



**NORFOLK ISLAND LEGISLATIVE ASSEMBLY  
13<sup>TH</sup> NILA HANSARD – 17 OCTOBER 2012**

**SPEAKER** Good morning Honourable Members, we commence with the Prayer of the Legislative Assembly.

**PRAYER**

Almighty God we humbly beseech Thee to vouchsafe Thy blessing upon this House, direct and prosper our deliberations to the advancement of Thy glory and the true welfare of the people of Norfolk Island, Amen.

Gentleman feel free to take off your coats if you so wish, and make sure your mobile phones are switched off, thank you.

**CONDOLENCES**

**SPEAKER** We turn first to condolences, Mr Snell.

**MR SNELL** Thank you Madam Speaker. Madam Speaker, it is with regret that this House records the passing of **George Roslyn Quintal** and **Moyna Irene Craig**. Mrs Moyna Irene Craig was born in Auckland, New Zealand, in November 1927. Her mother Dorothy, wife of Holman "Homey" Christian was forced by circumstances to have her baby in New Zealand. The family stayed there for four years returning to Norfolk in the early '30's. When Moyna was aged 6 their home in Norfolk Island was finished and they moved back in December 1933, staying here before returning to Auckland for the duration of World War II. Homey went into the forces but was seconded to the Cable and Wireless at the Central Post Office in Auckland until the end of hostilities. Moyna's parents returned to Norfolk and Moyna stayed with her grandmother to continue her education at Richmond Primary school and later Auckland Girls Grammar. She worked at Turners & Growers Insurance and then at Thomas Cook and Son. She had many girl friends who remained throughout her life. Moyna was an only child and on Norfolk played often on her own but also with her cousins Sydney, Pam and Ena. She did her early schooling with Charlie Ett's children. Penelope and Madeline Grand used to baby sit her becoming lifelong friends. Moyna was a member of the Norfolk Island Girl Guides and is pictured in a photo of the Girl Guides displayed at the Lions Clubhouse. In 1947 Moyna met Eric Craig and the next month they would have been married for 63 years. Their first home was in Auckland and their joy was complete with the arrival of their son Rueben. The family moved into their dream home in 1970 in St. Heliers. Moyna's artistic talents saw her painting, doing copper work and other hobbies. When Eric's music career took off Moyna totally supported him in all he did with School Orchestras. There was music all over the house and they shared the lounge with Reuben's model railway. In July 1983 their house in Norfolk Island burnt down, and whilst a lovely new home was being built by Kevin McCoy and Terry Jope, they stayed with Marie Bailey. Back in Auckland in 1984 while Peter Christian was visiting them a policeman knocked on their door and handed Eric a letter advising that he had been recommended for the MBE, Member of the British Empire. Over the years they made many trips to Norfolk to paint the house etc. In the Bi-Centenary Year 1998, they brought a specially formed Primary Festival - Form 1/Form 4 to Norfolk to play at the Debutante's Ball. Moyna held many voluntary positions in community organisations, she was Secretary/Treasurer of the Growers Co-Op for 19 years; Secretary, Vice President and

President of the Historical Society, she was Friends of St. Barnabas; Country Women's Association; White Oaks and Council of Elders. Moyna Craig had a lovely gentle nature. She loved her family, her home and her garden. To Eric, Rueben, Michele and to her many friends, this House extends its sincere sympathy. May she rest in peace.

Madam Speaker it is also regretful that this House records the passing of Mr George Roslyn Quintal. George (Kik-kik) Quintal was born on Norfolk Island in September 1926. Following his mother's death when George was six, he lived for a number of years with his great-aunt and her husband Rowland Evans. At school George excelled in all aspects – academic, sport and social, the dancing and singing. He was an excellent scholar, particularly at maths, history and english attaining his Intermediate Certificate and a Queen Victoria Scholarship. A school yard incident earned him his nickname of Kik-kik although in recent years it was shortened just to Kik. On leaving school Kik worked at the butter factory and part-time at the passionfruit factory. In January 1946 he became groundsman and dairy boy at Government House. An Administrator, Mr Alec Wilson, asked the then Forestry Officer to choose a young suitable lad for training in the Forestry Branch. In 1951 Kik was chosen and sent off island for two years, learning forestry in the northern New South Wales National Forest; in the Kingaroy district outside Coffs Harbour and in the Beerwah district in Queensland. When the Agricultural and Forestry sections were combined Kik became Senior Forestry Officer, a position he held for 15 years until he left the Administration in 1984. In January 1953 Sister Bonnie Anne Kelly, a Registered Nurse arrived in Norfolk Island. They met and were married at St Barnabas Chapel, on 21 October 1953, almost 59 years ago. They had three children, David Richard, Karenne and Marylin. Kik was a doting, loving, constant and supportive father. He was involved in all their activities. On committees, organising and encouraging. He was President of the local P & C Association for 10 years from 1965 and played an important part in introducing many new innovations. He grew up as a member of the Methodist Church and later became a member of the Church of England where he was a warden and lay preacher. He was a founding member of the Norfolk Island Rotary Club and was Captain at both the Methodist and Cheryl Tennis Clubs. He took up bowls when tennis was no longer a possibility and became President of the Bowling Club. He played golf from his younger years until a few years ago playing with other retired friends who became known as "Dads Army". He loved a game of cards – jaero, euka, 500, penny-poker. When the Bridge Club was formed Kik he learned to play, quietly! Kik was actively involved in Norfolk community events and traditions and more recently he received some public recognition, for example in 1996 he was awarded a Norfolk Island Legislative Assembly Certificate of Appreciation in acknowledgment of Voluntary and Valuable contribution to the Norfolk Island community. In 2001 he was awarded the Centenary Medal, created to commemorate the Federation of Australia. In 2007 a certificate of acknowledgement and appreciation for 23 years service as shipping tally clerk. In 2011 Norfolk Island Returned Services League Certificate of thanks for his many years of singing and participation in the Australian, New Zealand Army Corps and Remembrance Day ceremonies, ANZAC. He was blessed with a lyrical, untrained, delightful tenor voice which he unstintingly shared. To his family whom he adored, Bonnie, David, Karenne and Chris, Mary and Wes, to his nine grandchildren, Billy, Dianne, Livi, Stacey, Geoffrey and his wife Sophie, to Welsey-James, Tim, Joni and Manni, to his first great-grandchild, Talissa Eliza Quintal and to his many friends both here and offshore, this House extends its deepest sympathy. May he rest in peace. Thank you Madam Speaker.

SPEAKER Thank you Mr Snell. Honourable Members as a mark of respect to the memory of the deceased, let us all stand in silence, thank you.

#### **PRESENTATION OF PETITIONS**

SPEAKER Thank you Honourable Members. Are there any petitions for presentation this morning Honourable Members? I think not.

**GIVING OF NOTICES**

SPEAKER Giving of notices, any notices this morning to be given? No.

**QUESTIONS WITHOUT NOTICE**

SPEAKER We move to Questions without Notice. Are there any questions without notice? Mr King.

MR KING Thank you Madam Speaker, a question for the Minister with responsibility for Health and the Hospital Enterprise. Is it a fact that the Hospital Enterprise is undergoing a process of recruitment for a psychiatrist and if so, how has this need manifested, who is undertaking the recruitment process and how far advanced is it?

MR SHERIDAN Thank you Madam Speaker, and thank you Mr King for the question. All of which Mr King alluded to is false, the Hospital is not recruiting a psychiatrist, so there is no need to answer any other part of that question.

MR SNELL Thank you Madam Speaker, Madam Speaker I direct a question to Minister Nobbs, Minister Nobbs, in your Friday talk you gave an indication that a dummy load receptor would be purchased to help distribute excess electricity generated by the photovoltaic, can the Minister please explain exactly what is a dummy load receptor, how will it work and is it expensive to purchase?

MR NOBBS Thank you Madam Speaker, and thank you Mr Snell for the question, the dummy load, which in terms of the equipment being purchased for Norfolk Island is actually given the technical term of series resistive automatic load bank, is in effect a dummy load, a electrical load which simulates other equipment being connected to the grid, and absorbs the excess of electricity that is being generated, in our case, the excess from the photovoltaic, in some cases the dummy loads are used for stress testing equipment, in other cases they are used to absorb excess of generation. In terms of the cost comparative, as I understand it, the resistive load bank, which, just to give you a little further information on that one, it gives an automated resistive load bank, so what it does, is automatically adjusts the load to suit the over supply, so rather than drawing excess power from the grid, it draws what is being generated above what the consumption requirement is. From my recollection that was around about \$35,000 to purchase that piece of equipment, the difference between a dummy load purchase cost and a storage and generation system, which is certainly an area we would prefer to move towards is significant, the discussions I had in April, at the end of April, about supply systems that are able to store the excess voltage and then resupply and maintain a reference voltage to keep the photovoltaic arrays operational for those people that own it, that piece of equipment is over a million dollars, thank you.

MR SNELL Thank you Madam Speaker, Madam Speaker if I could also direct a question to Minister Nobbs, Minister Nobbs you also mentioned that large establishments here on Norfolk Island using photovoltaic will be switched off from time to time, now we all appreciate the reasons for this action, to safeguard our electricity services and equipment, but can the Minister advise if any compensation will be offered to those that are so affected when their photovoltaic services are being disconnected.

MR NOBBS Thank you Madam Speaker and thank you again to Mr Snell for the question. I have certainly had that discussion with the Chief Executive Officer for the Public Service, that we need to evaluate a compensation method for those people who otherwise would have generated credits that would have assisted them in paying their electricity account for that connected array, we have also had the discussion

on perhaps enabling a longer term switch off for some of the arrays if the owners are agreeable and they are in excess of a certain credit standing for their electricity account, and the reason that I put that into the mix is that really I see that as a bit more of a reliable methodology rather than the switching on and off of the photovoltaic arrays as the sun comes out and goes behind cloud and as the sunlight throughout the days change, and I am very mindful of making sure that we are not causing any damage to the arrays as well, where possible, re-crediting those people who would have lost that generation.

**MRS GRIFFITHS** Thank you Madam Speaker, my question is for the Minister for Tourism, Minister at the last Sitting you undertook to provide us with a progress report in regard to Gaming, can you inform us now of that progress?

**MR NOBBS** Thank you Madam Speaker, the Gaming Director met with me this morning, I have a meeting with him early next week, whereby I will be providing an updated progress report, as stated in the last Sitting, where Mrs Griffiths asked the question, and I gave some feedback to Mr Snell's question about the confidential document that I'd circulated to the Members that showed the various licences that had been activated and where they were at, similarly I am happy to provide a further update to that, I do have two licences for tabling today as well Madam Speaker.

**MRS WARD** Thank you Madam Speaker, my question is to the Minister for Community Services, whose role is it to ensure that all dogs on island are registered and how does that person ascertain the existence of all dogs on the island?

**MR SHERIDAN** Thank you Madam Speaker the responsibility for the registration of dogs actually lays with the owner of that dog, but within the Administration the people who monitor the registration falls under the Acting Land and Environment Manager, Mr Alan McNeil, but the registration is under taken by the Registry Staff in the Registry, so the people who monitor the dogs to ensure that the dogs who are running around you might say, loose, the two people nominated as the Stock Inspector, Mr Dene Snell and his offsider, they are also nominated under the Act as responsible for the dogs as well. It is their responsibility you might say if there are loose dogs running around in the first instance, they would be called, registration is undertaken by the registry, ultimately this is all controlled by the Acting Land and Environment Manager.

**MRS WARD** Thank you, is there currently an active policy by the Government to enforce the Dog Registration Act and registration of dogs?

**MR SHERIDAN** Thank you Madam Speaker, Mrs Ward, other than what is provided for under the Act, and I don't recall which Act it would be, but as laid under that Act, it makes provisions and other than that, it is up to the people that have that authority under that Act to monitor any strays you might say, or any dogs on the Island.

**MR KING** I have a couple thank you Madam Speaker, a question for the Chief Minister, Chief Minister in view of the ongoing difficulties with reasonable access to justice, namely access to legal representation, are you, as Chief Minister prepared to accord a higher priority to review and updating of Legal Aid Guidelines?

**MR BUFFETT** Madam Speaker I think I responded on an earlier occasion that I had asked the Legal Aid Committee, which is headed by a Solicitor to undertake an update of the Legal Aid Guidelines, and I think that is what Mr King is referring to here. That has been indicated to me as being a task that is progressing, I haven't had a report at this moment, I can seek a further report as to how that is progressing, and to make some assessment as to whether I need to be more active about it than we are at this moment.

MRS GRIFFITHS Thank you Madam Speaker, my question is for the Minister for Health. Minister has this Government identified what, if any barriers, exist for the production and sale of milk and milk products?

MR SHERIDAN Thank you Madam Speaker and Mrs Griffiths, actually there is no restrictions on the sale of milk or milk products, the only restrictions that would be, is that a person must have a sale of food licence and comply with the conditions under that Act to the cleanliness of their premises, of course, the people responsible for monitoring the sale of food on Norfolk Island, they would take into consideration the facilities that these people would have for the storage and the production of their products made from milk. So there is actually no legislation preventing a person establishing a business you might say of milk or milk products.

MR SNELL Thank you Madam Speaker, Madam Speaker I direct a question to the Chief Minister, Chief Minister due to the nature and the importance to the community of certain proposed legislation, is the Minister intending to seek the views of the people of Norfolk Island in the current major constitutional and governance changes being proposed for Norfolk Island, and if not, can the Minister please advise the community why the Government is taking that decision?

MR BUFFETT Yes Madam Speaker, thank you Mr Snell for the question, in terms of governance changes, models of governance in Norfolk Island, there are three areas that are of significance in progressing how we are able to achieve long term sustainability for Norfolk Island, and Members will recall my explanation on earlier occasions that Norfolk Island, with its 1800 residents, is now longer able to generate funds to meet the requirements of this community, it's day to day needs and its infrastructure into the long term arrangements. And therefore it needs to negotiate from its smaller pool of 1800 people into the larger pool, which is obviously the Australian larger pool, where we make a contribution in terms of taxation, GST and we receive the corresponding benefits which are derived from joining that larger pool arrangement. Part of that will mean that we may need to adjust the governance arrangements, as you will realise, and Members will realise, the three tiers of Government that are experienced in Australia today are all exercised by the Norfolk Island Government here in Norfolk Island. From roads, drains and bridges, which are local Government arrangements, education which is a State Government arrangement through to Customs, Immigration and the like which are Federal responsibilities elsewhere, but they are all responsibilities at this time of the Norfolk Island Government. And we meet the cost of those things, and some of them are quite expensive, education which I've mentioned in the State sphere, we meet the cost of, and it is an expensive programme, but it is an essential part of needing to provide for the Norfolk Island community. The governance arrangements that has been proposed to the Commonwealth is that yes, that Norfolk Island should perform the local government factors, most of, but it needs to be tidied, but most of the Federal Government arrangements would gravitate to the Commonwealth. Those things that are in the State sphere, we would enter into an arrangement, whereby we would share some costs of those with the Commonwealth and then you will see from that, that Norfolk Island's financial responsibilities may be, will be less than we experience at this moment, and therefore more manageable. Now that model, because this is really coming to Mr Snell's question, that model in that context has been the subject of a paper, distributed to the Norfolk Island Community, it has been the subject of a public meeting in Norfolk Island, so that members may hear the Government's proposals and give a response to it, and basically at that public meeting, there was, not necessarily, an indication that everyone wanted to go there, but understand the reasons why Norfolk Island needs to move along in this track, and therefore endorsed, and that has been therefore made a formal proposal. Now, further to that, a motion of this Assembly has been promoted in which that Norfolk Island should continue to negotiate with the Commonwealth to enter the taxation sphere, the GST sphere, and the Government methods that I have just outlined, very broad outline I might say. And in that context therefore, you as representatives

around this table of the community, have had input into the process, and that has been endorsed, not unanimously endorsed, but certainly endorsed in a majority sense. And that is the context in the Government moving forward in this matter, and that is how the Government intends at this stage to move forward with it.

