling to customers would apply and should be set for a finite period. A substantive fee would also ensure that there was only interest from genuine private operators. Only providers that have sound financial background should be considered eligible for the protection of the Norfolk Island community. In determining a viable pricing structure we need to investigate the following: At what level could a license fee be established as to not disadvantage competition but also ensure Telecoms ability to maintain and improve the network. What would be today's cost to establish the Telecom copper and or fibre optic network. What are the total maintenance costs currently being experience by Norfolk Telecom, including labour and capital replacement. What is the expected technical obsolescence of the Telecom network? What investment by Norfolk Telecom would need to be made in the foreseeable future

for upgrades to the current infrastructure to keep pace with technology? What percentage of the above costs could be attributed to DSL business and what percentage of these costs are supported by revenues from other services. Being mindful to cross subsidisation of the various Telecom cost centres where revenues are not reliant on the copper network. E.g. Mobile phone services, roaming revenues, etc, recognising that some services are discounted because they are subsidised from these other areas. How do you predict what percentage of existing DSL business would be expected to be lost to competitors what other revenues within Telecom could be eroded e.g. traffic lost to Voice Over IP services that would be prompted by competitors with the advent of competition. How will this impact the ability for Telecom to invest, maintain and improve the Islands network. Service agreements and cost schedules for service calls and faults made by private operators. Given that the client of the private operator is no longer a customer of Telecom, the service provider would need to lodge service calls on behalf of their customer. Service call costs would also need to be considered. Should it be the Norfolk Island Government's intention to deregulate the whole of the telecommunication on Norfolk Island, this may well change the complete scenario and the terms of reference for any external advice. The recommendation the working group made following that is to recommend a cost structure for a private competitor in this market is extremely complex when taking into account all factors mentioned above, not to mention the technical, administrative and retention of revenue aspects. The working group recognises that it does not have the expertise to determine a price structure that would ensure a level playing field for all providers whilst ensuring that there is sufficient revenue for Telecom to maintain and improve its infrastructure for the good of the Norfolk Island community. The working group recommends that an independent professional with experience in this field should be engaged with the terms of reference to include the points as described above to provide advice on this topic. And there were a number of Members of that working group including two community Members and I certainly thank them for their efforts in that Madam Speaker and I place that on the table and I'll just follow it up with a further step I have taken just to assist Mr King in how this may be progressing. Following discussions with the Working Group and their concerns about the length and breadth and the technical requirements that they were being asked to look at and on their recommendation we've made contact with a David Dawson who is the Assistant Commissioner for the Independent Consumer and Competition Commission as well as Simon Lardner who is the director of Challenge Networks Australia and the advisor to the Australian Communications and Media Authority. He's been a long term advisor to them, even through deregulation so we have put a proposal to those two professionals to work upon the issues as raised by the Working Group to come up with a suitable structure and to advise me

**SPEAKER** For the purpose of the minutes you have so tabled and I turn to Mr King

**MR KING** A supplementary question if I may. Is there a timetable on that? How long do those prospective users have to suffer additionally in relation to this

**MR NOBBS** With regard to the two gentlemen or professionals that I referred to just then, the scope of work is in the development stage at the moment. I would imagine that they would indicate to us quite promptly what time frame they think they can complete it at, and once I have that time frame I'll pass it on

**MR KING** Can I ask just one more. Can I ask if the Minister is prepared to negotiate widely among Members and perhaps some in the community in regard to the terms of reference

**MR NOBBS** Thank you Madam Speaker I think that the best that I could do there to ensure that the process doesn't get forestalled by numerous bits of information coming in from all areas is to advise that if anyone would like to provide me

some further scope that needs to be addressed in this, further to the document that I have tabled, they can certainly contact myself and I will ensure that it goes through on the scope of work that is relevant to where we are going

**SPEAKER** Members quite a lot of papers have been tabled this morning and there are more to come and some of those documents may have some sensitivity about them and I'm just going to invite your attention to Standing Order 197 which requires unless otherwise ordered, being by the House, all papers and documents presented to the House may be inspected at the offices of the House by Members and with permission of the Speaker by other persons, and that doesn't give me the licence to make copies of those documents available and this is because one needs to be mindful of privilege and whether or not it attaches to documents. I just ask you to be mindful of that

**MR NOBBS** Thank you Madam Speaker and on that note I'll just add that I did advise the Working Group that I would require a document from them that they would be comfortable with me tabling

**MR BUFFETT** Madam Speaker both questions 36 and 37 are inter related to some extent but I'll respond to each of them individually. The first. 36. Will the Chief Minister (a) advise the Norfolk Island Government's position on the findings of the KAVHA Governance Review document tabled by him at the 16 June sitting of this House; (b) give advice on how the Commonwealth and Norfolk Island governments will work together to consider the recommendations made and any proposed change to the governance arrangements within KAVHA; and (c) is the Chief Minister satisfied that the current intergovernmental arrangements through the KAVHA Management Board provides the Norfolk Island Government equal representation in determining any actions to be taken following the recommendations of the KAVHA Governance Review? That's the first one, No. 36 Madam Speaker. The first one, the KAVHA Governance Review document is also referred to sometimes as the Ayeliffe Report, is a document that's been around for a little time now. It was presented to the KAVHA Board prior to the present Governmental arrangements and so I'm not speaking for those who may have made some comment prior to that time frame. But in the present time frame there has not been a Norfolk Island Government position formulated nor given in respect of this report. It is likely that at the next meeting of the KAVHA Board the Norfolk Island Government and the Australian Government would want to go to that Board with at least some interim attitudes about it and so that is scheduled for not before the end of September the next KAVHA Board meeting and therefore I would probably be in a position to raise some matters with the full Membership of the Legislative Assembly to see attitudes about that particular report. In terms of equal representation in determining things, within the KAVHA context, whilst the Board has equal representation upon it, the Board's role is to offer advice to one Government or the other depending upon who holds responsibility for the matter in question so if it's a matter in the KAVHA area for which the Commonwealth Government has responsibility then it's to that authority that the Board will offer its advice. Likewise if it's the Norfolk Island Government then the advice will go in that direction. How equal that is will depend upon a whole host of other matters but I just put that in context. But I think the real thrust of this question was, how is this report going, and when is the Government here committed to make some response and I think that sort of time frame is the best that I am able to master at this moment.

The next question which is 37 asks this. Will the Chief Minister advise why Norfolk Island Government representatives on the KAVHA Management Board are Executive Members whereas Commonwealth representatives are senior public servants and will this configuration be altered to reflect modern and transparent management principles? Response. I'm surprised if in fact the asker of this question thinks that you will get more modern and transparent management principles out of one area or the other. I wouldn't want to think that one would be better than the other. I would hope that they would both

perform satisfactorily. Nevertheless, that doesn't probably answer the main thrust of the question. I think some background might be useful to just mention in this context as this goes back a long way of course, to mention this but in very early days Norfolk Island had no representation whatsoever in terms of the then restoration processes, now called conservation processes and there needed to be a significant thrust from Norfolk Island as time went on particularly after 1979 and the self Governmental arrangements were erected, to gain such representation and they needed to be done at ministerial level to so achieve it. I recall being involved in it and in fact it has been achieved and you will see now that on the Board there is equal representation by the two parties. Notwithstanding that some are officers and some are executive members or Ministers. There is room to consider that process. My comment is that if it is to be so considered there is a good likelihood that one can consider it in the Ayeliffe Report context so I just mention that at this time. But this question only envisages that it might go one way. In fact there are two ways that this can go. It may well be that you have a ministerial arrangement that is represented or it could be that you have an officer representation. At present it's a mix of the two. But there we are at this moment Madam Speaker

MR NOBBS Thank you Madam Speaker. The question from Mrs Ward was to ask, the Minister stated in this House that the Airport Manager had put together a technical specification that enabled the budget review committee to consider correct engineering processes for the RESA RW29 project. Will the Minister table that document and CASA correspondence that states the technical specifications are acceptable? Again I have a comprehensive document and in this instance I'm particular cognizant of the time, so I will just give an overview, that is that the Airport Manager prepared a document that showed a number of scenarios and options for us to consider and there are impacts on the airport, positive or negative. He also maintained a contact with CASA particularly with regard to the Manager of Airways and Aerodromes Branch to keep them in the loop so to speak of what the proposals were and how we were moving forward and how this may enable us to satisfy as best as possible the runway end safety area for the Norfolk Island airport and enable an exemption case to be built for any shortfall we may have in the initial stage of meeting the RESA requirement so I table both those documents which is the Budget Review Committee's Submission on the Runway End Safety Area prepared by the Airport Manager and I table a document from the Manager of Airways and aerodromes Branch, Civil Aviation Safety Authority, Canberra and just one other thing I will outline is that there has been discussion on whether or not we could have shortened the length of the strip instead of putting in the runway end safety area in and as has been demonstrated by the Airport Manager that would actually incur a cost greater than the implementation of the RESA by having to reconfigure and realign all the navigational and lighting area. Thank you

SPEAKER Thank you Minister. For the purposes of the minutes those documents are so tabled

MR SHERIDAN Thank you Madam Speaker Mrs Ward's question, would the Minister outline legislative based requirements for handling compensation cases under the worker's compensation scheme and how mental health or stress related cases are processed? I've just got a brief explanation for the workers compensation area, sections 26 to 47 of the Employment Act 1988 deal with the handling of compensation claims as well as policy brochure available from the authorised officer and just to comment that the legislation coming up in the House today is necessary to clear up some anomalies that has been found in this area and clearly define the compensation claims process, particularly the new section 37(a). The mental health and stress claims as there described under section 26 as a disease and therefore are subject to section 35 of the Act under compensation for occupational disease. I don't know if that's really what Mrs Ward requires but that's all I have for today Madam Speaker

MR SHERIDAN Thank you Madam Speaker questions 40 and 41 from Mrs Ward, if I could just leave those on the notice paper for a time

SPEAKER Thank you Minister. That concludes for today answers to Questions on notice.

### SUSPENSION OF HOUSE

Honourable Members I'm mindful of the time. It is quarter to one. I look for guidance as to whether you want to break for lunch at this time and if so for how long, if someone would like to move a motion to that effect

MR BUFFETT I propose we break for lunch until 2 o'clock  
Madam Speaker

SPEAKER Chief Minister Thank you.

QUESTION PUT  
AGREED

The ayes have it. The House is suspended until 2pm

### RESUMPTION OF HOUSE

SPEAKER Honourable Members we resume this afternoon

### PRESENTATION OF PAPERS

SPEAKER Honourable Members are there any Papers for presentation this afternoon

MR ANDERSON Madam Speaker in accordance with section 41 of the Interpretation Act 1979 I table the **Postal Services (Amendment) Regulations 2010**

MR NOBBS Madam Speaker in accordance with section 41 of the Interpretation Act 1979 I table the **Norfolk Island Government Tourist Bureau (Amendment) Regulations 2010**

MR SHERIDAN Thank you Madam Speaker in accordance with section 41 of the Interpretation Act 1979 I table the **Road Traffic (General) (Amendment No 2) Regulations 2010**

MR BUFFETT Madam Speaker I have to table a formal documentation pursuant to provisions of the **Public Sector Management Act 2000**. This particular Act requires that when there are organisational changes there is a process and I'm endeavouring to comply with those processes by this tabling. This relates to organisational change in the office of the Chief Executive Officer. The process is that he exhibits that proposed change to me. I am then required to provide that to the Public Service Board for their comment and upon receipt of that, to table those documents so that Members may see it and indeed they have an opportunity to then make any proposals to me that they would so wish. So it's now reached the stage where I table these documents which is an outline of those organisational changes. The response from the Public Service Board and at a subsequent time, I will consult with Members to see if they have any responses that they would care to make and I table those documents Madam Speaker. I have a copy for each Member to be able to distribute that so that they will see what all of that is. And they are pursuant to provisions of the Public Sector Management Act 2000

MR KING Madam Speaker I would move that the Paper be noted

SPEAKER Honourable Members the question is that the paper be noted

MR KING Simply for the sake of having an opportunity at a later time after examination to raise any queries in this forum and at an appropriate time I would move that the debate be adjourned and made an order of the day for the next sitting

MR BUFFETT Madam Speaker may I just say this because I'm not too sure that it's necessary in terms of what Mr King is proposing. The provisions in the Public Sector Management Act are that the Legislative Assembly have opportunity to comment upon those documents and therefore at an appropriate time I will be raising it for discussion in a formal sense so Members will have that opportunity and then I will need to put together whatever they say to make a final determination, so Mr King if it is really to have a discussion I'm really saying the process will allow that to happen

MR KING I'm happy to withdraw thank you

SPEAKER Including the motion to note Mr King

MR KING Yes thank you

MR SHERIDAN Madam Speaker under section 75(1) of the Employment Act the **Employment Conciliation Board** have to prepare an Annual Report and under section 75(2) requires the executive member to table that report in the house and if I just speak briefly to the paper there Madam Speaker. The **Annual Report 2009/2010** for the Employment Conciliation Board and Members are Dick Massicks, Rick Kleiner and Debbie Simpson and I'll just read a couple of paragraphs. They are pleased to present our annual report from the Employment Conciliation Board for the preceding year July 1<sup>st</sup> 2009 to 30<sup>th</sup> June 2010. this year has been a quiet one for the Board as there have been few complaints for us to deal with. Activities for the year. 1) Information and advice. We have continued to offer informal assistance and advice as individual members, without involving formal processes, where people have a simple query about some aspect of an employment situation that needs clarification and 2 complaints. The board dealt with three formal complaints during the year. Two were resolved and one was a matter involving workers compensation which was outside our powers under the act. Conclusions in the report. 1) Relationships between board and tribunal. We request in last year's report that regular contact between the board and tribunal be established and that we come into the loop to receive transcripts of tribunal hearings. This would greatly assist us in handling complains because often our greatest successes can come from explaining to the parties what is likely to occur if the complaint is taken further. This has still not occurred and whilst we can understand that this is largely because of changes in Minister over the last year we formally request that this occur soon. 2) current Employment situation. The current tight economic time is causing a lot of employers to either lay off staff or give them lesser hours; every indication is that this is being handled well and employers need to be congratulated on their sensitivity and good management. Finally we would like to thank the employment Liaison Officer, Legal Services and the Minister for the assistance and support they have given us during the year. We look forward to continuing to have a good relationship with them in the future. Madam Speaker I therefore table that report

MR ANDERSON Thank you Madam Speaker I table the **financial indicators for June 2010**. This I hope will be the last time these rather confusing indicators will be produced in this format. These indicators mark the end of the former separation of the revenue fund and the government business enterprises (except of

course for the three that remain excluded from the revenue fund - healthcare, workers comp and KAVHA). These indicators contain estimates, as has always been the case in the past, and therefore the precise figures are not known until the accounts are finalised for the month and the financial year. This is why they are called indicators. Let's start with the bad news, because there is no good news. The economy was at an all time low in June 2010. Visitor numbers for June were the worst since June 1983. The total visitor numbers for the financial year 09/10 were the lowest since 1989/90. This is not, despite what many people seem to believe, purely a Norfolk Island problem. All tourist destinations have been and continue to suffer serious downturn in their arrivals numbers. Airline's around the world have been making huge losses – as Norfolk island afares are continually compared to that of Fiji it is probably the best example to examine the Fijian airline "air pacific" is majority owned by the Fiji government (52.1%) and part owned by QANTAS (46%) and air New Zealand (1.9%). In the airlines 59 year history they have not had a worse year. In the 2008/09 financial year they lost around a \$7.5 million and in the financial year just ended on 30 June, they lost a\$38 million. That is the price they have paid to keep the tourists coming. Norfolk air had a bad June. The preliminary accounts in the financial indicators show a loss for June of \$435,600 and a resulting annual loss of \$3.729 million. The end result because of differences in accounting assumptions is that the June loss might be closer to \$355,000 but that would only be the case if the apportionment of the payments from Our Airline were handled differently. The reality is the result is still very serious. The public purse cannot sustain such losses and they look like being repeated in July and august despite higher loads. This will arise in part because of the two for one offers that seriously reduces the average fare earned per seat per sector. Despite the lower visitor numbers the GST receipts for the financial year are slightly higher than anticipated and therefore the 2009/10 deficit looks like being lower than expected. Unfortunately GST receipts have a lagged effect because they start to be paid to the administration almost at the end of the following month on which they were received. We can therefore expect that the GST receipts for June will be considerably lower than budgeted for and the allowance in these indicators was for a reduction of some \$75,000 for the month. We can only hope the increased visitor numbers will go some way in July and August to offset what I am expecting to be a more substantial loss for the airline in those months. The projected deficit for the 2009/10 year will be around \$1.141 million. There is still around \$2.98 million owed to the NSW Dept of Education. If Norfolk Island was required to pay all its short term debt including the total owed to the Dept of Education there would be a shortfall of about \$150,000 as at 30 June 2010. I note also in the indicators that the balance owing for absentee landowners levy continues to climb and I'll be paying attention for recovery as soon as time permits. The levy is a first charge on the land and if the levy remains unpaid the government will have to look at selling encumbered land to recover the outstanding debts. Selling land in the current environment would not be the preferred solution but the debts must be addressed if they are not being paid. While I would like to end on a positive note I do not believe we have turned the corner as yet. There is more pain to come and the period through which we can sustain the pain is getting shorter every time the losses exceed the estimates. Thank you.

MR KING  
the day when...

Madam Speaker just briefly I also look forward to

SPEAKER  
noted please

Mr King would you like to move that the paper be

MR KING

May I move that the paper be noted

SPEAKER  
be noted

Honourable Members the question is that the paper

MR KING

Madam Speaker I too am also looking forward to the day when more precise and informative information is available to us on a quarterly

basis under the new reporting systems. I have to say that I haven't been a great fan of the financial indicators over the years but again, when you look at them as Mr Anderson has pointed out, we have to look at them as our indicators. They are only pointers to where we are at and history will show that the indicators tabled in this parliament in the July periods of former years relating to the close of the financial year just immediately prior to that period have been totally at odds with what was finally reported in an audited fashion at a later time. I'm not being critical there of the ability of the Administration to produce meaningful and informative figures. I'm just simply saying that they can't be relied on. If there are positive signs in them, that's good. I have to say for example in relation to the airline which I look at closely, it has reported an estimated loss, subject to a lot of assumptions and if's and but's as detailed in the disclaimers, reported a loss of \$435,000. From my observations that loss includes a calculation for the month for air charters using the earlier rate and does not include the penalty rates for under utilisation of the aircraft. Whether Mr Nobbs likes it or not, the information is that the under utilisation charge for the first half of this calendar year January to June, is \$335,000. It is not according to my observations and estimations included in those figures. Since it has just been brought to account, well, it's about to be brought to account, obviously whoever compiled these figures wasn't aware of it at the time, it will inflate that \$435,000 loss by \$335,000 and blow out the estimated yearly figure to round about \$4m. Those are my observations. They are not 100%. They are based on information that has been made available to me. I don't think there's any disagreement that there is an outstanding charge for under utilisation of aircraft, even though only a portion of that \$335,000 would be directly attributable to the June period, one sixth in fact, it had not previously been brought to account so it has that effect of blowing out, \$435,000 whatever it is to \$780,000 odd for the month. Thank you. I look forward to those figures in the new format

MR SHERIDAN Thank you Madam Speaker I would just like to make a comment with regard to Mr King's comment of under utilisation of the aircraft. The fee that Mr King is referring to is not as a result of under utilisation of the aircraft. It's a result of the ability for Our Airline to increase the block hourly rate and in the contract they can do that with 60 days notice and they have applied that from the 1<sup>st</sup> January this year. But they did not inform us of this and this is where the debate is still undergoing with regards to the quoted figure of Mr King's will be around about \$600,000. It equates, that figure equates for the forecast up til, and the Minister for the Airline may be able to confirm this, up til the end of this year. A portion of this is for the first six months, but it relates to the ability for them to be able to increase the charge out rate per block hour. Not the under utilisation of the aircraft. We pay a higher fee per block hour rate if we reduce the hours of operation which is what occurred so that's all in the part of the contract so it's just a terminology that has been used. It's not the under utilisation of the aircraft it's the ability for Our Airline to increase it under the contract, the block hour rate that we utilise the aircraft for and seeing as they didn't inform us of their intention, we're debating whether or not it is valid and this is where the discussion is with regard to this amount of money. But Mr King may very well be right. It may not be reflected in the airline figures at this point in time. Thank you

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 Honourable Members that paper is so noted

MR ANDERSON Thank you Madam Speaker, section 32A of the **Public Moneys Act 1979** says that where in the financial year the Administration has incurred a substantial liability to make a payment out of the reserved fund and the whole or any part of that payment is unpaid at the end of the financial year the executive

member may within 28 days after the end of the financial year direct by notice in writing that the Finance Manager shall for the purpose of meeting that payment transfer unexpended appropriation for the following financial year such that such amount as the Finance Manager considers is equal to the amount remaining unpaid. Under subsection 7 the executive member shall at the meeting of the Legislative Assembly following the making of a direction, lay a copy of the direction before the Legislative Assembly. I now table that direction. It totals \$16,900 and relates principally to police, courts, education and a few other matters for which we had incurred liability which would appropriate a fall in the previous financial year in which we now choose to pay out of the previous appropriation

MR ANDERSON Thank you Madam Speaker, section 32B of the **Public Moneys Act 1979** makes provision for the executive member to direct in writing a transfer between division, subdivision, and items that may be deficient or for which no provision has been made a sum out of any saving arising in any other division subdivision or item. Subsection 32B(1) provides that the executive member shall lay a direction given before the Legislative Assembly within two sitting days of the making of the direction. These in essence are the virements and I now table those directions