MR KING In the nature of a supplementary Madam Speaker. Given the nature of public debate in relation to immigration, has the Government yet informed itself on the implications and consequences of the extension of the Australian Federal Migration Act to Norfolk Island and whether for example, whether any parts of our own Immigration Act, which has been in place, arrangements which have been in place for many decades, will survive that extension?

MR BUFFETT Madam Speaker, thank you, thank you Mr King for your question as it relates to what I've just described. The Roadmap sets out that we should be more flexible in terms of how we encourage people to come and be of this place, because it is recognised that we do need to lift the resident population numbers as well as improve the visitor numbers. And in terms of that we have published a policy paper, which indicates that those who are of Australian and New Zealand citizenship should have freer passage than they experience at this moment. I explained, when I put that proposal forward, that it was an intention of the Norfolk Island Government to be taking the initiative and to make those changes pursuant to the Norfolk Island pieces of legislation. And the theme there is that if we are able under our own legislative arrangements, to make those adjustments, it may not have the same need for the Commonwealth to alter their migration legislation. That is yet to be discussed with the Commonwealth, but that is the initiative that we are taking, so I am not really able to answer fully the question that Mr King has posed to me, what will be the real effect of the Australian Migration arrangements, because those conversations have not been had to the fullest extent, except that of which you see in the Roadmap at this moment. But the aim is that we will make the adjustments under our legislation, and it may not have the same need for the Commonwealth to change their legislation, or maybe not as extensive as maybe of earlier thought. The theme is again that we are responding to the needs of the community as best we are able with our legislation, and that shows self help in the process, and we wish to take those initiatives.

MR KING Another supplementary Madam Speaker, thank you Chief Minister for your comprehensive answer. Given that there ultimately maybe an outcome where the Federal Migration Act is extended in its entirety to Norfolk Island, surely the Government must be concerned to know what the consequences of that might be, I certainly am, I know Mr Snell certainly is, and most definitely the community wants to understand, I can't understand, and the Minister may explain, why that advice has not been sought.

MR BUFFETT Thank you Madam Speaker, thank you Mr King. I do understand the concern that is being expressed, that is a concern of the Norfolk Island Government. I just stress again, in being protective of our patch, we are endeavouring to take the initiatives that we have taken to date. Yes we are examining, to what extent, it may be advisable for the Commonwealth legislation to be extended or not extended, but let me just illustrate further. That one of the processes that maybe dictated by the migration arrangements, is to facilitate flights and access into the Island by visitors. And at present we operate out of an international airport, there are costs associated with operating out of an international airport, those costs are reflected in the air ticket to fly to Norfolk Island, and in addition to that, people require a passport to come to Norfolk Island at this moment, passports are not cheap documents these days, I'm just trying to illustrate the costs of coming to Norfolk Island, are those that I have exemplified, and in fact we are able to lessen those costs by, for example, coming out of a domestic airport, not needing a passport to come to Norfolk Island, then that may encourage greater visitations to the place, but that may require some adjustments to the Australian Migration legislation, and

those discussions are yet to run its course, but that is the thinking behind the prospective adjustment, if it has to go to that, of the Australia Migration legislation, to make it simpler, less costly.

MRS WARD Yes Madam Speaker if I may with respect to the Chief Minister, the Norfolk Island Government has put forward a preferred model to the Commonwealth which has been endorsed by this House.

MR BUFFETT In terms of the governance, yes.

MRS WARD But we are yet to receive a response from the Commonwealth and to ultimately see what that model will entail, the question is then, and remains, will the community be made aware of that model and will there be community consultation at that stage to describe and negotiate, or have further discussions on that model before that is finally signed off by this Government?

MR BUFFETT Madam Speaker the answer to that is very clearly yes.

MRS GRIFFITHS I was contemplating a further supplementary, but I will move onto a further question, for the Minister for Tourism. Minister what progress has been made with the community tourism recovery strategy, or whatever it is called, and when can we expect a draft?

MR NOBBS Thank you Madam Speaker and thank you Mrs Griffiths for the question, the strategy, I had actually hoped to put the draft through on the table today, it is very close to finish, certainly it will be on the table in the exposure capacity for the next Sitting, the facilitators and the like have all had their input into it as well as the Bureau, the General Manager and the Board as I understand it. And from the document that I have seen in its current form, it will certainly carry out the objectives that I would hope to see in it, and that is to gain community engagement and stakeholder engagement, provide a clear indication of the outcomes sought and the methodologies to get there, thank you.

MRS GRIFFITHS Thank you Madam Speaker, my question is for the Chief Minister, Chief Minister what progress has been made with regard to the review of the Human Resources Policy & Procedures Manual and the Public Sector Management Act?

MR BUFFETT Madam Speaker, thank you for the question, these are two factors that have been mentioned in a number of reports, they are presently being pursued by the CEO, upon his taking up of his appointment, both the amendments to the Public Sector Management Act and the accompanying Human Resources document, Policy & Guidelines it is, both of those documents, one a piece of legislation, and the other an accompanying document, both of those, are in significant need of being updated to reflect current situations, and to bring Norfolk Island into the mainstream of how it is best to manage public services. The CEO has advised me that he has advance with this task, there are, I would hesitate to say that there are drafts at this moment, but certainly there are exchange of documents which he is working upon, and when he has recommendations to put to me, as the appropriate Minister, I of course, will be sharing them with Members, so that you will see how the task is progressing, because at the end of the day the Public Sector Management Act will need to come to this House for amendment and the documents that accompany that will need to be seen in that context, thank you.

MR KING Thank you Madam Speaker, if I could return to the question of legal aid with the Chief Minister, I had intended to ask a supplementary, some

months ago, the Chief Minister indicated a willingness to examine the statutory relationship that had been established between Norfolk Island Legal Aid and the ACT Legal Aid and any benefits that may flow from that, could the Chief Minister please advise the outcome of that examination.

MR BUFFETT Yes thank you Madam Speaker, I don't have a formal response to that, at this moment, I certainly have requested that we pursue some of those arrangements, and I know that we have some correspondence about various aspects, but I haven't had a definitive report so to speak that I might be able to give Mr King the response that he seeks at this moment. I will continue with that, thank you.

MRS GRIFFITHS Thank you Madam Speaker, a question for the Minister for Tourism, given that the Tourist Bureau funded a portion of travel costs for members of the Economic Australia Team that visited recently, what recommendation for tourism development is contained within their report?

SPEAKER Just one moment, I think this might be a question on notice?

MRS GRIFFITHS Not from me.

MR NOBBS I am happy to answer that Madam Speaker.

SPEAKER Certainly.

MR NOBBS Certainly the content of my answer to the Question on Notice covers the question that you have asked.

MRS GRIFFITHS Oh okay.

SPEAKER Are we comfortable with that?

MRS GRIFFITHS Yes, can I have another one?

SPEAKER Please.

MRS GRIFFITHS It's not a supplementary, I'm sure Mr King hasn't asked this one! At the question you referred to a productive working relationship with the team from Economic Development Australia and stated that they have an ongoing interest in seeing good outcomes for the programme that they have carried out on Norfolk Island. What does a productive working relationship mean to you, and can you explain your ongoing interests.

SPEAKER In responding I ask that you not give a matter of opinion please.

MR NOBBS Certainly Madam Speaker, the workshops that were carried out on Norfolk Island, particularly for tourism, retail and any of the industry that wanted to participate, came up with a number of objectives and actions, they were also as participants, as Norfolk Island participants, able to utilise some of the expertise from the EDA members, and those EDA members have made themselves contactable on an ongoing basis for those people who have an interest in their particular areas, whether it was specifically tourism, or whether it was small island arrangements and the like. In terms of ongoing productive discussions, certainly since the workshops, I've been aware of various communications between the EDA membership and other areas as well as myself, they have certainly sent through documentation to further resource some of the suggestions in the report, and as Members around the table would know the report which

I published and made available through the newspaper, I've also written separately to the attendees of the workshops to give them an electronic copy of the report and encourage some of those activities from that report, it's worth noting that the report identified public and private actions that needed to take place.

MR SNELL Thank you Madam Speaker, Madam Speaker I have raised a question previous to this to the Minister for Community Services, Minister you know my interest in the disposal of rubbish here on the Island, and my question previously on the progress of an air curtain burner type situation, can the Minister advise any progress on the better disposal of waste management?

MR SHERIDAN Thank you Mr Snell and Madam Speaker, yes, further progress on the air curtain incinerator Madam Speaker is that last week I signed off on the Development Application for the air curtain incinerator, but unfortunately it wasn't with the full capacity of the needs of which I would have wanted, the recommendation that came to me, they were unable to satisfy themselves of the toxins that may be omitted from such a type of incinerator, being such that it is an open pit, and that the omissions are uncontrolled, and when I say uncontrolled they're not through a chimney type system. So what I signed off on was that the air curtain incinerator may be constructed at the Waste Management Centre, but the use of the incinerator would be only for green waste and untanalised timber, unfortunately no other products, so it doesn't solve the problem of the burning of our municipal waste at Headstone. In the past week I have also sent a memo to the Chief Executive Officer of the Administration asking for some advice considering past reports, URF Report, etcetera and the Ann Prints Report in regards to their recommendations for a high temperature incinerator, I'd also had a, you might say a submission, from the Electricity Manager in regards to an incinerator which used a large amount of electricity, he saw this as a two fold solution you might say to get rid of our waste as well as getting some of our excess electricity that is generated by the PV's, I have identified these in the memo to the CEO and I have asked that some advice be given as to which type of incinerator would be more suitable for Norfolk Island and once that is identified I have also asked him to give me some information, some advice on the source of the monies of which would be required for the purchase of this. So you might say that it is moving forward, the matter of the pit incinerator unfortunately will not be used for the municipal waste but we are progressing further for a more permanent solution which can be housed at the Waste Management Centre.

MRS WARD Thank you Madam Speaker, is it not a fact that there is an ART Ruling that no burning should take place at the Waste Management Centre site?

MR SHERIDAN Thank you Madam Speaker and Mrs Ward, yes that was as a result of a previous hearing through the ART, there was a ruling that there would be no open burning at the Waste Management Centre, we will have to walk through those issues now that a DA has been signed off for a controlled type of burning, so those issues are yet to be walked through.

MR KING Thank you Madam Speaker, a question for the Chief Minister, Chief Minister I recall, I think, on the last occasion, you shared a concern that I had about the possibility of an inequality of treatment with maternity leave provisions in the Public Sector, and I wonder whether any enquiries had been made on the question of any inequality or equality?

MR BUFFETT Thank you Madam Speaker, and thank you Mr King. I reiterate that I am not aware of any inequalities within the Administration of Norfolk Island, if in fact...

MR KING The Public Sector.

MR BUFFETT Yes, it may well be that you are thinking of maybe the Hospital arrangement might be different, I don't know. But let me ask you to be specific about the areas that you have in your mind and I will of course examine those, it's not the plan of the Norfolk Island Government to have inequality and if there is something that needs to be tackled and put your finger on, I am very happy that that be done with me.

MR KING Well for the purposes of clarity Madam Speaker my reference to the Public Sector is a reference not only to the Administration but to Statutory Authorities throughout the Island.

MR BUFFETT Mr King has obviously raised the question with something in mind, I'm really encouraging him, not necessarily at this moment, to...

MR KING I simply want to establish Madam Speaker, through questioning in this House, in an open forum, whether there is an inequality of treatment of maternity leave provisions in the Public Sector as I have described it. If there weren't, I did ask on the last occasion, whether it was a concern, you indicated that it would be a concern.

MR BUFFETT Mmm.

MR KING Thank you, that shares my concern, if there could be an examination of whether that situation exists or doesn't exist, then I can satisfy my mind, I will be a happy chappy.

MR BUFFETT Okay, Madam Speaker, I have been convinced that there is no inequality within the Administration of Norfolk Island, Mr King has now mentioned Public Sector, in other words a wider context and maybe talking about Territory Authorities and the like, I'll examine further to ensure that they are examined as well.

MRS GRIFFITHS Thank you Madam Speaker, I have a question for the Chief Minister, Chief Minister have you yet identified a suitable project and commenced a proposal to access Stream Two of the Regional Infrastructure Fund?

MR BUFFETT Madam Speaker thank you for that question, I think I explained last time, and I'm trying to think what I explained! But I think I explained that there were three streams in terms of the funding arrangements, and I am relying on memory Madam Speaker, so if I need to be prompted I would be very happy to be so, one had closed already, one was put on hold, in other words there's a freeze, the other may be available, and I was to let you know when I had word about that, because we had made some enquiries, I haven't heard anything since, so I am assuming we haven't received any word, but I will pursue that further.

MRS GRIFFITHS Thank you, one of the Minister for Community Services please Madam Speaker, Minister where is the Commonwealth commissioned Child and Family Health Services Review Report and when can we expect to receive it?

MR SHERIDAN Thank you Madam Speaker and thank you Mrs Griffiths for the question, I think as report at the last couple of Sittings of the House, that this report has gone back once again to the authors of the Report via the Commonwealth Department, and as yet I am unaware of any movement of it being received by the Commonwealth Department or any receipt by the Norfolk Island Government, so unfortunately I can't give a time frame of when the Norfolk Island Government will receive it, and also when it will be released to the public.



what the opportunities are to enhance our position, and what some of the threats are in that same analysis.

MR KING One final one, how many supplementaries am I allowed today Madam Speaker?

SPEAKER Your question please.

MR KING Minister could you advise the House what consultation has been had or engagement with industry groups in the Island? In relation to this so called business analysis.

MR NOBBS Madam Speaker I think I have been very clear about the excellent engagement of the community in the EDA Workshops and as I've also outlined the EDA Workshops and co-ordinator outcomes are driving the input into that analysis and I'm also working with EDA on finalising that documentation.

MR KING I await with baited breath Madam Speaker.

SPEAKER Mr King, you've got a question?

MR KING Thank you, I wonder whether Minister Nobbs might inform the House of the outcome of discussions with the team from the Hawaiki Fibre Optic Group and whether the Minister had conducted basic due diligence before conducting discussions with the group.

MR NOBBS Thank you Madam Speaker, the group had advised that they would like to come over and make a presentation to Members and any other interested parties, we enabled that, I certainly advised any of the private sector areas that we weren't necessarily endorsing the proposal, with regard to due diligence, I certainly encouraged the Chief Executive Officer of the Public Service to question the proponents of the Hawaiki cable, that questioning has enabled us to keep a watching brief and see what the outcomes are of the further developments of that fibre optic cable.

MR KING A further question for Minister Nobbs Madam Speaker, at the last meeting the Minister said that engagement of the Government with Air New Zealand was a demonstration of the Government's commitment to reinvigorating the Island's economy. Could I ask that the Minister tease this out a little and perhaps fill the House in about the substance of his engagements with Air New Zealand.