MR ANDERSON Thank you Madam Speaker. There has been some discussion in the community in relation to a **letter** that I wrote to the **Hon Brendon O'Connor, Minister for Home Affairs on the 15<sup>th</sup> July 2010**. In order to clarify and hopefully not continue the disinformation, I now wish to table a copy of that letter

MR KING Madam Speaker I move that the paper be noted and endorsed

SPEAKER Honourable Members the question is that the paper be noted and endorsed. Any debate on the motion

MR KING Thank you Madam Speaker. I draw some comfort from the letter of 15<sup>th</sup> July sent by the Norfolk Island Government to the Federal Minister, Brendon O'Connor. The letter written and signed by the Minister for Finance and The Attorney-General, Craig Anderson is frank and honest in its content and in its assessment of Norfolk Island's current economic and financial circumstances. It seeks to establish a commencement point for joint Commonwealth and Norfolk Island discussions on finding solutions and whilst it does not favour one solution over another it certainly does not rule out what I believe to be the only solution, that is, the complete merger of our tax systems over time. Nevertheless I applaud the Government for the policy positions they have adopted. Mr Anderson points to his deliberate criticism of previous Assembly's for their past financial practices to contrast what he describes as his total honesty in respect of the current state of public finances. Personally as a close observer and analyst of public finances over many years I can only welcome this support, perhaps unintentional support, of my position or the position I've advocated over some time. The letter of the 15<sup>th</sup> July admits to having no capacity to meet Commonwealth loan repayments and suggests that an attempt to meet the repayments would "eliminate most of what little working capital the Government has" and that not only is there no current repayment capacity there is also no foreseeable capacity to service the loans. The letter points to examples of deteriorating economic activity which of course is of no surprise to any of us around this table. It highlights the continuing decline in tourism and the worst tourism figures for some twenty seven years as Mr Anderson has just alluded to. Mr Anderson emphasises an inability on the part of the Norfolk Island Government to provide the necessary economic stimulus and concedes that even if the Federal Government was able to agree to the current outstanding request for federal funding that "the amount requested would probably be insufficient to stem the deterioration in the Norfolk Island economy". Mr Anderson goes on to say and again I quote "that breaking the downward recession cycle is going to be a major problem which if not addressed sooner rather than later will become increasingly difficult to reverse. Madam Speaker

these concessions will not come as a surprise to those in this House who understand what's going on around them. Nor will it come as any surprise to those in the business community or those whose jobs have been affected to the extent as Mr Sheridan has just pointed out in the report from the Conciliation Board that he has just tabled, there is no doubt about the dramatic nature of the deterioration in our economy and in public finances, certainly you don't have to have a university degree in applied mathematics to understand the figures that are on public record and whatever way you look at it, the public purse is empty and there is no doubt that the financial year just ended will have resulted in a further decline of I'm estimating in the order of \$4m, probably more. We are all aware having just gone through the 2010-11 budget process that there is no capacity for policy initiative, there is no money for Waste Management, environmental protection, or very little of it. Surely Madam Speaker there is no need for me to go over the problems that we have with Argentine Ants and their consequences, water and air pollution issues and our obligations post 2015. Like others I can see no evidence whatsoever of any acknowledgement in policy of our rapidly aging population and certainly there is no evident plan or not evident to me and I've looked in most cupboards and under most bits of carpet, there's no plan evident to me that caters for the dramatic increase in health and welfare requirements which will come about from our aging population over the next fifteen years or so. We've no capacity to address these requirements, nor many other problems and requirements like our infrastructure replacement or an airline as we've just discussed. Perhaps the main reason for not having prepared forward estimates, although I understand from Mr Anderson that it's never been done in the past, there is no reason why it shouldn't be done now, but perhaps the result of conducting that exercise would be too horrible to contemplate. Of course I understand that insolvent Governments are able to carry on much longer than private businesses or corporations. Government can simply bump up the taxes or cut services. Mr Anderson has already foreshadowed that services may have to be looked at and elaborated upon that today. I believe that there is now an understanding that our economic fortunes did not decline overnight or even because of the global financial crisis or allow me to make a concession, or the last Legislative Assembly and Government. I've said before that the uncontrolled and seemingly unnecessary expenditures of the previous Government did not of itself bring us to the present financial and economic situation. What it did was simply accelerate the decline by diminishing our capacity to address what has been a gradual and relentless deterioration over at least the past six or seven years. Regretfully it seems that successive island Governments did not accept that there were inherent problems in maintaining our market share of regional tourism. Problems which have now become entrenched. Mr Anderson's reference to downward cycle becoming an increasing problem is very true. Once again one doesn't have to be Einstein to sense that as every single day goes by we're sinking deeper into the mire and our capacity to find solutions is fading fast. I've suggested that if we are not able to co operate with the Commonwealth with an open mind to find solutions we will lose the opportunity and we'll lose the opportunity to participate in finding solutions or our participation will be very much reduced. The Government's letter describes our economic and financial circumstances in unambiguous terms and I offer support for their description. Allow me quote a passage from the Government's letter in describing current circumstances it says, "we have effectively a collapsed economy with minimal likelihood in the near future of any real stimulus." The letter goes on to resurrect a previous request for a joint task force to consider and I quote "the financial sustainability of Norfolk Island, the funding of the delivery of public service infrastructure and the economic future of Norfolk Island generally." The letter continues and I say that this is of particular or even central importance, the letter continues to go on to say "the task force could as a priority address the often raised realignment of the Commonwealth and Norfolk Island taxation regimes." Many different interpretations will be put on that and I concede that my interpretation may well not match the inference that I've drawn from the letter but nevertheless I regard the terms in which it has been expressed to seek an opportunity to explore on a without prejudice basis all those options whereby Norfolk Island can contribute to the Commonwealth and in term be eligible for Commonwealth funding. My final quote from the letter is an important belief expressed in very clear

terms I believe and I quote again, "it appears that in interests of the island's financial survival this will be the only way forward". The policies expressed in this letter and I regard it as a Government letter, are not emotional nor kneejerk reactions to a brief economic downturn of expected short term duration. It is a considered response which has emerged perhaps for some a bit late, it has emerged at a point in a prolonged and deteriorating economic crisis which is a very real threat to all of us, to jobs, businesses, and the lives of the people whose interest we are charged with protecting. Those people look to us to secure a sustainable future and that means examining every possible option. It's not satisfactory to continue to ignore what has happened in Norfolk Island and what is continuing to happen and to simply hope for the best. That is unacceptable. The 15<sup>th</sup> July letter reflects the clearest understanding expressed by any recent Norfolk Island Government over the situation that we find ourselves in. It's not about rolling over or surrendering self Government. It's about having an open mind on realistic options. Options for that sustainable future that we all want. A future that will ensure the retention of self Government and which will secure the means by which the Norfolk Island identity and culture can be protected. Thank you. Madam Speaker may I add something before I close. I understand that my words and contributions to this debate and indeed this debate may have come as a surprise to some Members around the table and I accept that in the interest of increasing a level of participation in this House and in the community I'm happy to adjourn this motion at an appropriate time. Thank you

MRS WARD

Thank you Madam Speaker and I would like to thank Minister Anderson for the opportunity to comment on his letter. The Minister for Finance has spent the last four months tirelessly examining Norfolk's financial situation and he is determined that the only way forward is for Norfolk to pay some form of financial contribution to the Commonwealth and in return we would want to become eligible for funding and grants to pay for the delivery of services that the Norfolk Island people deserve. It is a breath of fresh air. A Minister who can say I have no pecuniary interest in this, I have no pride to sacrifice, it is the situation as I see it. The Minister has simply acknowledge the impossibility of the situation, that is for the small working population and the tourism industry to support the expectations of a modern isolated community and it's now obvious that the inability of our Government to participate in national partnerships is detrimental to our economy and our best interests. I'm not suggesting that Norfolk Island does not currently receive assistance from the Federal Government. It does. If you look to the Met Bureau, the National Park, KAVHA and the Police. But what we do not receive is anything substantial in the areas of education, social security or health. Minister Anderson and this Government have called for a joint task force to be formed to consider taxation options and to be fair, the previous Legislative Assembly called for this but to no avail. Well we have formed a new Government. One with a different attitude and let us plan for a different outcome. Having said that the outcome may not be exactly as everyone would like it to be but the first steps have been taken. Reassessing who will be responsible for what will be a task that will require mature negotiators and initially change may be daunting for us all. But a transitional period is something that has been discussed in previous reports and no doubt will be addressed and accommodated. When and if indeed, options are put on the table and dialogue begins, it is the role of this Government and its officers to ensure that change will be workable and that the transition will be as smooth as possible, and most importantly, that the community is informed and aware of how changes if there are to be changes, will affect them so that we do not see baseless fear campaigns. Talk of taxation or a roll back of Government controlled business or superannuation are all issues that must be discussed but the service and the private sector cannot be redeveloped until taxation is dealt with. We must not address any one issue in isolation. Minister Anderson has understood that raising taxes locally will not raise enough money to alleviate the financial burdens we face and he is not moving to suppress the economy any further by doing so. When I stood for this election I made it clear that I was asking for a mandate to facilitate real change to the current fiscal arrangements with the co operation with the Commonwealth. I said that we must make changes not because we are in financial difficulty but because it is the responsibility of Government to plan for the

future. I said then that realities need to be faced and this is what we have seen here today. If we debate this issue in the community we should keep two things very separate in our minds. On one hand there is self Government and our heritage and on the other hand is taxation and economics. Governance and taxation in my mind should be seen as two entirely different matters. It is financial sustainability that is the question. How do we retain the very essence of our existence and at the same time, move ahead. It is time to move into an arrangement with the Federal system that will ensure that viability that will allow us to move more readily into addressing the needs of our community, the environment and infrastructure and I understand that this community is looking for leadership and as the Chief Minister said in his campaign, we must sort out the finances. Until we do that, we can't do much. This Government is clearly taking that lead and endorsing the need to address the changes that must be made. I thank the Minister for Finance and the entire Government for taking this step in the right direction for us all and I will certainly join their quest and assist in any way I can. Thank you

SPEAKER Thank you Mrs Ward. Any further debate. If the Deputy Speaker would take the Chair

MS ADAMS Thank you Mr Deputy Speaker. I am entering into the debate on a motion in order to explain why I am unable to support the motion to note and endorse the paper which in real terms, whilst it is a procedural motion, nevertheless, it is one that has implications if the motion were to pass, that is, that the letter be endorsed. I will try to explain. I would like to preface my remarks by saying that in the lead up to the elections for the 13<sup>th</sup> Assembly I made my position on the relationship with the Commonwealth of Australia quite clear, and I will repeat those words so that they are recorded in Hansard and there can be no misunderstanding about my view. And I said, over and over, "It is time to build bridges and mend fences. It is time for the Commonwealth Government of Australia and the Legislative Assembly of Norfolk Island, on behalf of the Norfolk Island community, to return to the negotiation table with mutual respect for one another, and in their deliberations on our Island's future, to be always mindful of the uniqueness of Norfolk Island and its historical origins. Constructive respectful dialogue must form the basis of any discussion on Island issues, including governance, finance and environmental sustainability." At the same time I offered my parliamentary knowledge, my broad experience but most importantly my passion to achieving this goal as a clear demonstration of what I would wish attained for the Norfolk Island community during the term of this Assembly. At the informal weekly meeting of members held yesterday I sought clarification from the Minister for Finance and The Attorney-General on some parts of the letter which has been tabled today. In particular, I expressed my disappointment at his choice of words in respect of the Hansard of debate on the budget which he has copied to Minister O'Conner; and the use of the words in relation to Hansard, for the Minister's entertainment. Irrespective of why these words might have been used, my concern stems from the fact that they can be misconstrued by the reader as reflecting on Members' debate in this House and on the Assembly as a whole. I also expressed my concern at the words in paragraphs three and four, on page two and Mr King has already referred to some of those words. The task force could as a priority address the often raised realignment of the Commonwealth and Norfolk Island taxation regimes and it then goes on and concludes in paragraph four, it appears that it is in the interest of the island's financial survival, it will be the only way forward. I cannot support that realignment with the Commonwealth taxation regime equates to the only way forward for the island's financial survival. But I do support and continue to support, and have been supporting for at least some twelve months, if not eighteen months, the setting up of the joint task force between Norfolk Island and the Commonwealth. We continue to ask but it does not happen. For that task force to consider all the options available to our community. To take us forward into a prosperous future. Before drawing the conclusion that the Minister seems to have drawn in this matter that our financial survival is the only way forward by moving into perhaps realignment with the Commonwealth's taxation regime. At the end of the day, that may very well be the case. That may be the recommendation that comes forward from the

task force but at the moment, just to say that, that is the only way forward is not the best thing to say. So let me make my position quite clear on this as well. Whilst I clearly Norfolk Island sitting down with the Commonwealth to discuss, with mutual respect for one another, our Island's future, at the same time I must also record into Hansard the words I spoke at the public meeting convened by the Chamber of Commerce for candidates to state their policies, and I quote from my statement at that time "I stand on the platform for true democracy, government of the people, by the people, for the people, and justice and fair play for all", but more importantly, I stand on the platform and I will not resile from this, that if major constitutional and governance change is to happen on Norfolk Island, that that change should only happen with the consent of the Norfolk Island community, and the way that the Norfolk Island community expresses its view is through the referendum process". It is one of the cherished assets and facets of our community that we have direct democracy through citizen initiated referenda or other referenda initiatives. The Minister's letter without a doubt contains potential for major constitutional and governance change. Down the road if that flows out of the task force that there be a realignment with the Commonwealth and I accept that. I'm only putting on the table that my view would be that the community should have a say and I'm sure all of you around the table would support me in that view. To conclude I support the motion before us for consideration only in so far as the paper be noted, but I cannot endorse the text of the letter in its entirety. I endorse the philosophy. I understand the difficulties that the community faces. I'm a member of the community, I'm a single woman, I understand the difficulties, I'm experiencing them myself so I understand where we are coming from, but let's put a bit of positivity into this place and so to conclude I support the motion before us for consideration only insofar as the paper be noted but I cannot endorse the text in its entirety because of the fact that the message it contained can be misconstrued for the reasons stated above and I thank Mr King for providing the opportunity for debate on this matter and to allow Minister Anderson to speak further on his letter. Thank you

MR NOBBS

Thank you Mr Deputy Speaker I'll be as brief as possible on this one. In the past Legislative Assembly there was certainly great effort and endeavours to assembly working groups, not to delay the process but to put in place a collaborative process to investigate options such as this, on the table so that at no point would we be making a transition to a different financial system that would disadvantage Members in the community and that is really the purpose of the working group in my view so I am particularly positive in seeing the work group mentioned within this letter. We are after an enhanced collaborative relationship in that regard, we're after an outcome where we can discuss facts and discuss remoteness and discuss how Norfolk Island moves forward. Now having said that and having also through Madam Speaker, the mention of the fact that some of those work groups didn't actually come to fruition, it's also worthy of note that the stimulus funding that we were invited to attend for up to this point certainly hasn't come to fruition either, so obviously the communication of our relationship still has a long way to go. To put it into a greater context though, in terms of the positioning of Norfolk Island financially, a couple of things come to mind. One is the future debt for Australia coming out of the global financial crisis I think is somewhere in the realms of several billion dollars. Obviously there are issues that are impacted on major countries as well as smaller territories and these need to be recognised as part of the steps that have led to the position that we are in now and I'm certainly not saying that they are the only attributable factor. There's quite often been discussion about various grants commission reports and others that have specifically recommended that the Commonwealth invest with us in our infrastructure. That has gone on for years and in fact I couldn't even begin to tell you where that originally commenced but I would think some far more than twenty years ago and they are things that if we had collaborative management of infrastructure we would be reducing the broader scope of responsibilities that we as an external territory are held to ransom for in some cases. At the moment we endure many restrictions with very little assistance. The alignment with the taxation system in that phraseology I'll just point out this, and it was from a review that we sought someone with an economist background to review what Norfolk Island currently contributes to the Australian taxation system versus what's

coming back to the Norfolk Island fiscus through Commonwealth provided funds for the areas as listed before that included the National Parks, a co contribution to KAVHA and the like. That economist's review pointed out that directly and indirectly, Norfolk Island is paying on an annual basis somewhere around \$15m per year into the Australian system. On average I think we receive \$4.7m so it's worthy of note that it hasn't been a one way street up to this point. That there have been a number of areas where we could have productively worked together on how Norfolk Island develops and securing Norfolk Island's future. That's probably enough said from my point of view. The Working Group's if they are formed out of the basis of this, then that will be a step forward.

MR ANDERSON

Mr Deputy Speaker I'll have the last word if no-one's going to speak any further. Could I first address the comments that have been made by the various Members. It was suggested that I had determined we need to contribute to the Commonwealth but in fact I would say that I have suggested we should consider that as an option. At no time does the letter, or do I suggest that self Government should be an issue. I think the Territories Law Reform Bill already has that before us. I'll address the reference to Hansard which was raised by Madam Speaker. If it's taken in full context the Hansard that was attached to the letter was a copy of my budget speech and my second budget speech on the second occasion and I made that reference flippantly that it was for his information and his entertainment and there was no reflection on Hansard or the House. It was on my budget speech which is here included from the content of Hansard. You mentioned that we continue to ask but it has not happened. That is precisely the purpose of the letter. I'm attempting to stimulate a discussion. It appears to have been successful so far and I'll see if the Commonwealth agrees. You mentioned the consent of the Norfolk Island community and the need to discuss before there is anything to consider. I agree entirely. That is the purpose of the Working Group. To consider the options, to determine what we need to take to the Norfolk Island community and then to determine whether or not that's going to be acceptable and we should proceed with it. The letter itself was a letter headed Norfolk Island Government Budget and that was the principle intention. It was to provide to the Minister in Canberra a copy of the budget, a copy of the spread sheets that supported the budget, a copy of the budget narrative in respect of the performance budget, and to provide a copy of my budget speech. The following comments were deliberately intended to stimulate the opportunity to be offered to us to establish a Working Group and to attempt to move forward. Not wanting to use Julia Gillard's current catch phrase. If the way it's expressed has caused people concern that means that it may be receiving a similar round of attention in Canberra, I hope so, except for the caretaker problem, and we may actually achieve something from it. In respect of the continually quoted paragraph and I quote "I would like to explore on a without prejudice basis, the options that may be available and I emphasise on a without prejudice basis, for those people who don't understand that, that means let's put everything on the table, let's look at all the options and no one's committed to any of it, they are there for consideration so we would like to explore on a without prejudice basis, the options that may be available whereby Norfolk Island can contribute to the Commonwealth and then become eligible for Commonwealth funding and grants to fund the delivery of services to the Norfolk Island community. Minister Nobbs just mentioned that we have made many applications for grants, that we have been mentioned in reported that grants should be provided, and that's precisely what I'm aiming it at. The response seems to be there is no contribution from Norfolk Island therefore there's no return. Let's talk about it on a without prejudice basis. We might agree that we go nowhere with it. But let's talk about it. It appears that in the interest of the island's financial survival it will be the only way forward. I put that in there. Quite deliberately. An upturn in the economy the moment or in visitor numbers will relieve the situation. We all agree with that. But it cannot solve the problem. In meeting our obligations, in restoring our financial reserves and fixing our infrastructure is not achievable in the current circumstances. We could just continue to sit on our hands and wait for it to get worst, but in my view, my estimate is we would need on current figures, probably \$55 to 65m in order to get back to the position we should be in had we been funding the depreciation which is now \$44.5m if we need or prefer to be back to the

levels of reserves that we had only two or three years ago. A proposal to consider how we might align taxation regimes is not a request for nor acceptance of the taxation regime's need to be merged. It was a suggestion or an attempt to stimulate discussion. Continuing on the discussions that had been initiated in the 12<sup>th</sup> Legislative Assembly including the request for Working Groups. I'm open to other suggestions. If there is anybody in this room or in the community who has the answer I am only too happy to defer to them and if they can demonstrate to me that it can be done without some involvement or co operation from the Commonwealth then bring it on. I think that's all I have to say on that. Thank you

MR SHERIDAN Thank you Mr Deputy Speaker just briefly I would like to support Mr Anderson's letter. I was unaware that he was going to table it today so I haven't prepared any words but I also endorse the approach that he's taken to try and get dialogue happening in important areas, especially in finance, with the Commonwealth and if Mr Anderson's approach gets a reaction in a positive sense with dialogue commencing and a task force being established, I really wish him well and as I said I fully endorse it

MS ADAMS Thank you Mr Deputy Speaker, in case there's some misunderstanding, I support totally the principle behind what Mr Anderson and the rest of the Government is endeavouring to achieve. I made it clear that I could not endorse the text of the letter as it is currently couched. It is absolutely essential that the Legislative Assembly and the Government sit down with the Commonwealth and may it begin. We have just met last week Richard Glenn from the Attorney-General's Department, and that's to be our contact. That was the response provided by Minister O'Connor. Let the contact be made immediately. This week. Let the task force be formed next week. Let's get on with it. We've waited long enough. Thank you

MR KING If we are at an appropriate stage in the debate I would in the interest of stimulating wider debate I would move that the debate be adjourned and the resumption of debate made an Order of the Day for the next sitting

DEPUTY SPEAKER I put that question that debate be adjourned for debate at a further sitting

QUESTION PUT  
AGREED

The Ayes have it. Debate is so adjourned Honourable Members

SPEAKER Thank you Mr Deputy Speaker. Are there any further paper for presentation Honourable Members. We move on