MR NOBBS Thank you Madam Speaker, certainly in September I met with Peter Walsh from Air New Zealand, we discussed a number areas and looked at ways that we could better collaborate in both technical and destination marketing, we looked at the arrangements for special fares and promotions, we agreed that there maybe some better collaborations on Road Shows and representation from New Zealand using their reps on the road as well, there were highlighted by myself, some of the opportunities that Air New Zealand has to also keep the profile of Norfolk higher in some of its media materials as well as travel trade data, electronic media as well, also highlighted were groups, trade travel opportunities and encouragement which are, as everyone will be aware, groups are significant part of our tourism. Thank you Madam Speaker.

MRS GRIFFITHS Just a quick one for the Minister for Tourism, Minister can you tell us what our forward bookings look like?

MR NOBBS Thank you Madam Speaker, that was also a component of our discussion with Air New Zealand, was seeking a format that they would be comfortable with for me to release to the community, that would indicate forward

bookings, they are extremely sensitive to releasing any of that forward booking data, however what I have asked for is something that is indicative, that I am able to put out to, particularly the private sector, so that they can work out their staffing and stocking arrangements, as yet I don't have a documented response to say how that is going to be in a publishable format, but I am still working with them on that.

MR KING I wonder whether the Minister, in the nature of a supplementary, whether the Minister or even perhaps the Chief Minister, might point to any positive economic indicators that have emerged or manifested over the past month, and perhaps whether that had been yet any discussions with local Bank Managers about the performance of their loan portfolios as an economic indicator?

MR NOBBS Who have you directed your question to Mr King?

MR KING Either or.

SPEAKER I thought you said Chief Minister, no?

MR KING I guess it's the economy, they can fight over it!

SPEAKER Who would like the question?

MR KING Chief Minister? Are you going to pass the buck?

SPEAKER Minister Nobbs.

MR NOBBS Madam Speaker I'm happy to provide some response, obviously for Members around the table, we are aware of the weekly statistics that are coming in from the Immigration Department that shows in particular the visitor numbers which are certainly on the improve, which is a typical seasonal arrangement for Norfolk Island. Certainly as I have provided feedback, particularly to MLA's, the feedback from the booking agencies in particular, those that work with Air New Zealand directly have indicated that the media, particularly the television advertising at the time, has had a specific, or created a specific positive spike for their booking numbers, significant enough for them to write in an email and point out that these indicators are positive for Norfolk and for selling of the destination.

MR KING There was a further part to that question Madam Speaker, relating to whether the Government had included in its consideration of economic conditions in the Island, discussions with local Bank Managers about the conduct of the loan performance of their loan portfolios.

MR NOBBS I've had various discussions with the Bank Managers, and in that particular area, we stay away from the, I suppose the divulging of any sensitive material that could then be relayed back to specific operators on the Island, it is worth pointing out to a degree, foreclosure action and the like is usually activated from outside of Norfolk as I understand it.

MR KING I wonder whether the Minister might repeat all that?

SPEAKER I think the question has been answered.

MR KING It has has it?

SPEAKER Minister Nobbs has responded, further questions without notice?

MR KING One for Mr Sheridan, he is probably expecting me to ask whether there has been any progress in the testing or the outsourcing of the testing of the Water Assurance Scheme.

MR SHERIDAN Thank you Madam Speaker and Mr King. Yes, after the last Sitting I undertook to seek advice from the CEO in regards to the possibility of outsourcing the testing of the Water Assurance Scheme, I have seen some email correspondence between the Quarantine Officer and persons offshore in the appropriate areas, attempting to quantify what costings would be, so that the service could then assess whether or not they could accommodate, within the budget, such a study, that is the state that they are at at the moment, and as further information comes to hand, I will let Mr King know.

MR KING A supplementary, given that it has been in the order of some two years since there has been at least anecdotal, strong anecdotal evidence that the water aquifers in the Island were being contaminated by leaking sewage and that a possible source of that contamination, anecdotal evidence mind you, strong, was the Water Assurance Scheme, that surely the Government must have established a time line by which it will test that scheme and remove that possible health risk.

MR SHERIDAN Thank you Madam Speaker and Mr King, yes I share Mr Kings concerns as to the time frame that this has taken to get off the ground, and it hasn't got off the ground, but I don't share Mr Kings concerns to say that the anecdotal evidence that is portrayed indicates that it comes from the Water Assurance Scheme, yes the evidence based from the water testing results, that our ground water, or our ground water aquifers are certainly contaminated with human and animal e.coli, that's always been the case, if you read reports going back ten's of years, twenty years, thirty years, it's always indicated that our ground water has some form of contamination. The most recent testing that has been conducted, which Mr King refers too, does not quantify or any indicative reasoning to assume that it comes from the Water Assurance Scheme, it just happens that the testing has been taken place in the valleys where all the water collects you might say, and the Water Assurance Scheme runs through the top of it. Some of the literature I've read and the advice that our Quarantine Officer has sought from overseas indicate that it is usually the other way around, with a Water Scheme such as ours to actually leak, it is usually the other way around, that it acts as a storm drain for excess water, not necessarily leaking into the environment, and this is what has been attempted to ascertain through the service as to the best way forward, and whether or not the dye testing, which was being considered, will fulfil the requirements of what the concerns are, and that is, where the contaminates is coming from, so we are trying to work out the best way, and to ensure that if the testing does take place that it can be assured that the contaminates are coming from such a facility such as the Water Assurance Scheme, or whether it is coming from sewage systems, trench systems around the island, it is very difficult, and it will not be a short term fix, it will take years to undertake such an assessment to fully quantify where the contaminates are coming from. But as I said, the Service are on it, and I have asked them to outsource it if possible, and they are walking through those issues at the moment.

MR KING Given the known rates of contamination in the water tables, in the water catchments in the Kingston area relating to e.coli, what advice is given to the swimmers of the island in relation to their swimming in the upcoming summer season?

MR SHERIDAN Thank you Madam Speaker and thank you Mr King for the follow up question, as happened last year, due to the typography of Norfolk Island, where you might say everything slopes down towards Kingston from the mountains right down to all the surrounding hillsides, yes there are contaminates that do enter the water channels that do empty into Emily Bay, our Quarantine Officer last year undertook testing

of the salt water on a periodical basis, and I would expect that he would continue that testing and if that testing shows high signs, or contaminates above the recommended levels, well then the public will be advised.

MR KING I wondered whether the Minister might provide to Members of this House the results of those examinations and testings for the last summer period.

MR SHERIDAN Thank you Madam Speaker, I can ask the service to provide those, yes.

MR KING Yes Madam Speaker, I think just one or two more, to the Chief Minister if I may. Is the Chief Minister aware of any instances where electricity disconnection notices have been issued despite the power bill having been paid?

MR BUFFETT Madam Speaker thank you for that question, I don't know of such instances, if people are experiences that, I would welcome being known about it so it can be reflected to the CEO and his officers that obviously isn't the plan of things, but if that is happening, please let me know.

MR KING I wonder whether the Chief Minister might be aware that the Administrations accounting system is unable, in all cases, to identify for example when vehicle registration expired, I know that for a fact, and if that is a fact, how can the Chief Minister guarantee the integrity of the Administrations accounting system as a basis, as a basis, for issuing power disconnection notices.

MR BUFFETT Madam Speaker I would assume that in the processes of debt recovery that people would ensure that the documentation is sound in terms of the sort of situation that you have described.

MR KING Just one more, I don't necessarily want to put the Chief Minister on the point, but can he absolutely guarantee the integrity and the robustness of the Administration accounting system.

MR BUFFETT I'm not trying to guarantee anything at this moment, what I am endeavouring to say is that if people are not meeting their commitments and there is a need to go through the debt recovery process, those who are undertaking that task will ensure that the documentation properly reflects what the situation is, let me acknowledge Madam Speaker that we have gone through a reasonably difficult period with computerisation within the public service and that includes the accounting processes, there is a way to go to solve all of the difficulties, so I'm not trying to offer a guarantee that all is totally tidy in that area, there are processes yet to be put in place to make it better than it is, but I do emphasise that if the processes that Mr King is referring to needs to take place, and they are difficult processes, then the officers have a responsibility, and I'm sure are exercising that responsibility to ensure that the documentation is sound.

MR SNELL Just one more to finish up Madam Speaker.

SPEAKER That will take us to time, thank you.

MR SNELL Thank you, and it is only a simple one to the Chief Minister. Chief Minister I do understand that this is a very special day for you, and are you going to shout lunch?

MR BUFFETT I would be delighted if all Members would care to join me for lunch!!

SPEAKER I think time for questions without notice has expired Honourable Members, we move now to answers to questions on notice.

### QUESTIONS ON NOTICE

SPEAKER The first one Chief Minister is in your name, it has stood over for some time from Mr King.

MR BUFFETT Yes, thank you Madam Speaker, this is question 449, I will read the question, it is in a number of parts, is it a fact that the supply contract for the island's fuel has been rolled over for 2 years without undertaking a tendering process as set down in the public procurement guidelines? b. Is it a fact that unless the government had agreed to roll over the contract it was faced with a significant contingent debt arising under penalty provisions of the supply contract? c. What was the extent of the contingent debt? d. Is it a fact that the primary consideration in rolling over the contract was not to achieve the best outcome for the community but to avoid the payment of the contingent debt? And e. Why, when the Minister had the opportunity to do so, was the community and this House not advised of the existence of the penalty clause in the existing contract and its possible impact on the procurement process? In response I say this Madam Speaker, and this I've got to say has some complexities Madam Speaker, I thank Mr King for the question. I am advised, and I can confirm, that the fuel supply contract has been rolled over or extended for a period of a further 2 years, as provided in the original contract, as provided in the original contract. I am unable to give details of this contract, as there is a confidentiality clause in the contract, in addition to the confidentiality clauses in the contract, an application for release of all documents and information relating to the fuel supply contract itself, and to the decision making processes relating to the extension of the contract has been made by an individual under the Freedom of Information, that is a Commonwealth piece of legislation Act, and that is the proper right of that person to do so. Following the refusal of the contractor, not the Norfolk Island Government, but the contractor involved to provide their consent to the release of the documents and information, the application was refused in accordance with the FOI Act, now the person seeking release of the documents and information has now applied, as is that persons legal right, for external review by the Australian Information Commissioner of that refused decision, with the contractor involved being notified of that review application, and it is likely that the contractor will wish to be heard on the matter. Therefore the legal review matter is proceeding and it is presently before the Information Commissioner. I additionally say Madam Speaker that the Norfolk Island Government has signalled its intent to undertake a Government procurement process for the supply of fuel upon the expiration of those current arrangements, and the Commonwealth has offered the expertise of the Australian Governments procurement people to fulfil this requirement.

SPEAKER Thank you Chief Minister, the next question is to yourself from Mrs Ward, number 461,

MR BUFFETT 461 Madam Speaker, is a question which asks, will the Chief Minister provide to the House accurate information on the Island's current budgetary position given that the 2012/13 interim Supply Bill is based on an estimated annual figure of 25,500 visitors and to date, visitor numbers are below expectation? Madam Speaker visitor arrivals for the three months ended September 2012 was 4,712, a decrease of 2,049 from the 6,761 arrivals for the quarter ended the 30<sup>th</sup> September 2011. 2012/13 budget figures, budgeted visitor arrivals is 25,500 and the 11/12 visitor arrivals 25,133. The short fall in visitor numbers has direct impact on reducing income from passenger movement charges by \$100,000, as well as reducing sales of fuel, electricity and telephone services, GST revenue is also below budget with the reduced spending in the private and public sectors, as a result of the reduced visitor numbers and further contraction of the economy, the budgeted deficit for 2012/13 has been revised from the

original deficit of \$3.1 million to a deficit of \$4.5 million. And this reviewed figure, that is the revised figure of \$4.5 million figure, is the amount of money currently sought from the Commonwealth to meet our essential commitments in Norfolk Island for the full year to the 30<sup>th</sup> of June 2012/13.

MR KING May I ask a question when it might be an appropriate time to move a motion that the House take note of the answer to a particular question?

SPEAKER Well it would require leave, shall we wait until we have dealt with questions on notice.

MR KING Thank you.

SPEAKER 462 Mrs Ward to the Minister for Community Services, Minister Sheridan.

MR SHERIDAN Thank you Madam Speaker, the question reads, question 462, Ball Bay Reserve contains remnant native coastal forest and has Planning objectives to control the impacts of grazing and promote natural regeneration. Is it a fact that the Minister has directed the Conservator not to comply with the objectives of the plans of management until a review of the Reserves is complete; and if so, how does this approach support conservation objectives agreed to by this House, or rehabilitation programs which have been funded by the Commonwealth? Madam Speaker in response, the Management Objectives of which I presume that is being referred to take into consideration a number of objectives, these being Cultural Heritage Conservation, Natural Heritage conservation, Pest Species Management, Recreational Management, Education and Interpretation and Stock Management. And I can state here that I have not directed the Conservator not to comply with these objectives. The Conservator manages all Reserves by these Plans. Madam Speaker under Stock Management objectives for the Ball Bay Reserve, the two objectives are (a) to provide an appropriately designed and sited watering point in the upper section of the reserve and (b) prevent cattle from accessing the lower section of the reserve. These Plans of Management also state that cattle have been excluded from two-thirds of the reserve, significantly increasing the prospects for natural regeneration of native forest species and also comment under Stock Management that there is very little grazing available to cattle in the reserve beyond that available near Stockyard Road and the upper end of Marshes Road. Water is available to stock at the dam in the creek where it crosses Marshes Road. Madam Speaker I have made a decision that a fence that was being planned to be erected at the top of the Reserve, with the purpose to exclude cattle, would not be constructed until the Plans of Management review had been undertaken. This review is in the hands of the Conservator and if this is holding up the proposed fence, then I would direct a question to the Conservator to respond to. Madam Speaker the approach that I have taken in making this decision is in accord with the Plans of Management as under these plans, the Plans of Management must be reviewed periodically. Also, in part A of the Plans of Management under section 6.1.17 it is stated that the community will be consulted on all proposals to permanently exclude of stock from common grazing areas in public reserves. Madam Speaker this was undertaken some 12 months ago at a public meeting at the school, and this is where I made the decision that the fence would not be erected until these plans of management had been reviewed. I view this as fully supporting the objectives agreed to by this House and as laid down in the Plans of Management. Madam Speaker the reference to rehabilitation programs which have been funded by the Commonwealth are I presume the 1993-95 rehabilitation program from bush to forest whereby which a major part of the reserve was fenced to promote natural regeneration and heavily weed infested areas were cleared and replanted with approx 500 native forest trees. The other is the Bucks Point to Ball Bay Bi-centennial Scenic Trail in 1988. As for the continuing support of these two rehabilitation programs, as per the Plans of Management, it is the responsibility of the Conservator to manage as part of the reserves

of which he has responsibility. Madam Speaker I am fully aware that the current Plans of Management for Ball Bay do not accurately reflect the current situation, in particular to cattle and these rehabilitation programs and this is another reason as to why the Plans of Management need updating.

SPEAKER  
supplementary Mrs Ward?

Thank you Minister Sheridan, are you looking for a

MRS WARD  
Yes please Madam Speaker, because I see a conflict in the Minister's response, and I just want to clarify where he says that he has not directed the Conservator, so the normal day to day objectives under the Plans of Management have not been stopped, yet one particular item, 2.6.7 which the Minister is aware is Stock Management, so the erection of the fence, has been. Why is the Minister selecting one point out of the Plans of Management and stopping that, and not every other objective under the Plans of Management while a review is taking place?

MR SHERIDAN  
Thank you Madam Speaker, and thank you Mrs Ward for the supplementary, I thought it was quite clear, and I think Mrs Ward was at that public meeting and where the meeting was heading in regards to the differences between the people at that meeting and the Conservator in regards to the way that the Reserve had been managed and the Plans for that fence and to put things at ease you might say, I undertook to make a commitment that until the Plans of Management had been reviewed, and this gave everybody in the community then to make comment on the way that the reserve is managed, to have their say, that that fence would not be erected, and as Mrs Ward says, that is one small part of the Management of that Reserve, the Conservator still has all those other areas of which he may undertake to protect the natural species, and that includes the fencing that is already erected there, as it is stated in those Plans of Management, two thirds of the Reserve have excluded stock from it already, whether that is still the case now, and this is why the Reserve Plans of Management need to be updated, is to reflect the current situation, not what was some 20 years ago.

MRS WARD  
Is the Minister saying that the environmental value of the Ball Bay Reserve has in some way diminished and requires less protection today than it did 20 years ago?

MR SHERIDAN  
No Madam Speaker I am not saying that the environmental, my view of the environmental importance is any less now than it was 20 years ago. The Plans of Management actually reflect how that will be managed, and this is by fencing etcetera, now if those fences have fallen down and now cattle are getting into areas of which were supposed to be excluded from stock, then that is a problem for the person who is in control of those reserves, to ensure that those fences are maintained. The cattle owners can not help if the reserves aren't managed as they are supposed to be under the Plans of Management. The cattle are allowed in the reserves, it is stated there in that Ball Bay Reserve Plan of Management, that there was only minimal, and I just read out, that there was only minimal grazing for them, two thirds of the reserve have been excluded, and as I said at the end, I don't know whether that still accurately reflects what the Plans of Management say, so yes, if we put value on our rehabilitation of native species etcetera, well then those areas would need to exclude stock. That's what the Plans of Management state, whether that accurately reflects the state of play now, I don't know. I don't believe it is, and that's what I've said.

SPEAKER  
Chief Minister.

Thank you Mr Sheridan, moving along now to 463,

MR BUFFETT  
Thank you Madam Speaker, the question asks, the recently published ACIL Tasman Economic Development Report made various recommendations in relation to the island's ability to sustain itself. Which of the proposals

does the Norfolk Island Government plan to implement and within what timeframe? Mrs Ward asked the question and I thank her for it. Madam Speaker as we are probably all aware, the recommendations in the Economic Development Report are contained in Chapter 10 of that report, they require actions from both the Norfolk Island Government and from the Commonwealth Government in respect of implementation. The Norfolk Island Government has been discussing with the Commonwealth the possibility of putting a joint position on the implementation of these recommendations, but agreement hasn't been reached on those as yet, but never the less, in the meantime, the Norfolk Island Government has moved to implement those recommendations which are within its current financial capacity. And an example of this is recommendation 1, which involves the adoption of the Competition Principles Agreement of 1995, and the Government in response to that has formally adopted these principles for the operation of its GBE's and this was announced in the policies to provide competition and investment paper released on the 19<sup>th</sup> of April. Some aspects of recommendation 3 have been advanced, and the Norfolk Island Government has worked with the Department of Regional Australia to obtain assistance in the evaluation and divestment of state assets and the privatisation process, and we have been assured that the request for tender for this work will be provided to us within the next two weeks, so there is advancement in respect of that matter. The Government remains supportive of the recommendations for human capacity development, infrastructure investment, economic reform implementation, the Capacity Building Team, health and welfare and improving business certainty. That is the balance of those eight recommendations, if you have been following the bits that we have done, and we continue to work with the Commonwealth Government to have definitive implementation proposals, that's where we run with that Madam Speaker.

SPEAKER Thank you Chief Minister, 464, Minister for Community Services.

MR KING Can I ask a supplementary on that? Could I ask the Chief Minister whether there is any reporting mechanism in place which will set out the advancements or progress made with the Capacity Building Team? In other words, what has been done and what has been achieved?

MR BUFFETT Madam Speaker, in terms of the Capacity Building Team, you will know first of all, that the Capacity Building Team was described to be representing five areas, not all of those areas have been covered I might say, but that's not our responsibility at this moment, there has been an effort to gain definition of the tasks by the Capacity Building Team, and the CEO has equally wanted to be able to measure the work done when the time comes to conclude their task and that we should have a report so that we can see what has been done. And I think that is really the nub of your question.

SPEAKER Thank you Chief Minister, 464, Minister for Community Services, Minister Sheridan.

MR SHERIDAN Thank you Madam Speaker, question 464 reads, in response to a question on notice last month, the Minister stated that the Hospital employee entitlements are budgeted for each and every year but the funds are not necessarily put aside for this purpose. If in fact no funds are set aside for their intended purpose, what are they spent on and what guarantee can the Minister give that funds will be quarantined in future as he has directed? The response Madam Speaker, funds to the Norfolk Island Hospital Enterprise are budgeted on an estimate, based on previous years and on current expenditure, on which the Enterprise operates on an annual basis. Employee entitlements, such as leave and long service leave are included in this estimate, and when leave is taken in that Financial Year then the funds allow for this, i.e. funds utilised for their intended purpose. In the past excess funds for leave etcetera not taken have remained in the operating account and utilised in the operating cost of the

Hospital, which includes wages. When this leave is taken post the Financial Year of which the leave was accrued, the payment is processed by utilising the funds from the operating account of the Enterprise for the current Financial Year. This is how the majority of businesses would operate by not specifically providing separately for employee long service entitlements but allow for any entitlements taken in a Financial Year to be funded from the operating account. Madam Speaker as advised at the last sitting the Auditors were concerned in regard to the large liability that the Enterprise had for employee entitlements, and I must admit, as an aside, that the Australia National Audit Officer has raised this in their preliminary paperwork to the Hospital in regards to the employee entitlements. Without the capacity within the operating account to fully provide for all entitlements and advised that the Enterprise commence setting aside funds for this purpose. This has commenced as of last year with \$75,000 put aside. The Hospital Director is monitoring the Enterprises financial position on a monthly basis so as to enable further allocation of funds to be placed into this account after six months. The only funds that would require being placed into this fund, would be any leave or long service leave entitlements not taken in this financial year, plus attempt to reduce the liability if funds allow. Therefore eliminating the liability. Madam Speaker the only guarantee that I can provide is that I have directed the Director to set aside this money into a separate account, and I would expect that this direction would be complied with.

SPEAKER Thank you Minister Sheridan, Chief Minister 465 through to and including 470 are all in your name.

MR BUFFETT Thank you, 465, Madam Speaker the question asks, does the external audit report 2010/11 recommend that staff entitlements for the Norfolk Island Administration be quarantined and if so, how has this occurred and what is the current liability? Madam Speaker the external audit report did not recommend the quarantining of staff entitlements for the Norfolk Island Administration, at the 30<sup>th</sup> of June 2011 current assets were \$1.5 million higher than total liabilities, and staff entitlements total \$1.56 million which was 12% of the value of current assets.

MRS WARD Thank you Madam Speaker, I was just wondering if the Chief Minister has current information, that question was answered on the 30<sup>th</sup> of June 2011, that was 15 or so months ago, and I'm wondering if we are in a different position now?

MR BUFFETT Madam Speaker I am happy to research those records, I'm responding to the question that was asked, and that relates to the 2010/11 period, and that was the figures that were provided there, if in fact there is something sought for another period, I am happy to do that, but that wasn't what was asked to be researched here, thank you. The next question Madam Speaker is 467, 467 asks...

SPEAKER 466, 466.

MR BUFFETT 466, yes, thank you. 466, thanks Madam Speaker, what is the urgency to open our borders to any Australian or New Zealand citizen when the Commonwealth has yet to provide instructions to assent to the Immigration (Amendment) Bill 2012 passed earlier this year by the House, to extend the visitor permit to 120 days. Madam Speaker the Government has decided that removing restrictions on Australian and New Zealand citizens arriving and remaining on Norfolk Island is required to stimulate local demand and assist to reinvigorate the local economy. The urgency for this is self evident to us around the table and elsewhere around the community from the distress that the business community is suffering, and since this is something that the Norfolk Island can do under its own volition, it is moving to assist the community, it's not really all related to awaiting assent from the Commonwealth to the extension of the visitor permit, although it must be said that the Norfolk Island Government would applaud if the Commonwealth gave ready and speedy responses to pieces of legislation such as this.

Now 467 Madam Speaker, has the Chief Minister sought legal advice on whether the current Norfolk Island Government immigration proposal to open Norfolk Island's borders to Australian and New Zealand citizens to move to Norfolk Island to live, work, start new businesses and reside as of right, requires an environmental impact assessment under Norfolk Island and/or Commonwealth legislation; and if not, will he undertake to do so? Madam Speaker the policies to improve immigration in Norfolk Island do not override either the Commonwealth or Norfolk Island's arrangements to protect the environment. New investors would be subject to our planning and to our development requirements, proposals to establish new businesses will be subject to normal environmental considerations, both locally and by the Commonwealth. And it is within these legislative frameworks that the environment is being protected and indeed will continue to be so and therefore it is not in the Government's intention to seek further legal advice on this matter.

468 Madam Speaker asks this of me as the Chief Minister, will the Chief Minister advise what measures will be in place to ensure that Norfolk Island residents currently operating local businesses are not displaced from their Island homeland as a direct result of the government's proposed immigration policy, which permits any Australian or New Zealand citizen wishing to stay on Norfolk Island to start a new business without first demonstrating that the business is not already substantially catered for by a Norfolk Island resident; and how, and when, is the net benefit from the proposed immigration policy to be assessed and made publicly available. Madam Speaker the Government, in July last year, last year, removed the competition requirements from consideration in granting General Entry Permits to business investors, therefore this aspect of the policy isn't new, to my knowledge it has not resulted in the displacement of any local residents from new businesses being established. The Government has heeded the advice that it has played too larger role in business on the Island and believes that the risk associated with starting or operating a business on the Island is best assessed by the individual and not by the Government. Whether this be an existing business adjusting to changing business conditions, or a new business or service being considered by an entrepreneur, the relationship between population and economic growth in a Norfolk Island context was specifically discussed in the Economic Development Report and I can refer to pages 54 and 55 of that report, it was publically released on the 13<sup>th</sup> of March. The Report looks at the general relationship between population and economic growth, and the structure of the economy, it concludes that in a Norfolk Island context, due to the structure of our economy, population growth is positive for per capita income growth, or in simpler terms the higher the local population the higher the local incomes may well be. So I mention that in responding to that question Madam Speaker. 469 is the next, 469 asks this, given the potential under the Norfolk Island Government's new immigration policy for the resident population of the Island to grow exponentially and given the limited amount of natural resources available on Norfolk Island, will the government be developing new resource management and infrastructure development plans to accommodate the proposed changes before implementation of the new policy? Madam Speaker the Immigration Policy reflects that the Government believes that it is in the best interest of the community now, now, today, our Census last year has concluded that we have been losing population, losing population at the rate of 1.8% per year since 2006. Since 2001 we have lost 118 households or nearly 250 people. We believe it has accelerated since then, and as many as maybe 25% of the active male population may well have been lost to the Island since the Census. We therefore have a considerable resource base that we can fill through immigration before our already established capacity is taken up. As I've said the policy reflects that the Government believes that it is appropriate now. It is examining the level of sustained population under the Roadmap reforms and this is specifically referred to under land use planning, that is 4F and we continue to do this as part of our consideration of using planning arrangements to control the population. In the interim the Government retains authority over Immigration and has undertaken in its policy to continue to monitor the situation, should it need to reverse its policy or adjust its policy, given rises into the future, therefore due to problems associated with increase population Norfolk Island therefore has the capacity to do so if there is a need to do so.

SPEAKER Chief Minister before you move on, Mrs Griffiths I think is seeking a supplementary?

MRS GRIFFITHS Just a supplementary thank you Madam Speaker, given that a proportion of these people are leaving the island to take up employment, is the Government giving equal consideration to generating employment opportunities, immigration opportunities?

MR BUFFETT Madam Speaker thank you for that question, and it is a very valid question, the idea Madam Speaker of course is to increase the viability of the community, so that those who feel that they need to go off shore now, will have better opportunities to be employed in Norfolk Island, that would be an equal opportunity for those who see business opportunities to be made here. If there are business opportunities now, then there are business opportunities for those who are going offshore to take them up now. That may not be the case given what we experience at this moment, but there are equal opportunities for people to return to the place, as there are opportunities for new people to come in and commence a new business or adjust a new business in whatever they think will turn a dollar for them and therefore turn a dollar for the Norfolk Island community. Madam Speaker, I think I am at 470, and this question asks is it a fact that under the Norfolk Island Government's proposed immigration policy Australian and New Zealand citizens from anywhere in the world may move to Norfolk Island and live here indefinitely as visitors, without requiring a police character check or being required to join the Healthcare Scheme. If so what measures will be put in place before the policy is implemented, to ensure that the current feeling of living in a safe and protected community is not compromised, and in particular ensures that the children and the elderly of this community, are not put at risk by persons who might otherwise be identified through a police check as being undesirable persons to live in a small and isolated community. Madam Speaker in response, currently visitors to the island, currently visitors to the island do not require a police character check, they can come and they can stay on the island. It is the basis of our principle industry, tourism is not resulted in any loss of feeling safe, that needs to be emphasised, we already have an arrangement for people in the categories that we have mentioned can come into the Island and they don't require a police check, and we continue to have a safe feeling environment. We have already passed amendments to allow visitors to stay automatically up to 120 days should they wish to do so. And people under the present legislation may stay for 120 days, they need to get the nod to do so, but they don't necessarily need to have a police check to do so, as is the current situation, those Australian and New Zealand citizens who have the intention to become permanent residents of the island, will have police checks taken and a requirement to join the Healthcare Scheme, therefore saying all of that Madam Speaker, the Government doesn't believe that the community will be placed at any greater risk with regard to safety from the proposed immigration changes for Australian and New Zealand citizens.

SPEAKER Thank you Chief Minister, the next is 480 Minister for Community Services.

MR SHERIDAN Thank you Madam Speaker, the question 480 reads what steps has the Minister taken to satisfy himself that all persons seeking assistance because of financial hardship for whatever reasons are advised of their right to apply for a special benefit under the Social Services Act 1980? Madam Speaker I thank Mr King for the question and this exact question was raised at an MLA's meeting some two weeks ago by Mr King and in that meeting I undertook to request the Service through the Deputy CEO, as the Department in name is under the authority of the Administration, to ensure that all persons who presented at the Social Services office requesting advice in regard to assistance because of hardship that they be given the opportunity to apply under the Act. I expect that this consultation has been undertaken Madam Speaker. I have also in the meantime had a discussion with the Social Services Officer in regard to this matter, whilst

discussing other matters, and I am satisfied that any person who presents and wishes to apply for a Special Benefit will be given that opportunity. Madam Speaker, the special benefit is the last resort safety net in the welfare system and as such has a few pre-conditions of which must be proven such as; must prove they are suffering hardship; must prove that by reason of age, physical or mental disability or domestic circumstances or for some other reason is not able to earn a sufficient livelihood for themselves and their dependants, if any, and they are not qualified to receive any other benefit. Madam Speaker whether or not the application is successful would depend on the information provided.

MR KING A supplementary Madam Speaker, Minister what enquiries have been made to clarify apparent, apparent legal advice that unemployment, as a cause of financial hardship is not sufficient basis for the grant of a special benefit.