#### STATEMENTS OF AN OFFICIAL NATURE

Are there any Statements Honourable Members

MR BUFFETT Madam Speaker I'll just briefly mention that we've Recently had a week of **visits from Department people, Julian Yates, First Assistant Secretary in the Department, Richard Glenn, an Assistant Secretary and Alison Green a Director** in the area that has direct relationship with Norfolk Island from the Attorney-General's Department. The purpose of that visit was principally to introduce Richard Glenn just mentioned a moment ago, who is new in his task as an Assistant Secretary and they were continuing their familiarisation with a range of matters and discussions here within the island. They visited various facilities, had discussions with various Ministers, had an opportunity to meet all of the Members who had an interest to come and meet with them. One of the two things that I think I should mention in terms of

their visit that they made clear. They confirmed that the present Australian Government in terms of their activities is in caretaker mode and we need to understand that in our dealings with the Commonwealth. Also confirmed to me was that the Territories Law Reform Bill had lapsed. How it would be seen by whatever the electoral process in Australia brings is yet to be determined and no doubt that will be visited upon another day. One thing that I did draw from all of that was that notwithstanding that situation with the Territories Law Reform Bill, that in Norfolk Island and from a Governmental point of view I would still want to pursue some of those things mentioned in the Bill, for example, the freedom of information ombudsman, the AAT matter, privacy, some financial aspects, so that they might be further addressed. They are things that we do want to do notwithstanding the Bill in its different format, and there was agreement by those officers that we should endeavour to move forward with those although they made it plain there was a caretaker mode and they were not in a position to commit Government to that but in terms of having further discussions with relevant Australian Government departments to pursue some of those things were ones that we could move forward in a partnership arrangement and I just report that to the House

MR SHERIDAN

Thank you Madam Speaker, I would like to make a statement on the **Bovine Viral Diarrhoea Virus Eradication Programme**. The Norfolk Island Government has endorsed a program to eradicate Bovine Viral Diarrhoea Virus or BVDV on Norfolk Island. I am pleased to announce that a program for the eradication of BVDV will commence on the 12<sup>th</sup> Aug 2010, in just over 3 weeks time. BVDV is a viral infection in cattle, which has a negative impact on herd productivity, resulting in increased abortion rates (up to 25-50%), poorly developed calves and increased susceptibility to other diseases. The virus is transmitted between cattle via contact with secretions, but does not transmit to humans. Testing undertaken during the April 2009 muster identified that BVDV is widespread amongst the common herd (i.e. cattle holding pasturage rights), with 72% of cattle tested throughout the island found to be BVDV antibody positive. It is likely that some cattle in private herds are also BVDV antibody positive. The actual and potential negative impact this virus has on cattle and their owners is significant. A meeting was held in November 2009 for cattle owners to discuss what to do about BVDV on Norfolk Island. At that meeting it was unanimously agreed that an eradication program should be attempted regardless of the source of funding. Since then, the Administration has made contact with recognized experts in BVDV identification, treatment and eradication, to obtain further advice on an eradication program for Norfolk Island. The Administration, in conjunction with Norfolk Island Veterinary Surgery, has now finalized a program, and will commence the eradication in August. The success of the program will depend on the full agreement and cooperation of all cattle owners. There are approximately 1528 head of cattle on Norfolk Island, and they all need to be tested as part of this program. At the same time, all female cattle three months and older need to be vaccinated against BVDV. Testing is done by taking ear notches from cattle and sending these to a laboratory for analysis. As soon as the results are known, cattle found to be antigen positive are to be isolated from other cattle and restrained, and subjected to a further test, for antibodies. Antibody tests will differentiate "acutely/recently infected" cattle and "persistently infected" cattle (i.e. those which are continuously spreading virus and never develop immunity). Those cattle that build up immunity will, following further testing, be allowed back in contact with other animals, and those found to be persistently infected will need to be destroyed. The number of cattle anticipated to be destroyed is likely to be around 10 to 20, and is quite likely to be less than that. Vaccinated cows require a booster injection about 4 to 6 weeks after the initial treatment. Every calf born within 9 months after the vaccination also needs to be tested as soon as they are born, as there is otherwise no way of knowing if any of these will be infected. As with the initial testing, any calves found to be persistently infected need to be euthanized. To assist with the program, the Administration is bringing Dr Enoch Bergman to Norfolk Island in August to talk to cattle owners about BVDV, and the eradication program. Dr Bergman has had extensive experience in dealing with BVDV, and is a member of the BVDV Technical Advisory Group. Dr Bergman will assist the island's veterinary surgeon Dr Candice Snell in the



with one exception which I'll come to. Only an Australia or New Zealand citizen, an Australian or New Zealand permanent resident, a permanent resident of Pitcairn Island or a holder of a temporary entry permit, a TEP for four out of the five previous years can make an application. It can be argued that the applicant's wife and daughter should be required to wait or perhaps to put it into perspective or more bluntly serve their time for four years and then make application under section A(1)(d) of the Act having served four of the last five years on a TEP. The situation is that the applicant wishes to regularize his wife and daughter's immigration status in Norfolk Island. In the event the motion is not approved the wife and daughter will be required to make annual applications for a temporary entry permit in order to be permitted to live with the husband and father on the island. The wife will traditionally not be able to undertake work freely and will require the approval of immigration to change jobs. If the husband commences a business such as the non profit community based business the application discloses he is engaged in, the wife will not technically be able to participate as a part owner and will technically require immigration's approval to be an employee of the family business. These facts and difficulties in my view justifies bringing the matter before the Legislative Assembly for consideration. The matter if resulting in a negative will mean as I've stated that the wife and child will have to wait as TEP's for four years before in the fifth year being eligible to make an application as of right. I note that many Immigration regimes throughout the world would grant residency to the spouse of a resident in these circumstances and it is not what will be the outcome here. If the motion is agreed to it merely grants the right to apply for a general entry permit. The circumstances are unique to this case but might apply if other residents choose to marry foreign nationals in the future. Again, I repeat, the motion only results in a right to lodge an application for a general entry permit. It would then be processed in the normal way. By way of clarification I confirm the Commonwealth Racial Discrimination Act 1975, which does apply to Norfolk Island, makes it illegal to discriminate in respect of many things, but specifically for our purposes today any "exclusion or restriction" on the basis of amongst other things, national or ethnic origin is illegal, so if anyone has a concern based on the fact that they are foreign nationals then that is a difficulty for them because it is actually illegal to discriminate on the basis of nationality or ethnic origin. I commend the motion to the house.

MR KING Thank you Madam Speaker of course I'm not going to oppose the motion, I would ketch et from Aiden if I do that, but I simply want to make the observation that I can't understand how we got to a situation where we have to bring individuals of this category into this House and talk about their Immigration affairs and what they might be confronted with in this circumstance and what they might be confronted with in other circumstances. I understand the need to give a little bit of debate to support the motion but is this really what we intended with the law. I understand that the law provides for this to happen and so I will be agreeing with the motion with those few remarks. Thank you

MR SNELL Thank you Madam Speaker it was not my intention to support this motion, on the grounds that it may imply that this is a short cut to permanent residency and the Immigration laws of Norfolk Island have been compiled as we all know over many years to protect the interests of Norfolk Island and its people and to comply where relevant to the requirements of the Australian Migration Regulations and I appreciate what Minister Anderson has said regarding the anti discrimination legislation in Australia and we hear about that all the time, particularly with their migration problems at this present time, but whilst I appreciate Madam Speaker that the application is to only allow application for a general entry permit however, it does move away from standard policy and I refer to what Mr King has said, how is this seen as such importance when it's obviously happened previously. My concern is that it might give rise to an impression that this Legislative Assembly is looking favourably at reducing or amending entry permit requirements. Foreign nationals of course choose to come and live here and I presume that Minister Anderson has confirmation that a marriage has taken place and all what he is saying is right. Foreign nationals choosing to live here do

so on their full understanding of course of our legislation and Immigration requirements, just the same as if I were to move to their country I would be obliged to honour and agree to their form of Immigration and their requirements. It's an awkward one. I'm in two minds. I understand the situation that Mr Anderson has said it's only an application for a general entry permit but at the same time, I am concerned at ramifications that could occur. I will stick by my previous conviction and I will not support the motion. Thank you

MR SHERIDAN Thank you Madam Speaker I don't see a problem with this, and the reason why is because the only reason why it's before this House is that this person is a foreign national. If this person was married to an Australian or a New Zealander they would get their GEP as a matter of course and without their going through the four out of five years on a temporary entry permit so realistically, you have to put aside their nationality. The only reason why it's before this House is that under our current Immigration laws it's only an Australian or New Zealander or a permanent resident of Pitcairn Island or a holder of a temporary entry permit for four years out of five can apply for a general entry permit or as Mr Anderson has done now, a person has been authorised by a resolution of the Legislative Assembly to make an application so I don't see it as a short cut, I just see it as this day and age where you can travel around the world within a day, twenty four hours you're on the other side of the world, you don't have closed communities any more, they are wide spread, relationships are wide spread, different nationalities, and this is just one way and I think the only reason why it has come before the House is because a foreign national on Norfolk Island in our Immigration is a prescribed person and this makes it that little bit more legislated I suppose, if it comes before the House to allow them to make an application so I don't have a problem with it, I don't think it will set a precedent because every case will be considered on its merits, and so I will be supporting the motion

MR NOBBS Thank you Madam Speaker I certainly intend supporting this, this merely commences the process for a GEP evaluation and I think it thoroughly commendable, I actually agree with Mr King that it is debatable whether this type of matter should come to the sitting of the parliament and in particular light of the fact that some of Mr Sheridan's words, the wide spread interaction and travel that happens and the fact that we also want to invite and make it as easy and as welcoming as possible for our returning young people who have been away to work and do whatever else they have been doing to facilitate an easy entry back into the Norfolk Island community for them and their families. There are checks and balances within the system so I welcome this

SPEAKER Is there any further debate Honourable Members. Then I put the question that the motion be agreed to

QUESTION PUT

AGREED

MR SNELL

NO

Thank you. Mr Snell's vote is record in the negative. That motion is agreed to

We move now Honourable Members to two matters which are not on the Notice Paper or the Programme before you but of which you are on notice from the Members meeting yesterday and they relate to Public Sector Management Act, appointment of Members to the Public Service Board and the Chief Minister is looking for leave. We are handling these one at a time Chief Minister

MR BUFFETT Madam Speaker I'm happy to seek leave in terms of both motions and I'm happy indeed provided Members are comfortable that I address them both at the same time. We might even vote on them at the same time but I'm happy to divide them if that's the wish of the House

SPEAKER Honourable Members is leave granted on all counts. Leave to introduce, leave to deal with them together and leave to move that both motions be agreed to at the same time. Leave is granted thank you. Chief Minister

**MOTION BY LEAVE - PUBLIC SECTOR MANAGEMENT ACT 2000 -**

- a. **APPOINTMENT OF MEMBER OF THE PUBLIC SERVICE BOARD**
- b. **APPOINTMENT OF A DEPUTY OF A MEMBER OF THE PUBLIC SERVICE BOARD**

MR BUFFETT Thank you Madam Speaker I have a motion that is putting them together, to appoint two members to the Public Service Board and I move those two motions thus, that this House in accordance with subsection 10(1)(a) of the Public Sector Management Act 2000, recommends that the responsible executive member appoint Frederick John Grose as a Member of the Public Service Board for the period of 28 July 2010 to 27 July 2011 and the second motion is in similar terms, although the references are different in terms of the Public Sector Management Act, that this House in accordance with subsection 11(1) of the Public Sector Management Act 2000, recommends that the responsible executive member appoint David Sinclair South as a deputy of a Board Member of the Public Service Board referred to in section 10(1)(a) for the period of 28 July 2010 to 27 July 2011

SPEAKER Thank you Chief Minister. The question before the House is that those motions be agreed to. Chief Minister

MR BUFFETT Madam Speaker these two motions before the House come about by a recent expiry of term of a Member and a resignation to me only yesterday of another. Before I address these two may I firstly thank you to both Mr John Hughes for his service as a Board Member. His term expired last December, that is before the life of this Legislative Assembly and you will know that, and he may well have been acknowledged by my predecessor when that time frame expired but I too would like to offer him thanks because on of the persons coming here will replace him in that context. Mr John Pearson yesterday resigned and I thank him for his contribution to the Public Service Board as I offer thanks to Mr Hughes. Times have not been easy for the Board. They've been difficult, they've been thankless and of course as we all know, no pay so I do want to acknowledge those people as I do acknowledge the work of the existing Board Members. They are under the presiding Member Nadia Cuthbertson and this motion here that is now before us, in two parts is to appoint two independent Members. Firstly Mr John Grose who brings a legal background to the Public Service Board and he will be what I might term the principal member of the Board. Mr Dave South who has lived long term in the island and is of course of sound reputation and we know him well, is the person to be the deputy in that context there, so you will see that there is a relationship between these two appointments. There is a need to do them promptly, it's one of the reasons why, given the resignation yesterday I bring these today otherwise the board will not be in a position to go about its business and it does have a workload upon it at this moment so in that context I bring these motions and I commend the appointments to the House

SPEAKER Thank you Chief Minister. Is there any further debate Honourable Members. There is no further debate. Then with your agreement I put both those questions that they be agreed to

QUESTION PUT  
AGREED

Thank you. Both motions are so agreed to

**EMPLOYMENT (AMENDMENT) BILL 2010**

We move now to the Employment (Amendment) Bill 2010 which stands in the name of the Minister for Community Services, Minister Sheridan

MR SHERIDAN Thank you Madam Speaker I present the Employment (Amendment) Bill 2010 and move that the Bill be agreed to in principle and I table the Explanatory Memorandum to the Bill

SPEAKER Thank you Mr Sheridan. The question before the House is that the Bill be agreed to in principle. Debate Honourable Members

MR SHERIDAN Thank you Madam Speaker I will read the explanatory memorandum into Hansard as is the norm, and then I'll allow Members to have their say and it is my intention to leave this on the table for the intervening period between now and the next meeting and any concerns that the Members do have I'll take on board and I'll process those during that period. The purpose of this Bill is to address issues concerning the application of the legislation and the administration of claims. The Bill adopts the approach of other jurisdictions in the Commonwealth in seeking to avoid claims of work-related stress arising from normal employment processes. In providing for this the Bill includes several new definitions including that of what constitutes an "injury". This definition excludes from the definition of injury that which results from *reasonable administrative action* taken in a reasonable manner in respect of the employee's employment. This *reasonable administrative action* is in turn defined to relate to reasonable action taken in the workplace by or on behalf of an employer. The Bill also seeks to make the administrative process clear by vesting responsibility in the Employment Liaison Officer (ELO) who is to have the day to day management and control of the investigation and determination of claims. While the ELO is subject to direction by the Chief Executive Officer and the executive member, the ELO cannot be directed by either in matters that affect employees of the Administration, public sector agencies or territory instrumentalities. The Bill is divided into 4 clauses. Clauses 1-3 are the usual introductory clauses referring to the Bill and the principal Act being amended and provides for the date of coming into effect on gazettal. Clause 4 consists of a Schedule that details the amendments to be made to the principal Act. Item 1 replaces the definition of "work related accident" to mean a situation or event that occurs at work or arises out of the employee's work but to be compensable it must result in death or significant injury, which is defined as an injury that requires medical treatment by a medical practitioner thereby removing from consideration minor occurrences and opinions from persons who are not expert in evaluating injury. The definition of an employee *for the purposes of compensation* is expanded beyond the definition that relates to the whole Act to make it clear that it applies to any person who works in the employer's business in any capacity and includes a contractor, sub-contractor or volunteer as well as a self-employed person. A significant change is the inclusion of an extensive definition of injury and of the exclusion from "injury" those alleged injuries that are connected to administrative action. Item 2 inserts an explanation of the expression "reasonable administrative action" out of which an injury claim might be said to arise. Such claims might, for example, include a person claiming to have suffered stress because of being disciplined or because of their employment being terminated. The effects of normal workplace actions should not be compensable nor should employees be able to use them for strategic purposes or pecuniary benefit. Accordingly the exclusion relates to reasonable administrative action which is extensively described. It is made clear that persons cannot return by the "back door" if it is found that such action was not done correctly or is set aside so long as it was at the time reasonable action to have been taken in the circumstances. This is intended to avoid the situation of a decision being rescinded, perhaps on a technicality not related to the merits, or by a person being given a belated benefit of the doubt, and then making a claim for stress that would otherwise not be permitted. Item 3 inserts a new provision to establish the position of Employment Liaison Officer which is intended to be an appointment by the

Chief Executive Officer. The ELO is intended to have the day to day management and control of the procedures under the scheme established by the executive member and while he or she may be subject to the directions of the CEO or the executive member, independence and freedom from potential undesirable influence is established by providing that neither may give any direction concerning employees of the Administration or a public sector agency or a territory instrumentality. Item 4 provides a new heading for section 45 and makes it clear that claims for incapacity, injury, illness or mental condition of an employee that are attributable to work-related stress, disaffection or disagreement by an employee with a decision or action or proposed decision or proposed action of an employer or to any dispute with any other employee of the same employer are excluded from compensation. Item 5 inserts a new provision providing a clear system for the claims procedure. So just with those words I table the explanatory memorandum and the Employment (Amendment) Bill 2010 and I invite comment

MR NOBBS

Thank you Madam Speaker I wish to just put my support to this one for the Minister for Community Services. This provides a bit of a framework that has been recommended to us by ComCare and various other employment clinician specialists who saw that there was an area in our legislation that is perhaps not in sync with what is in use in Australia and in fact the definition as I understand it within 4(2)(c) is a definition from within the legislation of similar content in Australian use. I also see this as a way to facilitate a better outcome for the actuarial study that is about to commence or is currently underway, nearly finished. Thank you

MR KING

Thank you Madam Speaker I accept that this is only the first reading of the Bill and more often than not minister's contributions are not made at this point in time but on this occasion as on future occasions in my position as Leader of the Opposition I will be wanting to make my position clear earlier rather than later. I'm not sure what level of discussions have taken place at executive level in relation to this Bill and it's not quite clear to me or Mr Sheridan did not in his presentation just now elaborate to any large extent on what the policy objectives of this legislation are. I see the major purpose of this Bill is to remove compensation for work related stress and I will wait until Mr Sheridan is in a position to listen to what I'm about to say, about his Bill. I see the major purpose of this Bill is being to remove compensation for work related stress. It's a little confusing I have to say. It said in the explanatory memorandum that this move will bring us into line with other Australian jurisdictions or at least it says that it adopts the approach of other Australian jurisdictions. That may be the case but other Australian jurisdictions don't just wipe their hands of work related stress victims and any possibility of compensation. As I think we propose to do in this, although I do note again, that there's some confusion in the Bill as being presented to us, where it says that compensation will remain for mental injury provided it doesn't arise as a result of reasonable Administrative action. Define. On the part of the employer but then later on in the Bill it goes on to emphatically exclude work related stress. It's a confusion or a distinction which is not explained clearly. The definition is silent in that respect. The Bill attempts to narrow down as I mentioned, the scope of the workers compensation somewhat further by limiting the scope of compensable workplace injuries to those which are significant to use the Bill's new definition, or whatever issue is proposed to be dealt with by this re definition is lost in the Bill because the proposed definition of significant injury, clearly ignores the existing definition of medical treatments set out in section 26 and effectively excludes injuries which require medical treatment by other practitioners such as dentists, chiropractors, optometrists, physiotherapists etc as is provided for in the current system. Surely that wasn't intended to exclude those health practitioners and simply confine the relevant injuries to medical practitioners. I don't have a difficulty in falling in line with tried and proven legislation in other jurisdictions but it is not a simple matter as suggested in the explanatory memorandum of saying that we are adopting the approach of other jurisdictions in Australia. Those jurisdictions all accept that work related stress is a growing concern and a fact of modern day working life. All those jurisdictions have accepted that there is a huge growing cost related to work related stress, not only to employees in terms of their health, but the cost to employers in

terms of production loss and the resultant compensation to insurers and reinsurers. Perhaps it's that last aspect which is really at the nub of this. The response by other jurisdictions was not to exclude work related stress as a cause for compensable injury but to strengthen their legislation to provide meaningful OHS requirements with robust codes of practice and active inspectorates. None of which we have here I have to say. We have very, very brief provisions in the Employment Act for occupational, health and safety and no one's ever heard about an inspectorate, an OHS inspectorate let alone a Code of Conduct. I challenge anyone to tell me they have or that they've seen a Code of Conduct. I may be wrong. Those jurisdictions elsewhere have placed specific requirements on employers to implement safe systems of work which specifically identify and respond to possible workplace psychological and psychiatric injury. Their legislation provides for massive fines for failing to meet legislative standards. Although their legislation mostly addresses potential rorting of work related stress, and I accept that, that occurs, but by introducing this motion here, of reasonable administrative action as the Bill proposes to do, elsewhere they have adopted specific mechanisms of conciliation review and compensation courts to test the reasonableness of employer action. Other jurisdictions have also left open the right to take civil action against employers, unlike Norfolk Island where we propose to keep that door slammed shut. Further in Norfolk Island I mentioned that we not only not even developed Codes of Practice and to a certain extent that may explain why there is no active inspectorate in relation to these matters, because as I understand it there is no Code of Practice. How can you instruct and guide employers on how to maintain their work place environment unless there is a clear code of conduct. Although we place a general requirement on employers to provide a work place that is safe and without risk to the health of employees, health given it's ordinary meaning including mental health, we don't police it, and even if we did, the maximum fine is a mere forty penalty units. Hardly a deterrent to someone who has a history to providing an unsafe work environment. The legislation elsewhere identifies the type of rehabilitation services required to be in place or made available to get someone back into the work place. In Norfolk Island judging by the answers given to questions in this House we cannot readily identify anything in relation to the level or type of rehabilitation services that we have. Under this Bill a worker in Norfolk Island making claim based on a mental injury as opposed to work related stress, which is at the back of legislation and apparently has another meaning provided they can get past the new position which excludes that test, the work related stress test, they have to pass this test of reasonable behaviour by the boss. I don't have difficulties with that. It does happen elsewhere. But as I say it's backed up by appeal and review authorities and mechanisms to underscore and emphasise the need for a whole host of other measures and safety nets. But this Bill it does provide some guidance on how to interpret this reasonableness which is always a difficult test to apply and whilst I understand that this section comes from a Commonwealth piece of legislation this is how it can be applied, in practice. The particular test might be, was the mental injury a reasonable consequence of a reasonable action by a reasonable employer in a reasonable manner with a reasonable belief that the relevant action was reasonable in the circumstances. And that I must say is a reasonable and straight lift from the Bill précised a little but that is the kind of test and burden which we would be placing not only on our Administrative Officers but on the Conciliation Arbitration Tribunal or any review authority which might participate in this. Do we really want to place that kind of burden on them. It may well be that the person can follow the arbitration into the judicial system but again I have to emphasise to Members that, that will leave any genuinely affected or any person who makes a claim, without income for a lengthy, lengthy period of time while the judicial process is followed and that I'm sure is as undesirable to other Members as it is to me and not something that we would want to condone. The Bill also contains a number of other provisions which quite clearly require some additional thought and have not been explained to me adequately, for example the Bill widens the definition of an employee to include contracted and self employed persons who work in the employers business. I can't understand that. It seems to conflict with earlier parts of the Act and definitions provided there in respect of employee and employment and raises issues about obligations for payment of workers compensation. When did we ever