MR SHERIDAN Thank you Madam Speaker and Mr King, the basis of unemployment solely being the basis for qualification for a special benefit is not in itself a reason enough to qualify, they must satisfy, and the wording is there, is not able to earn a sufficient, so just because you are unemployed, does not necessarily mean that you are unable to earn, so this has to be put into context, and the Social Services Board needs to satisfy themselves that the person who has applied for a Special Benefit has made all endeavours to satisfy that criteria, that they are unable to find employment, just because you are unemployed doesn't necessarily qualify under this criteria. So it is a subjective reasoning you might say, that the board takes on board, but the applicant must demonstrate you might say that they, and that would come under "for some other reason" is not able to earn, i.e. unemployed, they have to then, demonstrate that they have attempted to find employment you might say.

MR KING Just perhaps for purposes of clarity, so therefore it is a fact that hardship circumstances which have been occasioned by employment can be the basis for the grant of a special benefit.

MR SHERIDAN Thank you Madam Speaker yes, that is one of the considerations, that is one of the considerations taken into account, as I say, there are a couple that need to be quantified, and yes, the unemployment status or the employment status of the person applying would be taken into account, but it is also taken into account whether or not they are able to earn, and whether or not they have sought alternate employment.

SPEAKER Thank you Minister Sheridan, Chief Minister 481 through to and including 485 are to you.

MR BUFFETT Thank you Madam Speaker, 481, asks this Madam Speaker, has the Chief Minister ascertained the basis on which information relating to the amount of public money paid to contracted staff is withheld from elected representatives of this Assembly and how can such treatment of Members be possibly justified? Madam Speaker in response, engagement of staff in securing contract for services is in the hands of the service, payment of staff is usually on a public known basis, contract for services may sometimes have confidentiality clauses, the Government doesn't necessarily dictate that, but the service may in its contractual arrangements may need to consider that from time to time, I point out that in an earlier question there was a confidentiality clause, which has been walked through in various processes to date and maybe that is an example of that sort of situation. But if a confidentiality clause exists, I don't know of examples where Members of this Assembly are exempt from this confidentiality clause. 482 Madam Speaker asks, what has been the outcome of the Chief Minister's examination of the arrangements under which the Administration has been providing staff and supporting services to the private organisation CIRCA? Madam Speaker this did come up at the last Sitting and I explained that I would make some enquiries and some examination, and I

have done that, the CEO, that is the current CEO, the earlier arrangement was put in place by a previous CEO, the present CEO upon his examination has determined that there should not be a continuing arrangement with Administration people being positioned in the CIRCA arrangement, and that therefore has now ceased. There is no change in funding arrangements as I understand that situation. And therefore that really responds to the question, it doesn't exist anymore. 483 Madam Speaker asks this, what audit arrangements are in place regarding the expenditure and acquittal of public monies paid to the local branch of the Commonwealth Parliamentary Association each year? Madam Speaker in response, any public monies voted in the public account expenditure legislation for CPA purposes is allocated a line in the budgetary documents, I think that is currently 52020-210, I could be corrected on that, because I have rather relied on my memory when I jotted that down, but it is a line in the budgetary arrangements. And therefore these funds are subject to normal administration audit process, just as everything else is audited, so is that and there is no exception from the normal audit process.

MR KING I have a supplementary Madam Speaker in relation to the CPA monies. Is it a fact number one that every year a sum of money is appropriated to the local branch of the Commonwealth Parliamentary Association and is it a fact that no information flows to the Government or Members of this Assembly or the public on how that money is spent?

MR BUFFETT Is there an annual report so to speak? I would probably need to consult with the Chair of the CPA about that, I don't know of a formal report that is necessarily presented, but there isn't a formal report presented in respect of every line item in the budget if that is what you are asking. 484 Madam Speaker asks this, is it not a fact that arrangements for letting of contracts in and around the Legislative Assembly are inconsistent with the general guidelines for public procurement used elsewhere in the public sector and is it not a fact that at least one supply contract is simply rolled over each year in favour of the same beneficiaries without any regard to the guidelines? Madam Speaker in response, the normal range of employment, or contract for services exist, as I understand it in the Assembly area here, the normal range of employment, I do say that if Mr King who asked me this question is referring to a particular situation, he might let me know so that I can make specific enquiry about that, but I particularly ask that in this context, because contract for some services are due to be advertised in the normal process of public procurement upon the expiry of contracts at the December mark of this year, and if Mr King has a concern and they might need to be addressed there is opportunity to address them, so I genuinely say if there is a situation that needs to be addressed, I invite that to be raised with me so that it can be. 485 Madam Speaker asks me, why has the government not published the guidelines under which it proposes to select particular photovoltaic arrays for disconnection? Madam Speaker this has been addressed in a number of ways over the last couple of days, there have been earlier questions that have addressed some part of this question, but I will just say this at this time. There has been a Ministerial request to officers for guidelines in this process, and these are being developed, and when settled of course they will be published, the Minister mentioned on radio various things which relate to this activity, and I think it was Mr Snell, I could be wrong, raised a question without notice, and Mr Nobbs has responded in terms of that particular question.

SPEAKER Thank you Chief Minister, the next question is 486 to Minister Nobbs.

MR NOBBS Thank you Madam Speaker, the question reads, given that the Tourist Bureau can only spend its money in the in "discharge of expenses, obligations and liabilities of the Bureau arising out of the carrying out of its functions or the exercise of its powers" under the governing statute (s 16) how is it that, according to the Minister, the Bureau supplied funding for the recent travel expenses of the Economic



SPEAKER Thank you, 487, Minister Nobbs.

MR NOBBS Thank you Madam Speaker, the question reads, to what extent were difficulties with the infiltration of solar generation considered before the Government announced its policy position and plans in relation to supporting solar power generation? To what extent did planning take account of a future need to shed power to prevent outages? Madam Speaker my enquiries have not revealed any assessment or prior planning to take account of a future need to shed power to prevent outages, the original policy was to support systems that covered the systems residents usage without individual storage capacity, and should therefore not have led to such a significant over supply issue, however as we are aware many households and businesses have installed systems that generate in excess of what the home or business may consume on a daily basis and this is part of the over supply issue currently faced by the power station. Add to this the lower tourist numbers and subsequent reduced demand for electricity, which then requires the earlier discuss load to absorb the excess.

SPEAKER Thank you Minister Nobbs and finally today, Chief Minister.

MR BUFFETT 488 Madam Speaker, and 488 asks, will the Chief Minister be introducing legislation to remedy the unforeseen consequences that have arisen for those who have left our shores through economic circumstances to take up temporary work elsewhere, namely unforeseen liability for absentee landowner's tax and possibly enrolment entitlements and any other unintended adverse consequence that may have arisen from these same circumstances? Response Madam Speaker, the major matter Madam Speaker that has been brought to my notice in the circumstances described by this question, is the absentee land owners levy, I think I have probably had representation for something like six individuals to date, but firstly I explain that the absentee land owners levy is made up of persons who are land owners of course, and are absent from the island for more than half the year. If joint owners of land, then the absentee only is liable for the absentees proportion, not for the full amount, but for the proportion that relates to that particular absentee person and that is the amount on the account that they receive. And accounts have gone out of late and that's why it's obviously a matter that has been brought to attention, I should say that it is my name on the report, or the account, which is probably why a number have made representations to me, I don't send out the accounts of course, but it needs to be in an appropriate Ministerial name and that lies in my area as explained to me. If you are a resident then your percentage of the unimproved capital value is .25% and there is a cap on that for those who are residents and the maximum amount to be paid is \$500. The Government is examining with the advent of people working offshore, not foreseen in 1976 when this particular piece of legislation was introduced whether there may be a case to examine the current compass of this particular levy, there isn't a Government conclusion at this stage, but obviously that will be discussed with Members as we gather information to examine it. Thank you Madam Speaker.

SPEAKER Thank you Chief Minister, Honourable Members that concludes answers to questions on notice. Now, Mr King had earlier enquired about 461, and Standing Order 107 requires leave to move that the response be noted.

MR KING Yes, but not in response to 461 Madam Speaker, but in response to 449. I would whatever leave is necessary...

SPEAKER Oh, 449, I beg your pardon, I had tagged 461. Honourable Members Mr King is seeking leave of the House to move a motion in respect to question on notice 449 that the response be noted. Is that correct Mr King?

MR KING That is correct.

SPEAKER Honourable Members is leave granted? Leave is so granted, Mr King.

MR KING Thank you Madam Speaker, I move that this House take note of the answer supplied by the Chief Minister to question 449 placed on notice. Madam Speaker Members will know that I have been attempting to extract information in relation to the supply contract for the island's fuel for some time, my queries and questions have not been satisfied, and they remain unsatisfied in respect to the answer provided today by the Chief Minister. I have to say however that I would like to have some time to look clearly and closely at what the Chief Minister has supplied as his answer to these questions today so that at an appropriate time I will be moving that debate on this question be adjourned and made an order for the next sitting date, before I do that, however, my concerns in relation to the supply of fuel, they are not mine alone, the Chief Minister alluded to attempts by an individual to gain information under the Freedom of Information Legislation about how this process took place. My main concern as a representative in this Chamber is to do what I can, and I am very limited, very limited outcomes, but never the less to endeavour to obtain the best outcomes for the community, and fuel is an integral part of our economy, fuel supply and the price of fuel is something which impacts on every household in the Island, and we must ensure that every step, I must be satisfied in my job, that every possible step has been taken to ensure the best possible price is available at the pump. I am not so satisfied Madam Speaker, I'm not satisfied with part of the answer which I think was given or implied that because there is currently a matter before the FOI commission at an appeal level, that by some application of sub judiciary rule or something like that that the House is prevented from providing me with information that I have sought. I do not readily accept that, if that is what was said by the Chief Minister. So at the appropriate time when debate is done today I will move adjournment and seek to examine that more closely over the next few weeks.

SPEAKER Thank you Mr King, the question before the House is that the motion be agreed to, debate Honourable Members? Mr Snell.

MR SNELL Thank you Madam Speaker, Madam Speaker I am at disadvantage to understand why Mr King is pursuing this matter, I appreciate that under the Roadmap that competition barriers have been removed and if there is a proposal for another supply of fuel tenderer to take up business here on Norfolk Island then they're probably free to do so, I think that the supply of fuel to Norfolk Island has been handled in the very commendable manner, and I think that Norfolk Island benefits from having a continuous supply of fuel, fuel that only one occasion in the last 20 years that I am aware of have we reached a certain point where rationing had to take place, but that was handled in a very expeditious manner by the Government and the fuel supplier at great cost to both and it is my understanding that all matters pertaining to the contract have been met and if there is a legal challenge to those that Mr King insinuates then that's a different ball game, but sure the cost of fuel at the pump is expensive, maybe we should look at how it is broken down and why it is so expensive at the pump, but my understanding Madam Speaker is that we are very fortunate to have the fuel supply that we do at this time.

MR KING Well I just have to say Madam Speaker that I'm not insinuating anything in relation to the current fuel supplier, nothing at all, I am simply saying that I am not happy, I am not happy that the proper public procurement processes have been followed, and unless I'm 100% happy about that, I will not be happy that the best possible outcome has been given to the community, I want to understand what factors have impacted on the situation where the contract was simply rolled over. We were told that, today by the Chief Minister, that that provision was included in the contract,

but it was included in the contract as I understand it, under some certain circumstances, I want to understand what those circumstances were and how come they led to a proper public procurement process not been carried out. I will adjourn if the time is right.

MR BUFFETT Two things to be said Madam Speaker, I am not convinced to say that it is accurate that there has not been a proper public procurement process, there has been a procurement process, and that has been a rollover arrangement, then that is a proper arrangement pursuant to the contract. I just want to make this clear however, the Government doesn't have any difficulty in the process of advising what the arrangements are, but there is a confidentiality clause in the contract, and the Government is in need to understand that.

SPEAKER Thank you Chief Minister, further debate Honourable Members before Mr King seeks to adjourn, I think it is in your hands Mr King.

MR KING Words, Madam Speaker...

SPEAKER You so move.

MR KING I so move, yes thank you.

SPEAKER Thank you, the question before the House is that debate be adjourned and resumption of debate be made an order of the day for a subsequent day of Sitting.

QUESTION PUT  
QUESTION AGREED

I believe the aye's have it. Debate is so adjourned.

## **PRESENTATION OF PAPERS**

SPEAKER That brings us to presentation of papers Honourable Members and if you will bear with me, I'll start with one, and table a report by myself as Speaker to the Assembly under sub-section 12(11) of the Act of the Legislation of the Assembly Register of Members Interests Act 2004. I so table that report, thank you. Further papers Honourable Members? Minister Nobbs.

MR NOBBS Thank you Madam Speaker, as required under Section 14 of the Bookmakers and Betting Exchange Act 1998 I table the following licence, Norfolk Island Interactive Proprietary Limited and as required under Section 13 of the Gaming Act 1998, I table the following licence, Norfolk Island Interactive Proprietary Limited. Thank you Madam Speaker.

SPEAKER Those papers are so tabled. Further papers for presentation Honourable Members this morning? Chief Minister.

MR BUFFETT Thank you Madam Speaker, Madam Speaker I table a report in respect to Norfolk Island Legal Aid, there is a requirement under the Legal Aid Act of 1995 that the Legal Aid Advisory Committee provide to me an Annual Report summarising it's processes over a particular period, they have done so, and I encompass that report and table it in my report to the Legislative Assembly.

SPEAKER That paper is so tabled. Further papers for presentation Honourable Members? Chief Minister.

MR BUFFETT Madam Speaker may I just go back, I was remiss in not saying this when I tabled that report, may I compliment and thank members of the Legal

Aid Committee for their continuing work in undertaking their tasks pursuant to the provisions of that piece legislation.

MR KING Excuse me Madam Speaker a question before the House?

SPEAKER Not yet, did you want to put one there?

MR KING Well I would move that the paper be noted.

SPEAKER The question before the House is that the paper be noted, debate?

MR KING I simply make these comments that I am interested to read the report, I have a particular interest in the legal aid issue and the access to justice issue, I'm extremely interested to know whether any reference is made in that report to the task which has been given by the Chief Minister to reviewing and upgrading and updating the Legal Aid Guidelines and whether the Legal Aid Board, is it Board? Well anyway, the Legal Aid Group has put any timelines...

MR BUFFETT It is the Legal Aid Advisory Committee.

MR KING Yep, if it has any substance in it, and perhaps it doesn't have any great substance in it, I'm sure Mr Chief Minister has identified my particular interest in these matters, but I've not been provided with a copy of it beforehand, so I will have a look at it in the interim period.

SPEAKER Further debate Honourable Members on the question that the paper be noted.

MR KING I move for adjournment.

SPEAKER We have a motion for adjournment, on the question that the Legal Aid Paper be tabled.

QUESTION PUT  
QUESTION AGREED

Debate is so adjourned. Further papers for presentation, Chief Minister.

MR BUFFETT Madam Speaker I table the Annual Report of the Norfolk Island Public Service Board, and in tabling this Report I also thank members of the Public Service Board with my confidence in their continuing task in the role that they perform pursuant to the legislation for which they have responsibility to reform.

SPEAKER That paper is so tabled thank you Chief Minister. Further papers for presentation Honourable Members this morning?

MR KING I move that the paper be noted.

SPEAKER Mr King has moved that the paper, the Public Service Board Report be noted, debate Honourable Members, Mr King.