contemplate having to pay the workers compensation of the local electrician who comes to fix our lights in our businesses etc. I have to wonder if those consequences were foreseen or intended. All in all it's a Bill which I think would benefit from a much closer examination and I have indicated to Mr Sheridan at an earlier time, I think without any great opposition that I would like to see the Bill referred off to the Impact of Bills Committee and I would seek some guidance on the chair on how to move that referral at the appropriate time. Thank you

MRS WARD Thank you Madam Speaker I'll just make a brief point at this stage because I have indicated that I think it's unsafe to pick up pieces of Commonwealth legislation from other jurisdictions and lay them on top of our legislation when we don't have the other mechanisms in place, like fair work ombudsman etc that would protect the genuine cases. The term "reasonable administrative action" and "it cannot result in injury which is stress" and I think that's what we are relating to here, is of concern. I understand the intent of the Bill but I will join with Mr King and others who need further satisfaction that the Bill would not actually cause harm to the most vulnerable. Thank you

SPEAKER Any further debate Honourable Members. I ask the Deputy Speaker to take the Chair please

MS ADAMS Thank you Mr Deputy Speaker, I'll be brief. I circulated at a meeting of Members yesterday some comments on the Bill as presently couched and whilst I don't intend to refer to them in detail because they are with the Minister who has kindly undertaken to take them on board, nevertheless I would seek the support of the House for your leave under Standing Orders 196 to table the paper

DEPUTY SPEAKER Is that so agreed Honourable Members. Leave is granted Ms Adams

MS ADAMS Thank you Mr Deputy Speaker. I would just like to record into Hansard that unless it is demonstrated to me that a) the rights of those suffering from a disease as presently defined in the principal act are not diminished by the proposed Bill and b) that the rights of people who clearly are suffering from work related stress are protected by legislation and at the very least have access to an independent arbiter either under the principal Act or other legislation, I am unable to support the Bill in its current form. I would welcome a motion of referral from Mr King that the Bill be referred to the Impact of Bills Committee for further consideration were that his intention to do so and I would be supportive of that motion. Thank you

MR SHERIDAN Thank you Madam Speaker if it is the wish of the House to refer it to the Impact of Bills Committee I don't have any problem with that. I think the more information that we can get on issues like this all the better. I would just like to make one comment with regards to, I think everybody seems to read in there that when we talk about stress or mental condition that this is saying you can't claim workers comp for those conditions. That's totally incorrect. If it's a work related mental condition which includes stress, you would still be able to claim your workers compensation. This amendment to the Act is clearly exempting what is deemed reasonable under a reasonable administrative action if people claim they got stressed because of and there's a few things here, like a reasonable appraisal of the employee's performance. Now if you were pulled into the boss's office and he dressed you down for your performance on the job, and then you went off and you tried to claim workers compensation because you were stressed or you got a mental condition because of that, it would be deemed to be not claimable under the Act. And this is what this is trying to change. This is what it's trying to put in place I should say, and also reasonable counseling action whether formal or informal, taken in respect of employees employment. A reasonable suspension or termination or transfer. A reasonable disciplinary action. This is just normal everyday workplace activities that an employee

should have the nous and it should be the employer's right to be able to appraise an employee on his performance. Counsel that employee. If he feels fit, suspend him. Terminate him. Without the fear of that employee claiming a mental condition or stress because of it and then trying to get the system to pay compensation. This is all it's trying to do. I think that's a real big sticking point in this amendment so I would be quite happy if Mr King wanted to refer it to the Impact of Bills Committee and they can go through the Bill and see how it relates to the Act as long as the terms of reference when referring it to the committee is that they consider the Bill and the Bill only and not other things in the Act. We're talking about the Employment (Amendment) Act, and not other issues that may need action but I would like to see it referred on this principal only and I would be quite happy with that. Thank you Madam Speaker

MR SNELL Thank you Madam Speaker I support the efforts of Minister Sheridan in bringing this to the attention of the House. I think it's high time that the Employment Amendment Bill and the areas that he's covered under the explanatory memorandum be addressed and I fully support his actions here. obviously if its referred to the Impact of Bills Committee I have no objections with that as well, but I fully support bringing this to the Impact of Bills Committee

MR KING I have to ask before I move the motion, to refer it, was Mr Sheridan's last contribution there, was that an effort to restrict the consideration of the Bill by the committee along the agreed guidelines that are established for the conduct of that committee

MR SHERIDAN Thank you Madam Speaker no it wasn't an attempt to restrict the Impact of Bills Committee, but I think if we are going to refer a Bill to the committee for consideration on its impact on the Bill generally, that should be all that they should consider, is the items that are listed here in the Bill. Not other items in the Act that you may feel that need fixing anyway but just matters that are in this Bill. I don't want to see it blown out of proportion and they do a review of the whole Act. That wouldn't be the intent

MR KING Madam Speaker I move that the Employment (Amendment) Bill 2010 be referred to the Impact of Bills and Subordinate Legislation Committee

SPEAKER Thank you Mr King. The question before us is that, that motion be agreed to. Debate Honourable Members. No debate, then I put the question that the motion be agreed to

QUESTION PUT  
AGREED

Thank you. That motion is agreed to. The Employment (Amendment) Bill 2010 stands referred to the Impact of Bills and Subordinate Legislation Committee which for the benefit of the House is comprised of Minister Sheridan, Mr King, Mrs Ward and the alternate member is Mr Snell. Did you have a time that you were wishing for the committee to report

MR SHERIDAN Thank you Madam Speaker no, just that when you mentioned the committee, if I might make it known now that I would intend to stand down from that and ask the alternate member to step in, only because I'm presenting the Bill

SPEAKER Thank you Mr Sheridan. That is concluded and we move on

**TOURIST ACCOMMODATION ACT 1984 – TRANSFER OF LICENCE FROM “THE BOUNTY LODGE” TO “BUCK’S POINT HOUSE”**

Minister Nobbs you have the call to resume

MR NOBBS

Thank you Madam Speaker, for clarify particularly of the first application for transfer I might just read through the details and that is for the purpose of that for the purposes of section 15A of the Tourist Accommodation Act 1984 this House resolves that the registration of one tourist accommodation unit from the tourist accommodation house known as "The Bounty Lodge" may be transferred from the place described in its current instrument of registration to portion 34i2(a) Martins Road, being the tourist accommodation house to be known as "Buck's Point House", subject to compliance with the following conditions:

1. Application for registration of a tourist accommodation house must be made in accordance with all applicable statutory requirements after the executive member's approval of the transfer under section 15A(2) in accordance with this resolution.
2. The premises to which registration is transferred must —
  - a. comply with statutory requirements for the ownership and operation of tourist accommodation;
  - b. comply with statutory planning and building requirements for the siting and construction of tourist accommodation;
  - c. be equivalent to and maintained at a minimum 3 ½ Star standard under applicable Norfolk Island tourist accommodation grading standards; and I will highlight that I propose to make an amendment to (c) so that it will now read, (c) be equivalent to 3 ½ Star standard under applicable Norfolk Island tourist accommodation grading standards; and I will highlight that I propose to make an amendment to (c) so that is what it will now read; and
  - d. any relevant planning approval must be obtained within 12 months of the transfer approval.

Madam Speaker I go through that just so that those in the listening area are aware of how this has come to be. It's been on the table since the last sitting of the Legislative Assembly. In that time we've discussed it with members. I've also brought the Tourism Officer to two of our meetings to discuss some of the elements that go with this, one being that approval in this House to transfer that licence in no way commends or commits to an approval of planning approval and that, that is the responsibility of the person who the licence is transferring to and I can certainly inform everyone that I have discussed this with the person with the licencing who it is to be transferred to, and they are well aware of those requirements. Additional to that the Tourism Officer also appeared to give us some answers regarding perhaps a misunderstanding on the quota setting with regard to tourist accommodation and I'll just provide a little bit of dialogue from a memorandum that I've received from the Administrative Officer of Tourism and it deals with a perceived thought of a moratorium having been in place and I quote "...in short there is no moratorium placed upon the increase of tourist accommodation houses, there is however a quota placed upon the maximum number of tourist accommodation units by virtue of section 8 of the Tourist Accommodation Act 1984. Section 8 of the Act allows for the fixing of various types of quotas by resolution of the Legislative Assembly. Section 8(1)(a) of the Act provides for the means by which a quota may be placed upon the maximum number of tourist accommodation houses however it does not empower the actual fixing of the quota. The instruments that determine the current quota refer to the maximum number of tourist accommodation units, not houses. The creation of a new tourist accommodation house by transfer of registered accommodation units to another place under section 15(a) of the Act does not breach a relevant quota. Previous Legal Advice from Administration LSU further supports this. I place that on the table for any further discussion and debate. Thank you Madam Speaker

MRS WARD

Thank you Madam Speaker just to clarify that we all understand that the transfer of licence is actually a three stage process and that this is only the transfer stage. There is still a registration requirement that would need to be satisfied and planning approval and we've been advised by the officer of the service that the quota was fixed in 2001 on total units not tourist accommodation houses, and so I'm

satisfied that this motion before us is within the parameters of the law and I will be supporting the motion. Thank you

MR SHERIDAN

Thank you Madam Speaker I'll only make a comment once on these three next motions and that is, one of the main reasons why this facility was enabled in the last Legislative Assembly was to provide the opportunity for people who owned tourist accommodation houses or units whichever way you want to look at it, that they had the ability to virtually sell their licence. Up until then I don't believe they really had that opportunity. They could within themselves but they couldn't take it outside the tourist accommodation houses so this opened it up for new people, new money who wanted to get into the game. This allowed people who had tourist accommodation in places that were maybe a bit run down, they couldn't maintain them at a reasonable standard, for them to get out of the tourist accommodation game, sell their licences to somebody who wanted to get into it, and then this is why there is a condition on there for star rating, so that those people who bought those licences established tourist accommodation places at a certain level. Now this is one way of trying to increase our tourist accommodation standards. That was one of the main reasons in the last Legislative Assembly that this idea came about with regards to the transfer so as I just repeat myself, is to enable people at the lower end of the market to get out of it with a little bit of recompense and new people to come in and they could take those licences outside of the existing tourist accommodation houses and take them to a new property and establish a new tourist accommodation house so I think it's a good thing for the island. The better that the standard of the tourist accommodation is, means the less complaints we get, and it should make Norfolk Island more attractive and I will support the three motions coming up

MR SNELL

Thank you Madam Speaker, I'm indebted to the comments from the Accommodation Officer in his address to Members at the MLA's yesterday and I did ask of course whether there was a demonstrable need for this type of tourist accommodation here there and everywhere, and he appears to agree that there is a need for such establishments which surprises me, but it raises concerns that if we transfer licences like this to houses willy nilly around the island, what impact it has on those areas taking in to consideration the concerns not only for the visitor who arrives here and gets shunted out to a place where this is no facilities, where it's in a highly built up area, where the neighbours could be noisy or there are other detrimental factors relating to their perceived holiday on Norfolk Island, it worries me. It worries me also that we may be introducing into that area a tourist accommodation which is not conducive so it's a concern to me and I did object to this principal in the first outset when this matter was raised a month ago and I still have those concerns, the concerns of the visitor, the concerns of the people living in that area and whether the tourist accommodation place will meet the standards required. However I don't intend to disapprove of all three of these applications but I do wish to voice my objection to the transfer of this unit to Bucks Point House

MR KING

Thank you Madam Speaker I have to confess to not being fully across these issues. But a number of things jumped out at me. I'm inclined to agree to them if it conforms to the law and conforms with what the intention of the legislature is, but I have to wonder whether it was an oversight to impose a moratorium or a quota on unit numbers but not on tourist accommodation houses. I wonder whether that was a deliberate thing. I wonder whether it was a deliberate intention to create what we've created or what's been created by that legislation for quotas, to create a form of currency in the nature of units. Joe Blow's tourist accommodation house has not been doing too good so he'll prop up his finances by flogging off a unit here and there and subject I think to the planning laws which perhaps you've overlooked in your commentary Lisle

MR SNELL

Thank you Madam Speaker I appreciate the planning laws. I appreciate this is only the first step of such a transfer but I think if we

move into the first step, that we have seen instances where the first step has led into another step and then another step. If this is knocked on the head it saves a lot of angst further down the line

MR KING Look I do share some of Lisle's concerns but I'm not sure that I'm in a position to not support them if they conform with the current law. I am amused that a requirement that the premises to which registration is transferred must maintain a minimum standard in the grading system and I wonder what happens if a year down the track that grading drops down to 2 ½ or something or other stars and rescinds the approval that we are going to grant today. That seems to be a bit ridiculous that we put a requirement in there which may not be

MR NOBBS Point of Order Madam Speaker I've already addressed this, I proposed that...

MR KING Pull back, pull back, pull back. If it has any affect somewhere down the track if the circumstances change

SPEAKER Mr King it might be helpful...

MR KING I'm finished now

SPEAKER ...if I just mentioned that the Minister did indicate at the beginning his intention to remove the words in 2(c) and to

MR KING Oh, did he

SPEAKER So we'll put that Point of Order aside perhaps at ...

MR KING Oh, I didn't know, I must have been asleep

SPEAKER So we'll put that Point of Order aside and perhaps at this time it might be appropriate to alleviate any further concern that insofar as my leave of the Chair is required, to move a motion of amendment from the floor, please feel free to do so, you have that leave in respect of all three motions

MR NOBBS Thank you Madam Speaker in respect of all three motions I seek leave to proposed to amend 2(c) of the Order of the Day No. 1 to read "be equivalent to 3 ½ Star standard under applicable Norfolk Island tourist accommodation grading standards; and"

SPEAKER Thank you Mr Nobbs. I invite debate on that amendment and Mr King did you want to now comment

MR KING Oh no, no, no, I'm sorry I didn't hear it before

SPEAKER Thank you. Debate on the amendment. Mr Sheridan you are looking to comment

MR SHERIDAN Thank you Madam Speaker just a quick comment, just the explanation for the removal of that I think we discussed it at the MLA's meeting and I believe Mr King of course the Leader of the Opposition wasn't there but the only reason why is that when they transfer and they build these new tourist accommodation houses, they are built to a standard which at this point is 3 1/2 stars and as Mr King indicated, what happens in a year or two if they fall below that standard. Of course it would be very hard I suppose you wouldn't really want to take away their licence but it's up to each individual proprietor to ensure if they want to keep business coming that they

maintain that standard, and if not, they should be trying to improve their standard, not fall below it, so that's the reason why "maintain" is taken out, so that the requirement isn't there so in case they do happen to fall for hard times and they slip under the 3 1/2 stars, and it's up to each individual proprietor to try and maintain that 3 1/2 or that level there and if they do fall below well they won't automatically lose their licence

SPEAKER Thank you Minister Sheridan, the question before the House is that the amendment proposed by Minister Nobbs be agreed to. Is there any further debate Honourable Members on that question. No further debate then I put that question that the amendment be agreed to

QUESTION PUT  
AGREED

The amendment is so agreed. Now are we now ready honourable members to deal with the motion as amended being agreed to. No further debate

QUESTION PUT  
AGREED  
MR SNELL DISSENTING

The ayes have it. The minutes will record Mr Snell's dissention

**TOURIST ACCOMMODATION ACT 1984 - TRANSFER OF LICENCE FROM  
"CASTAWAY HOTEL AND APARTMENTS" TO "HIDEAWAY RETREAT"**

MR NOBBS Thank you Madam Speaker and I similarly advise

SPEAKER Minister Nobbs you have the call to resume

MR NOBBS Thank you Madam Speaker. Rather than jeopardise Mr King's wakeful state, I won't read through the full notice of motion, so I'm happy for it to go straight to debate

MR SNELL Thank you Madam Speaker. Dealing with the Tourist Accommodation Act 1984 - Transfer Of Licence from "Castaway Hotel and Apartments" To "Hideaway Retreat". Madam Speaker I have no objection with this one, simply because we are transferring from an already established accommodation unit to another already established accommodation unit with the planning and also the approvals, the infrastructure already in place, so I support this transfer

SPEAKER Minister Nobbs you have approval of the Chair to move the amendment to c. as you originally proposed. Do you wish to move that forward

MR NOBBS Thank you Madam Speaker. Were we able to move it for all three or do we have to do it individually

SPEAKER At the moment we are dealing with each motion individually so we may as well stay with the amendment as well but you have leave from the Chair to do that

MR NOBBS Thank you Madam Speaker I do seek leave to propose to amend 2(c) to remove the words "and maintained at"

SPEAKER Thank you Minister. Is there any debate Honourable Members on the motion that the amendment be agreed to. No further debate then I put that question that the amendment be agreed to





5 ... it is the intention, and I'll paraphrase to a certain extent here but not to take anything away from the content of the legislation, and this is the declaration, it is the intention of the Legislative Assembly that the Administration as the provider of Norfolk Island's public telecommunications infrastructure and network should have certain reserved rights. Should have. In relation to certain aspects of that infrastructure and network and it sets out a number including provision of central switching, provision of line links, public of public pay phones, provision of PABX's, which I think may be a thing of the past now, I'm not quite sure of technology and terminology, and the provision of telecommunication services to and from Norfolk Island. What it doesn't say, what it doesn't say specifically, is that it reserves rights in respect of internet capability in the provision of services. It goes on to say that the intention of the Legislative Assembly is the subject of those earlier things I just mentioned, the supply installation, maintenance and operation of all equipment, lines and other facilities that are used to provide telecommunication and related services within a distinct place and are connected to but are beyond the boundaries of the Administration's telecommunications network should be open to competition. Should be open to competition. I wouldn't go so far as to say Madam Speaker that no one is aware of this. I'm sure that some Members of this Legislative Assembly are aware of it. Perhaps some aren't aware of it and that's the reason why I state this now and I ask the Minister to be very careful in the compilation or agreement of terms of reference as those terms of reference embrace the statutory declaration of policy in relation to competition in telecommunications, that they not be influenced or favoured by factors which stand opposed or opposite to what has been declared in legislation; Some might suggest that the overlooking of section 5 in the Telecommunications Act has been part of the deliberate delaying tactics which is driven by a desire to keep competition out at all costs. If that is the case I would caution the Government and specifically Mr Nobbs from adopting that attitude. I would ask him and I would ask the Government to embrace what is a declared policy in relation to competition. Thank you

MR NOBBS Thank you Madam Speaker. Within the telecommunications and within internet there has been no obstruction to competition where it has not involved the utilisation of the publicly owned infrastructure. In the wireless network and things like that there's been no obstruction to private operators providing services and in fact if they would run their own copper there probably wouldn't be any obstruction to that as long as they satisfy planning approvals and the like. There are some very specific areas of that legislation that puts some controls more I think for the assurance of the community at large with regard to privacy, quality of service and the like, however, as I have stated before and as I will state again, at the Pacific Islands Telecommunications Conference we were made very starkly aware that any change to liberalisation without a proper process and plan and costing was going to have a very negative effect on the publicly owned infrastructure. I'm more than happy to assess how we might enable this access once I have a proposal that assures met that the costing is not one where the public is not going to be subsidizing the private operator at the cost of the public infrastructure

MR KING Madam Speaker I don't want to belabour this point, but let me make just some final points in relation to this issue, I have no difficult with some of the objectives that Mr Nobbs espouses here. I would remind him that whatever conference it was that he went to, whatever he heard there, has nothing to do with the legislation which he must embrace and must administer and I simply say to him, and I say to all Members of this House, that anything which is done which appears to hinder or ignore that, is contrary to the law. And I simply make that final point and I'm saying that if they don't want to embrace that, if Mr Nobbs doesn't want to embrace that or the government doesn't want to embrace that spirit of competition which is reflected in that preamble or in that section, then change the flippin law!

MR NOBBS Just to finish. As I said before. There is no issue with enabling it. There is an issue with ensuring that the public infrastructure is adequately provided for

SPEAKER Thank you Mr Nobbs. Is there any further participation in adjournment debate Honourable Members. There being no debate I put the question that the House do now adjourn

QUESTION PUT  
AGREED

The ayes have it. Therefore Honourable Members this House stands adjourned until Wednesday 22 September 2010, at 10.00 am.

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