MR KING Thank you Madam Speaker, once again I will adjourn at the appropriate time, perhaps it is my continued absences from MLA's is the reason for my not getting any copies of these reports, or they are not being circulated beforehand, but Members who may have been given a copy of the reports might bear with me if I take some time just to have a look at it and perhaps discuss it to whatever length that I might feel necessary at the next Sitting, and I will adjourn at the appropriate time.

SPEAKER Further debate Honourable Members on the question that the motion be agreed. Seeing there is no debate Mr King.

MR KING Thank you, I so move adjournment.

SPEAKER The question before the House is that debate be adjourned.

QUESTION PUT

QUESTION AGREED

I believe the aye's have it, debate is so adjourned. Further papers for presentation, Chief Minister.

MR BUFFETT Thank you Madam Speaker, I table the policy paper, Policies to improve Immigration in Norfolk Island. Madam Speaker this is not a paper that is new to Members, it has been publically available, but this is really a matter of tabling it in the House so that the paper is available in that particular context.

SPEAKER That paper is so tabled. Mrs Ward.

MRS WARD Madam Speaker I would like to move that the paper be noted.

SPEAKER The question before the House is that the paper be noted, debate Honourable Members, Mrs Ward.

MRS WARD Thank you Madam Speaker, I would like to take this opportunity to say a few words in support of this policy, mainly at this stage because there have been some questions raised and answered in the House today, and I believe that the concerns that have been raised are very real for some in the community. The main focus for the Norfolk Island Government, however, and it should be the concern for every Member, I believe, is how to reverse the declining population. And how to boost the economy and our focus certainly must be on the positive impacts of which may well be created by these moves rather than on the possible negative impacts, and that is clearly what this policy is doing today. It states very clearly that it is about the economy, and it has, as the Chief Minister says already been publically released so everybody is welcome to form their own opinion and make contribution to any Member because the next stage is of course a Bill in the House and that is when we can have real debate. But I just want to say at this stage that that doesn't mean that we should ignore the range of issues, because it is not a risk free policy, I think we all acknowledge that as well, and the high risk items are identified in the policy, they are our unsustainable health and social welfare systems, but that the risk also extends potentially to our natural resources and our limited infrastructure, and the latter of course can't be developed without people being here to pay the taxes, which we acknowledge. In the research that I have done, it would appear that in part, our economic situation has resulted from a population policy which was developed back in 1987 and I won't go into that now, I will go into that more when a Bill is presented, or when the Chief Minister introduces a Bill to amend the current Immigration legislation, but the result of that policy, and the correlating community mindset and that is the interesting point, is that we have the same permanent population now as we did in 1986, and we have the same TEP and visitor populations that we did in the mid 1970's, so that is the challenge that we face. There is no doubt that there is a lot of work ahead of us in terms of turning around the economy, but I truly believe that this policy is a step in the right direction, because we don't have time to procrastinate any longer over the concerns and the fears, they are highlighted, they are there, they are very real, but we have to move on. And what the policy does is effectively open immigration to Australian and New Zealand citizens, but under local control. And so if there are the already mentioned, or even unforeseen circumstances as a result, then we, then this Assembly, this body, or the one after are able to act immediately and that is another reason, and I have stated it before and I will say it again for the public record, that I believe that

environmental protection laws must be closely examined for Norfolk Island. Yes we do have planning regulations and current environmental protection in place, but it may not be sufficient. I would also like to put on the record, that Members have not yet been provided with a paper on the budgetary implications of this policy, even though relevant questions were answered at the last Sitting. And I think that another area within the policy that needs to be further examined, and that is recommended in the policy, it says that it will be, but just for the record, is the immigration department and providing for their needs, because when the immigration committee is disbanded, and as a member of the immigration committee, I have no problem with that concept, but we must ensure that the immigration department has everything that they need to carry out what is, and will continue to be an area where a high level of transparency is a must. We must ensure that they have, the department has the funds in place to provide the office with all that it needs in terms of resources and training, Madam Speaker I did ask the Chief Minister last November on a question on notice, how the Norfolk Island Government would monitor both the positive and adverse effects of change to the Island's immigration policy and how the Government will determine what a sustainable population is on an Island which is economically, environmentally and social fragile, and we were all informed at that meeting that a monitoring scheme was able to be put in place. The reality is that since I asked that question we have had so few applications and approvals that it has not been of concern. On the question of an ideal population, the conclusion that I have come to is there is no such thing, it is up to us, it is up to the community to determine how we want the island to look in the future, it is as simple as that, under planning regulations, you could have, and this is in the planning and population reports done by Alan McNeil, and Minister Sheridan will correct me if I'm wrong, it is an estimate of another 10 or 11,000 dwellings or portions which can potentially be developed. But the reality is today Madam Speaker we have a declining population including declining visitor numbers and as a result we watch revenue declining all the while costs are increasing. And in a debate last year I said in this House that I share the concerns of Ms Adams in the area of immigration, as I have just pointed out, I still do, particularly in the area of risk with the environment but I can no longer sit here and allow my concerns to dominate the debate. It is true that we are still waiting for word from the Commonwealth about their long term commitment to the island, but I see, as the Chief Minister says in the meantime, this is a move that which is action to be taken by the Norfolk Island Government and in fact the elected Members to help ourselves, therefore I applaud the policy, thank you.

SPEAKER  
Mrs Griffiths.

Thank you Mrs Ward, further debate Honourable Members,

MRS GRIFFITHS                      Thank you Madam Speaker, I would like to congratulate the Chief Minister on two fronts, one is coming up with a policy paper I've been asking for a long time for policy papers and we have one, and second is the fact that the Chief Minister is attempting to do this ourselves, and I still think a lot of our solutions are here on the island, and so I commend you for those things. That doesn't mean that we've got the policy paper right Madam Speaker, and I know that immigration policy is a very, very, is a debate that people have, and people get very hot about it, and I am disappointed to see in this policy that there is nothing about the diaspora or the Norfolk Islanders that are living away, there is nothing there about bringing the Norfolk Islander's home and first and foremost that to me should be the priority, especially the working people, it's not just the source of income for them to pay absentee landowners tax but I digress. It's also a big impact on our culture, not just our environment but our identity, so I would like to see that, while it is the role of the Government is to talk immigration, it's also the Governments role to determine population, and the closest we have come to that is a population report done by our Planning Officer, I would like to see our Government go back to that population report turn that into a policy document and determine our immigration from that, thank you.

SPEAKER Thank you Mrs Griffiths, further debate Honourable Members? Mr Snell.

MR SNELL Thank you Madam Speaker, Madam Speaker I take points and agree with the two previous contributions from Mrs Ward and Mrs Griffiths and in supporting the policy paper, but this matter is and has serious consequences for Norfolk Island, and I do thank those who have put the policy paper together, I don't have any issue with it at all, and I admire them for putting on paper what they believe. I think serious consequences could follow from such adoption, but that's down the track, I appreciate that, and I consider Madam Speaker, that we should not allow our fear of declining population to cloud our concerns about the implications of a change in immigration, that could, as I've mentioned, have serious consequences, in areas of safety, of health, of employment, of education, housing etcetera. The real concerns about a changing immigration policy is out there in the community, and it is one of the areas that I think we will need to have more consultation, thank you.

MR SHERIDAN Thank you Madam Speaker, and I thank the Chief Minister for providing the opportunity to discuss this immigration policy paper. As the Chief Minister mentioned it is a position that the Government has taken, now that's not to say that it will become law, it's a position that we have put up for discussion, it is a policy that we have put out. Now as Mrs Griffiths has said, whether the policy is right or wrong, is really yet to be determined you might say, this is a position that we have taken, the Government has taken, that we would like to see. And we believe is the best way to move things forward, now of course the intent of providing the policy paper out there for the community to read and to digest is to make comment, I know myself that if Mrs Ward says that there will be some ramifications on our health system, on our ability to deal through our social services system you might say with maybe in the next band of elderly group or people needing assistance, that really needs to be sorted and it will be sorted prior to a Bill coming to the House to make these amendments. Of course there are other ramifications and I mentioned it at a Cabinet meeting just only on Monday, in regards to eligibility for sporting people to represent Norfolk Island, now we represent in our own right in the Commonwealth Games, the South Pacific Games, etcetera, and at the last Commonwealth Games the eligibility were that you had to be a Norfolk Island resident and hold an Australian passport, well if these changes went through, and a person, an Australian moved to Norfolk Island with the intent to live here and applied for residency, virtually on arrival, does that mean that they are eligible to represent, you know, there are all these little connotations that we have to consider, I think in Australia people move there and they reside, they normally reside in Australia it's something like two years before they can take out residency, that's then they are able to represent in the sporting, not residency, citizenship, they take out citizenship after two years, this makes them eligible to represent in sporting activities, etcetera. So it does have some, you might say, unforeseen repercussions that aren't discussed in the policy paper, but that is exactly what it is, it's policy, it's the Government's policy that we would like to see move forward, but of course, I'm sure there will be some tinkering around the edges, and this is where I ask the community to give us feedback, and we have received little, we have received some, we have received little, of how the policy can be brought to be bear, how it can be achieved, I'm not going to sit here and say that I'm fully aware of all the repercussions, they need to be identified, and it's once they are identified then we can walk through the issues. So Madam Speaker I am glad to hear the support around the table for a policy such as this to move forward, because immigration has always been the biggest, and it will always be the biggest discussion point on Norfolk Island, there are some here who hold immigration very dear to their heart, but as I think has been pointed out, we do need some increase in our permanent population base, Mrs Ward referred to something 10,000 – 11,000 portions in the population report, it wasn't portions that was being referred in that figure, it was people who could reside on Norfolk Island, I think it was something like 10,500, who could reside on Norfolk Island, if all the portions of land were subdivided to their minimum basis and populated to their full extent, that was the possible maximum at

this time population base on Norfolk. I think if the, currently, how the Island is divided with the land portions and I'm just going off memory here, I haven't read it for awhile, and those portions were fully populated it would be something like 4,500 at this point, 4,500 – 5,000 at this point in time without any further subdivision, so yes, it is, as you say, we have to manage our population and we do that through planning, and at the moment there is ability for over 4,000 people, is that an idea population? Some will say yes, some will say no, but it's very clear that we don't have a sustainable population at this point in time and we do need to make some changes to encourage people to come here and live on Norfolk Island. And I'm sure that the majority of Norfolk Islanders or residents would welcome those people to come here and participate in the community at this time, thank you.

MR KING Thank you Madam Speaker, I'm actually quite surprised to hear Minister Sheridan's saying or describing that this is simply a position adopted by the Government and it is still up for grabs.

MR SHERIDAN Tinkering.

MR KING Well that's a concession, if it were the case that the consultation phase has passed and we are still up for agreement, why is there not a substantive motion brought before this House, for the House to endorse it, let's have a serious discussion about it. I know in the process that we had anticipated, all us Members had anticipated that this was going to come forward in one way or another because of the clauses in the various Funding Agreements, in the end, it came forward in a very snap, snap, snap manner, which Mr Snell didn't allude to, but I thought it was something that he might have been concerned with, that we were given a copy of this paper on a Tuesday at MLA's, one which I was present! We were told then that it was a Government position and it was the intention to make it public at the end of the week, and we had until to Friday to comment on it, sent off to the publishers probably Wednesday afternoon or Thursday morning – I don't know how the Friday deadline in the publication in the paper could be compatible in anyway shape or form, with their having been full consultation with the membership around this table, so let's not kid ourselves that that took place, it did not take place, it is not a position which is agreed by this House. It so happens that I am in agreement with its general direction, I do understand there is not a sustainable level of population in this place, I do agree that there needs to be policy and legislative changes, policy adopted and then legislation introduced to give effect to those policies, I do understand what Mr Buffett, the Chief Minister has said about doing what we can within our own immigration system in an attempt to maybe stave off the greater impact that might come from the extension of the Federal Act here, I applaud that. But you have to look back on our history. Let me just pause for a minute, just to say this, it must be very, very, very difficult for the Members of the Government, three Norfolk Islanders headed by Mr Buffett to bring forward a policy such as this is where the controls on immigration are eased, or are proposed to be eased to the extent that they are in the paper. Over the years those controls and restrictions on immigration, have been, rightly or wrongly, seen to be necessary by successive Governments, nevertheless the debate on the immigration has been punctuated from time to time with discussions and debates on population planning, which is another important part of the immigration process, population planning, there were never really any serious attempts, never really any serious policies, the history of immigration administration here in the island as far as population planning is replete with announcements that we are going to have a new certain number of people in, but the reality is that when those limits were reached the pressure became that much that the policies collapsed, time and time and time again. So never any real attempt, I think there was an attempt in my first term in office to implement maybe a 1% net increase in population levels, which was roundly agreed and applauded, but the reality is that when the January/February meeting came up and the quota had to be established, the number was adopted for purely political purposes, rather than to achieve policy outcomes. I quite frankly don't know where immigration is heading, I hear

the answers to questions put by Ms Adams on notice and others, the questions were put in relation to immigration and what it all means, and quite frankly the Sword of Damocles hanging over our head, if we don't get it right then the 1958 Act will undoubtedly be extended here and we will be absorbed into the migration zone, the Australian migration zone, there is no doubt in my mind about that. Is this getting it right? Or a demonstrating to the Commonwealth our ability to do things that we really haven't been able to do over the past 30 odd years, I don't know, I'm not sure that these policies of easier and freer movement are going to necessarily result in any immediate increase in numbers coming to the Island, I have said before I think they need more than just freer immigration, they need a certain certainty in the taxation base in the island, they need stability in Government and governance, all those things need to be resolved as a package to create an attractive environment, social, economic, financial, governance, that will attract people to the island, so I'm not sure it is the outcome, I would support it in whatever form it was, a substantive motion or legislation, I would, I applaud the policy objectives contained in the paper, and I would support the legislation which comes forward to enable those things.

MRS GRIFFITHS Thank you Madam Speaker, this is all very fascinating and as Minister Sheridan has said, we would appreciate members of the community coming and lobbying us and giving us their views and so in light of that, I move that debate be adjourned.

SPEAKER If I could just ask you to hold that...

MRS GRIFFITHS Hold that thought.

SPEAKER And offer the Chief Minister the opportunity to respond.

MR BUFFETT If others have had their opportunity I would just like to conclude the debate when that time comes, if that time has come?

SPEAKER Minister Nobbs? If Mrs Griffiths is comfortable to hold the adjournment motion? Thank you. Minister Nobbs.

MR NOBBS Thank you Madam Speaker on the basis of where we are going, I will be very brief, Mr King has rightly pointed out that for the Government we have certainly been sensitive to the issues associated with immigration and immigration change. Key to that is the principles that were brought to this House as a result of the Roadmap which was to seek a net benefit for the island and to not cause a displacement wherever possible, and when you look at the original intent and evolution of the immigration system for Norfolk Island, there are certain parameters in there that were introduced and evolved to in effect cater to the permanent population and those who have made Norfolk Island their home, through operations of the TEP and GEP systems whereby for example the TEP system is, in effect, the economic buffer, dependent upon the amount of activity, the level of tourism, the performance of the economy, the TEP numbers will vary to accommodate that, in such a way that you would imagine that it was originally intended, that as employment opportunities became fewer, TEP opportunities perhaps would also become fewer to enable the permanent population to gain that type of employment. The key areas for me in this policy that I think we do need to be mindful of, and they are the displacement capacity if we are not careful in getting the balance right, they are the environmental management and making sure that we have an appropriate monitoring mechanism to ensure that we're supporting additional migration to the island and that the environment has the ability to cope with that. For me, the key element in all of this, if we're to go back to the Roadmap, is the partnership, and for a change of this magnitude to our immigration legislation and our policies for management to be broadly opened in this way, in my view it does need to be as a partnership in our changes here, they should be contingent on the Commonwealth enabling those elements of safety net and the health coverage that is part of that as well, otherwise I have some grave fears for

some of the outcomes that we may end up with in both the areas of health and social support. In other areas I think we move along we will certainly have to clarify some of our terminologies of those people who are staying, the longer term visitor stay of 120 days versus those people who are deciding to stay here not as a visitor, potentially for a year or more on end, so there are certainly a range of areas that I would welcome the discussion on, and welcome the feedback on, thank you.

MR BUFFETT                      Thank you Madam Speaker, Madam Speaker the policy paper on immigration. Madam Speaker we must achieve long term sustainability for Norfolk Island, it isn't acceptable that we go on each year, as we have done in the past two years, and we are at this moment having a dependence and waiting and waiting and waiting for some drop out of dollars from the Commonwealth Government, they are essential for us to have that at this moment, let's not doubt, and we are appreciative of that, but we can't depend that that's how we want to live our lives from here on, we must achieve long term sustainability for Norfolk Island, and we have set the path under the Roadmap that we would enter a larger pool where we will be able to be self-sustaining, we will enter into a taxation regime, a GST regime, social welfare regime and a revised governance model, they are parts of the plan for us to move forward. But the part of the plan is not just that we should do that and there is no generation locally and that we are just a welfare state, living on the public purse, that is not what Norfolk Island's aim is about, we need to ensure that we go on and we develop vibrancy in our community and that vibrancy arrangement means that we have got to lift our resident numbers and we have got to lift our visitor numbers, the increase of people will increase the flow of funds, activity and a whole range of things, and that will give us the vibrancy and that will generate funds so that we will be able to be a place where we do want to live and can encourage people to live, and in that context we want to encourage businesses and employment opportunities, particularly we want to offer those opportunities so that we have sufficient here so that our residents that have gone off shore will have the opportunity to come back, be parts of businesses, be employees in businesses, own and operate their own businesses, but we need to get the vibrancy up to be able to do that, but not only return of people, again we have got to lift the numbers, so we will need new people, that must be, we just don't have the numbers if we are to increase the vibrancy of the place, and that's what this paper is about, this paper is about considering those who have had long term association with Norfolk Island, that is Australian citizens and New Zealand citizens, and to offer them the facility of freer movement within this place to populate it, to offer business and employment opportunities and give the vibrancy that we need to turn funds over, to import dollars into the community, so that not only we will have the wider benefit of the larger pool, but we on our own account will be creating for this community, and that's what this paper is endeavouring to tackle, the matter of creating on our own account, within our own place, the vibrancy for us to have long term sustainability. That we will not be a welfare state, that we will have people wanting to do things that will earn money for them in a business sense, to provide for employment and for everybody able to meet their way, put food on the table, pay their financial institution commitments and provide for their families, and we need to move on from where we are. We all recognise now that the difficulties of our small place is not able to meet the commitments of the wider needs of the community, whether they be medical, education, or social welfare or the range of other things that are about today. So this is a part to play, that's why it is put on the table, that's why the Norfolk Island Government is pursuing it, I ask Members to see that point, it's very valuable for us as a community.

SPEAKER                      Further debate Honourable Members, then I must give Mrs Griffiths her call. Mr Snell.

MR SNELL                      Thank you Madam Speaker in response to the Chief Minister's comments, it raises the question of expectations of the community and it also raises the question as to the guarantees of an increased immigration policy into Norfolk Island going to guarantee sustainability, we could increase the immigration and the

population of Norfolk Island to a detriment, and I appreciate that it's the fine line of how do we know, how can you say that increased immigration into Norfolk Island is going to be a benefit to the community, what are they going to do? We see some increased immigration, well not increased, but immigration into the island, where people come here, buy properties, do a little bit of work around them, have a holiday here and then go back home again, immigration is such a fine line, I can't agree that increased immigration is going to guarantee sustainability for the economy, unless we have more detail of what they propose to do. There are no guarantees, I appreciate that.

MR BUFFETT                      Madam Speaker in mapping out where we are to move forward, we have created a Roadmap, in the Roadmap we undertook that certain studies would be done, so that it would flesh out and give us evidence about being able to move forward, guarantees, no I'm not offering that, I'm not offering guarantees, that is very hard in anybody's situation to do, but to equip us with evidence as best we are able, the Economic Development Study is a good guide to what we are about now, because the Economic Development Study very clearly says from people who are qualified and knowledgeable in the area, that if we are able to lift our population arrangements, it will bring greater economic viability to us, this is not just figment of the imagination stuff, this is qualified economists, who have studied these areas who have given us this advice, and we are moving upon that advice, they're the evidence pieces that we are calling upon to move forward with a number of these things, that's not a guarantee, but it is evidence that in other places and other circumstances where it has been delivered, and we are endeavouring to use the best evidence available to us to endeavour to be of benefit to us.

MRS GRIFFITHS                      Thank you Madam Speaker, once again I move that debate be adjourned.

SPEAKER                              And resumption of debate be made an order of the day for a subsequent day of sitting.

QUESTION PUT  
QUESTION AGREED

I believe the aye's have it, debate is so adjourned. Are there any further papers for presentation this afternoon Honourable Members? Minister Nobbs.

MR NOBBS                              Thank you Madam Speaker, I table the exposure draft of the Marine Safety Bill, the intent of this Bill is to provide for the safety and regulation of marine navigation and marine activities, the establishment of a marine harbour authority to clarify and confirm responsibility of search and rescue operations and related purposes. I would just like to read the objectives of the Act into Hansard as well Madam Speaker, the objectives of the Act are as follows, to ensure the safe operation of vessels operating from, and in the seas adjoining Norfolk Island; to promote the responsible operation of vessels so as to protect the safety

MR NOBBS                              Thank you Madam Speaker. I table the exposure draft of the Marine Safety Bill. The intent of this Bill is to provide for the safety and regulation of marine navigation and marine activities, the establishment of a Marine Harbour Authority to clarify and confirm responsibility of search and rescue operations and for related purposes. I would just like to read the objects of the Act into Hansard as well Madam Speaker. The objects of the Act are as follows: to ensure the safe operation of vessels operating from and in the seas adjoining Norfolk Island to promote the responsible operation of vessels so as to protect the safety and amenity of other users and the amenity of occupiers of adjoining land; to ensure the safe operation of marine activities; to provide for the investigation of marine accidents and for appropriate action following any such investigation, and to provide for the investigation by the Coroner of deaths at sea. Madam Speaker I put this in as an exposure draft so that we all have time to have a peruse of it prior to the November sitting at which point I hope to introduce it as a Bill. In

the interim however there is certainly some opportunity for community feedback, further community feedback or feedback from my colleagues prior to that reaching the table in November and I also would also just like to thank the Working Group who have done an exceptional job of working through the practicalities of generating such a Bill in its exposure form.

## STATEMENTS

**MR BUFFETT** Madam Speaker I advise the Assembly that representatives of the Australian National Audit Office will be on island from next Monday for approximately 2 weeks as they conduct the audit for the 2011/2012 financial statements. That is for the Norfolk Island Administration, the Norfolk Island Hospital Enterprise, and the Norfolk Island Government Tourist Bureau. In relation to costs associated with this audit I confirm earlier Statements that the Australian Government is meeting the cost of the audit to be conducted over the next 3 years and then it's to be assessed on a budgetary basis after that. This Audit team will comprise 6 members and I with the CEO welcome their attendance on the island and any assistance they are able to give our Administration and Territory Authorities to ensure future compliance with all relevant accounting standards and legislation.

**MR BUFFETT** This is the second one Madam Speaker and it relates to monitoring of cash reserves and request for Commonwealth emergency essential funding. Madam Speaker the Administration continues to monitor its cash position on a daily basis and it fluctuates, it fluctuates more recently around the \$1m mark. It reduced to \$849,000 last Friday and increased again to \$1.2 at the commencement of this week. As cash flow receipts and payments ebb and flow in that context. I stress we are very dependent on the continued support of the Commonwealth Government for short term essential funding as it stands at this moment. I spoke with Minister Crean on Monday and received his continued commitment to assist Norfolk Island. Our present request for emergency funding is \$4.5m to cover essential services for the year to the 31<sup>st</sup> July 2013. This funding is not approved at this moment. This funding is being sought from Commonwealth Treasury that is outside the Department of Regional Australia, that is Regional Australia is Minister Crean's Department and he will advise me as soon as possible of the outcome of his negotiations, but that's how it's travelling at this moment. I don't have word about funding at this time.

**MRS GRIFFITHS** Thank you Madam Speaker I'd like to make a Statement as a member of the Norfolk Island representative on the Australian's Steering Committee of Commonwealth Women Parliamentarians. Madam Speaker on the 30<sup>th</sup> August 2012 Prime Minister Julia Gillard announced a new 10 year \$320m initiative to help improve the political economic and social opportunities of Pacific Island women. This initiative Pacific Women shaping Pacific development will provide practical support for change at national and local levels. It will work in partnership with governments and several society groups across the region to develop policy changes needed to support gender equality. I'm pleased to advise as part of that initiative the Commonwealth Women Parliamentarians Australian Steering Committee proposal for Pacific Women Parliamentarians mentoring programme has been approved. We have been provided with \$2,85m over the next 5 years to implement this important initiative and I'd like to extend my appreciation to the Secretariat who developed the proposal on our behalf. Thank you.

**MR SNELL** Madam Speaker I seek your indulgence to comment as a Statement on a letter which was circulated to Members at the Members Meeting yesterday regarding Customs Amendment proposal for the establishment of a retail outlet in the Arrivals Hall at the Norfolk Island Airport.

SPEAKER Mr Snell I introduce that that would be more appropriately dealt with when we get to the Customs Bill.

MR SNELL Thank you Madam Speaker.

### **MESSAGES FROM THE OFFICE OF THE ADMINISTRATOR**

SPEAKER I have received a Message from the Office of the Administrator number 32 advising that on 9 October 2012 acting pursuant to Section 21 of the Norfolk Island Act 1979 I declared my assent to the following proposed laws passed by the Legislative Assembly. Wills Act 2012 being Act No 8 of 2012 and the Tourist Accommodation Amendment Act 2012 being Act No 9 of 2012. The message is dated 9 October 2012 and signed Neil Pope, Administrator.

### **SUSPENSION AND RESUMPTION OF SITTING**

SPEAKER Honourable Members I am conscious of the hour and with your indulgence we shall suspend until 2.30pm for luncheon break.

QUESTION PUT  
QUESTION AGREED

SPEAKER Good afternoon Honourable Members. We resume at Notice No 1

### **NOTICE NO 1 – INTERMIN REPORT – CODES OF CONDUCT**

MR KING Thank you Madam Speaker I move that the House take note that the Interim Report Codes of Conduct Inquiry compiled by Mr R.J. Carl dated 31<sup>st</sup> May 2012 and tabled by the Chief Minister on the 19<sup>th</sup> September 2012.

MR NOBBS Madam Speaker I don't intent to debate or vote on this Motion but more than likely welcome the decision to see this Report noted and printed by the Parliament but I think it appropriate that I depart the Chamber to enable unfretted debate.

SPEAKER That's your choice Minister Nobbs. The question before the House is that the Motion be agreed to.

MR KING Thank you Madam Speaker. In March this year seven months ago I raised in this House a bunch of questions, a series of questions relating to inferences contained in some documents that had surfaced, that one of his Minister's had engaged in private commercial activities in apparent conflict with his Ministerial responsibility. I sought to understand the extent to which the Chief Minister might accept such conduct from his Minister's, how he might examine the particular matter and what authority he had to deal with unacceptable Ministerial conduct. Some in the House seemed to take exception in the manner in which I had raised the particular issues and questions, including yourself Madam Speaker who offered me Standing Order 63 as a shot across the bow as a warning, although, although I had made no personal references or named any particular Member. You indicated Madam Speaker leaving me confused that I was out of order to even inquire of the Chief Minister whether he found it acceptable that a Minister of his Government might pursue commercial activities that cut across his areas of ministerial responsibility. Ultimately in March or it might have been the following month the Chief Minister said that he would deal with the matter expeditiously. The course the Chief Minister chose as he advised to the House in the following month was to engage former Chief Magistrate Mr Ron Karl to inquire into the matter, to inquire and report on three questions. Firstly whether ministerial conduct had breached the statutory

code of conduct. Secondly whether a particular Public Servant had breached a Public Service code of conduct and finally whether email security or essentially whether email security had been compromised. Madam Speaker as the main protagonist in this matter I had no interest whatsoever in the minor role of the Public Official or Public Servant. That person's participation had been insignificant and of no concern to me. My chief concern as the Government and the House is aware is the conduct of the Government and its Ministers and the extent to which the head of the Government the Chief Minister might tolerate indiscretions, ministerial indiscretions and the extent to which he might have the fortitude and courage to discipline his Ministers. Nor Madam Speaker did I have any issue with the authenticity of the particular emails. That was not an issue with anyone. It was an unnecessary task and a distraction from the very real points of concern that I had raised in the House. Yet it became this matter issue which apparently has bogged down, and continues to bog down the inquiry. By June Madam Speaker I began to express concern in this Chamber that the promised report had not emerged and that the community was entitled to be alarmed that such an issue remained unreported and unresolved. In that month's meeting of the House the Chief Minister made an oral interim report on the matter undertaking to report further when he has a final report, that was in June. By September the final report, six months after I'd raised it was still not available and the Chief Minister did no more than table the interim report which contained the findings that were delivered orally by the Chief Minister in June in this chamber. It's interesting to note that the report, the interim report is dated May this year, some number of months before its findings were delivered orally in the House in June some months before it finally surfaced in September. He certainly didn't provide me with a copy, an early copy as one might expect with myself being the main protagonist and questioner in this matter. It was simply just tabled quietly in the House in that month in September. I can see why he did that Madam Speaker because clearly the interim report adds nothing to his oral report to the House. Now let's just reflect for a moment on the findings in relation to ministerial conduct, the only area of my concern, and the only area on which I raise questions and doubts and concerns. In brief and as reported by the Chief Minister Mr Karl has found on the evidence before him that no formal breach of the code of conduct under the Legislative Assembly Members of Interest Act 2004 had occurred. The significant words in this finding are of course based on "the evidence before me". Unfortunately the interim report doesn't detail any of the relevant evidence that was sought or relied upon. I wonder in any of it Madam Speaker whether in fact it was an appropriate question or term of reference to put to an independent person because the governing statute requires consideration of a number of levels of the extent to which a Member's conduct, which includes an Executive Member might bring discredit upon the Assembly or the extent to which the proper performance of public duties, including Ministerial duties might be underlined or subordinated by private interest. Those are very important matters. Indeed Madam Speaker they are very heady matters and the demands and standards of the community are likely to be very high, certainly in respect of Minister's Government as opposed to a Technician Public Servant or a mere Backbencher like myself. I'm not saying Madam Speaker that Mr Karl has been derelict in any way or is incapable of assessing these factors or even that he hasn't examined them. I'm saying however that the interim report makes no mention of whether or how they were even addressed. But Madam Speaker some Members of this Chamber including yourself have been highly critical of the manner in which I have approached this issue, so let me pause just to offer some apologies. Madam Speaker I apologise to those in the community who have looked to me in vain to change the way things happen in this precincts. I apologise that there are those in this Chamber who persist in preferring to deal with these matters behind closed doors and I apologise to those in the community who dared to hope that the openness and accountability trumpeted by some in this House herald a breakthrough in what had become normal behaviour. I apologise to the community Madam Speaker for being unable to break the mould of self interest and that tendency to sweep serious matters under the carpet which have pervaded this place for decades. But worst of all Madam Speaker I apologise for my inability to convince others in this place that by being unprepared to act responsibly, sensibly, executively, openly



MR KING Thank you Madam Speaker. I'm made to feel like I've been admonished. My reference of course to sweeping matters under the carpet and dealing with matters in hushed tones in this precincts was not necessarily or it wasn't in relation to this matter at all. It was in relation of course to the general practices that have been followed here for at least 30 years, and I abhor those practices and I've made that very clear. It was clearly, clearly the preference of many around this table that this matter should have been dealt with in exactly the same way, behind closed doors and not openly, and that is where I attracted the ire of some Members by bringing it out into the foreground as I did.

MR BUFFETT Well, there...

MR KING Are you going to call a Point of Order on him Madam Speaker. I raise a Point of Order on Mr Buffett's interjection.

SPEAKER Mr King there is no Point of Order

MR KING No of course there is no Point of Order. The first two matters frankly have not really been adequately settled. Let me read the section. I don't mind, I don't care if it doesn't go beyond this because I think I've made my point in relation to this. I perhaps have not made it strongly enough but I've nevertheless made my point. But let me make it very clear that this interim report which was withheld by the Chief Minister for a number of months withheld and not brought forward, does contain very clear inferences that this matter is yet to be dealt with in terms of detail by Mr Ron Karl. He says in respect of the role of the Minister a number of things, but importantly he says "in respect of Ministerial conduct, the adequacy of the process and practices re: the Register of Members Interests I will address in my final report". He says also in relation to this matter, he uses words like "I will address this deficiency in my final report", but clearly he has some more words to say in relation to the matter. If the bulk of what additional words he has to say is in relation to the emails, I repeat I have no interest in that. The authenticity of the emails was never in question and not a matter about which I raise any concern and I repeat, it was simply a distraction. Indeed I have no intention of pursuing this matter further beyond this point in time. This Assembly has only 4 or 5 months to go. I think the entire policy and processes and procedures that are pursued by this place ought to be thrown out the door and clean broom put right through the place and perhaps the electorate and the community will deal with that process in a few months time. Thank you.

MR BUFFETT Maybe to correct to a statement where he maybe was endeavouring to say that the report was withheld, I think they were his words. That was totally not the case. The matter was not withheld.

MR KING It never saw the light of day

MR BUFFETT No the reality if you remember Mr King through you Madam Speaker and the request of me at a more recent time was acknowledgement by Mr King in terms of his relating the sequences. He really didn't realise that I had tabled the report at an earlier time. Your particular queries at a later time didn't really realise or recognise. I wonder if you were paying attention when some of the matters of the House were being attended to but maybe that's not a matter to raise at this time Madam Speaker.

SPEAKER It would seem we have exhausted debate. I put the question.

QUESTION PUT  
QUESTION AGREED

**NOTICE NO 2 – LAND VALUATION BILL 2012**

Mr SHERIDAN Thank you Madam Speaker. I present the Land Valuation Bill 2012 and move that the Bill be agreed to in principle and I table the Explanatory Memorandum to the Bill.

SPEAKER Thank you Minister Sheridan. The question before the House is that the Bill be agreed to in principle. Is there any debate.

MR SHERIDAN Thank you Madam Speaker. As I just said in the Motion I'd like to present the Land Valuation Bill 2012 together with the Explanatory Memo of which is some 177 Clauses, 28 pages long and I ask that this Explanatory Memo be noted as read and be printed into Hansard. Madam Speaker all with one exception for the Explanatory Memo.

SPEAKER If we could just pause. Is leave granted for it's insertion into Hansard. Thank you. Leave is granted.

MR SHERIDAN Thank you Madam Speaker. There is just one small error in the Explanatory Memo that I would like to be removed and I will remove it prior to the Bill be settled. It will go with a proper Explanatory Memo and that is in the general outline on the first page at the second dot point where it refers to "for rural and also for urban or non rural land". Those words should not be included so they will be removed from the Explanatory Memo once everything has been settled. But just continuing on Madam Speaker. The explanation of the Bill as detailed in the opening paragraphs reads " An Act to enable the valuation of land to establish a basis for raising revenue for the purposes of the Administration of Norfolk Island to assist with the process of tax reform, to provide statistics to assist with economic analysis of the economy, to establish a record of the land values of the island as they may change from time to time and for related purposes". Madam Speaker in the Explanatory Memo the general outline of the Bill states "The Land Valuation Bill 2012 will provide a regime for the valuation of land on Norfolk Island as well as providing for the first time a comprehensive and current and even handed picture of land values. It will also provide a valuable tool in helping to understand the economy of the island by establishing a basis for any future form of taxation or rating of land based upon its value that may be established". Madam Speaker this Bill itself does not levy any form of tax or rate but is a tool to establish the basis for so doing through separate legislation at an appropriate time. The object of the Bill are to establish the post of value in general to be responsible for valuing land in Norfolk Island, establish the form of valuations that are made using the unimproved capital value, often referred to as UCV and improve capital value ICV. Introducing regular valuations cycles whereby every property will be valued each year having regard to market movements and less often by means of fiscal inspection, provide for the maintenance of the role of land values, provide objections and appeal process. Madam Speaker the Explanatory memo then goes on and details an explanation of the 177 Clauses contained within the Bill of which I will not read out in full but will refer to the objectives of the Bill in my Statement. Madam Speaker the requirement for this Bill has come about by the need for the Norfolk Island Government having to reassess its financial raising capacity so as to be able to deliver the services of which this community requires. Over these past years it has become very apparent that the ability for the Government to raise sufficient funds to accommodate the expenditure which is required is not sustainable and this has seen this Government seek assistance from the Commonwealth, assistance of which has been provided and continues to this day and of which this Government is very grateful as would be the community. As part of the assistance package a Roadmap agreement was entered into with the Commonwealth which has seen numerous reviews completed in various areas, particularly in the finance raising capacity area. What has become apparent is that for Norfolk Island to become sustainable in its own right a joint venture with the Commonwealth would need to be undertaken and by this I mean the participation in the

Australian Taxation and GST system of which would then make Norfolk Island eligible to access funds and services of which cannot be accessed at this time. Under the Roadmap and the proposal for type of Government of which the Norfolk Island has proposed is that the Government would provide for Federal type services with a joint costing between the Commonwealth and the Norfolk Island Government for State type services. The Norfolk Island Government would remain solely responsible for local services of which they provide for and administer. Madam Speaker all of this takes money and whilst the type of Government arrangement has yet to be agreed upon it is evident that the Norfolk Island Government must make changes to the way in which it raises its revenue. A Grants Commission Review completed in December 2011 identified that to provide for comparable State and local Government services to be delivered on Norfolk Island if comparable revenue efforts were made and services were delivered at average levels of efficiency the funding debt for the financial year 9/10 would have been some \$13m. This financial gap reflects assessments which recognise that Norfolk Island revenue raising capacity is below the Australian average but that it could raise more than it is currently raising, particularly from land, land taxed and municipal rates, insurance taxation and motor taxes, if it applied comparable community rates, revenue raising efforts to its own tax basis. And the second dot point. Norfolk Island needs to spend more on providing comparable services than the Australian average and much more than it is currently spending particularly in relation to Health, Electricity subsidies and general public services if it provided services at comparable community standards. Madam Speaker the Grants Commission Review also put this into context by stating “ a financial gap of \$13m between comparable services and comparable revenue should be placed into context”. In the financial 9/10 year total Australian financial transfers to State and Local Government represented 43% of their spending on service delivery. If transfers represented the same proportion of comparable service delivery expenses on Norfolk Island they would be some \$8m. Also if Norfolk Island were to receive State and Local government financial assistance at the all State average per capita level it would have received about \$6.9m. However if it were funded like Tasmania it would have received \$9.8m and like the Northern Territory some \$26.3m. Madam Speaker the Economic Development Study by Acil Tasman of March 2012 also identified that the Norfolk Island tax base is deficient for its purposes. The report identifies reasons for low infrastructure spending on Norfolk Island and some of these are – Dot point 1) a tax base that is insufficient to support the required level of infrastructure investment. This relates to both the size of the economy and the nature of the taxes levy on Norfolk Island. Second Dot point 2) National fiscal utilisation arrangements that exclude Norfolk Island from transfer payments and third dot point 3) limited access to Commonwealth Grant programmes and the 4<sup>th</sup> dot point 4) a taxation system where GBE's provide revenue to Government rather than accumulating funds for Capital Works. Madam Speaker the report also states under the heading of Micro Economic Reform in Broad Terms, the economic restructuring of the operation of Government requires removal of barriers to competition, privatisation of Government Businesses, expansion and reform of the tax base, fundamental public sector reform. The report also states that the core tax reform required is the introduction of a recurrent land tax of which the responsibility for implementation of a land tax of which the responsibility for implementation of a land tax lies with the Norfolk Island Government Madam Speaker as can be seen by the extracts from these reports it is identified that the Norfolk Island Government's tax base must be changed and the main recommendation coming from these reports is that a type of tax or rates based on land is preferred. Prior to Norfolk Island being eligible for funding as mentioned in the Grants Report Review it appears that the participation in the Australian taxation and GST systems are paramount with the timeframe for the introduction still to be decided. In conjunction with the assistance that participation in these systems would bring the Norfolk Island Government must review and implement its tax framework for the expenditure of local and state type services. Madam Speaker this is where the Land Valuation Bill comes into play. Because prior to any consideration of any type of tax or municipal rate by any Government it must know the value of the land in question. Madam Speaker this Bill will accommodate these requirements. With Clause 8 – provides that land is to be valued

according to its improved capital value or to its unimproved capital value as determined by enactment. Clause 5 provides for the appointment of the Valuer General by the Minister. The Valuer General must be a valuer of which is defined as being a person who is a fellow or associate member of the Australian Institute of Valuers Incorporated and includes a person who in the opinion of the Minister possesses equivalent qualifications. Clause 6 required the Valuer General to make valuations on Norfolk Island land in accordance with Bill. The Bill also explains as to what is deemed to be improved capital value and unimproved capital value it explains site and non site improvements. Madam Speaker it also includes so as not to inhibit land development or investment Clause 24 of the Bill introduces the concept of deducting from the improved capital value of a parcel of land an amount for site improvements to the land undertaken and paid for by the current owner of the land in the past 12 years. Clause 34 requires the Valuer General to make evaluation of all land before a date fixed by the Minister after which an annual assessment of the value of land having regard to market prices is to be made with an assessment following inspection of all land made every 5 years. Chapter 3 details the requirements for objections to evaluation of which would be processed by the Valuer General and a process of which must be undertaken. Clauses 67 – 100 provides for the holding of objection conferences that properly made objections and related matters. The purposes of a conference include encouraging settlement of disputes by facilitating negotiations between the parties, promoting an open exchange of information, provision of information relating to the legislation and helping to settle the dispute in any other way. Chapter 4 details that provisions and process for valuation appeals to the Administrative Appeals Tribunal or the AAT. Clause 11 8 requires the Valuer General must establish a valuation role for Norfolk Island and that the role is to be maintained and made available for the Register of Titles. Clause 119 required that the evaluation role must state relevant information concerning each evaluation. The information includes among other things the date of valuation, and the date of affect of the valuation, the owners name and address, lands area, the lands location and the lands description. Chapter six and seven provides for provisions about the Valuer General and authorised persons which include their functions and powers of which are making evaluations, dealing with objections and appeals, maintaining the valuation role and any other function required of the Valuer General under the Act. Madam Speaker the Bill also deals with matters such as identity cards for authorised persons, entry to places and the requirements whilst they are on property. Madam Speaker as I stressed before and I must stress that this Bill is all about obtaining the information and not about introducing any new taxes or rates but information of which is vital if we are to take the opportunity to become more self sustaining in providing for our own needs. Madam Speaker I recommend the Bill to the House.

MR SNELL

Thank you Madam Speaker. I find it difficult to put into words my disappointment in this concept of this Bill. There is obviously only one main reason as I can see for this Bill and that it to tax land here on Norfolk Island. What is an asset to better manage land transfer or better a recording of land value for personal or commercial interests. This is a huge deviation to how we do things on Norfolk Island today. Like the Immigration policy proposal one has to ask oneself what is so wrong with what we do on Norfolk Island today, How will such a Bill such as this make life on Norfolk Island any better for its residents, quite the reverse. This Land Valuation Bill as I see it will make and contribute to more red tape. Right or wrong the report has stated and as the Minister has just mentioned has 177 Clauses with that incredible coverage of all matters pertaining to land on Norfolk Island. It is a scary piece of legislation which Madam Speaker I have no idea of which State or Territory of Australia this legislation has been lifted from and maybe where it came from very well needs this type of legislation but in my opinion we certainly don't need it here. Madam Speaker there must be better legislation elsewhere that will adequately cover the concerns of the Federal Government as expressed in conjunction with the Roadmap and Funding Agreement. Madam Speaker I will not support this Land Valuation Bill in any shape whatsoever and I beg my colleagues here around this table to vote against this Bill and consign it to the shredding machine where it belongs. Thank you Madam Speaker.

MRS GRIFFITHS Thank you Madam Speaker. It's not my intention to support this Bill in principle. While I understand what Minister Sheridan is trying to do I cannot go this far this soon. There are so many other issues under way. I would rather that this Government go back and concentrate its efforts on some of the other initiatives that it started but are yet not finished. I'm sure this community would rather be served a decent meal than see another pot of questionable contents on the stove. Thank you.

MS WARD Thank you Madam Speaker. Just in brief response to my colleague Mr Snell. If he was able to articulate his concerns then I would be better able to pick up some of his debate but as we know this is just a Bill to be introduced at this stage and I would be more than willing. I will have more dialogue or have dialogue with my colleagues on some of those concerns. But at this stage I intend to support the Bill. Minister Sheridan said at the last Sitting that the 12<sup>th</sup> Assembly had passed similar legislation and they did in fact vote on a Bill which had a similar title but in fact I found the previous Bill quite different and I don't intend to take a lot of time in talking about what I would term the deficiencies of the previous Bill. Let me just say that this one is a lot better and it covers those areas that need to be covered. For a start it includes a proper appeal rights and there's an objections process, then the full appeal rights and Minister Sheridan has been very open in his Explanatory Memorandum giving the purpose of the Bill by saying amongst other things and if I can just quote "establishing a basis for any future form of taxation or rating of land based upon its value that may be established". So there is no ducking and weaving going on here. The Minister is being very clear about one of the potential outcomes of the Bill and we all fully understand that the valuation may lead to some form of property tax but we've got to be very open and honest about that with the community. We all know the reason for the change, that we have basically outgrown our current taxation model and that we need a new one and that's what this Bill is about. This Bill as I said or as the Minister has said stays on the table for a month and if all goes to plan and again I encourage everyone in the community who has some knowledge or expertise in this area to examine the Bill and to give constructive comment to the Minister, to any Member for that matter. This Bill, and I'm just repeating what the Minister has already said is that it sets out a mechanism for deciding the valuations of land, that's all it does. It's not about putting a new tax in place, it's about being prepared for the next stage of tax reform and while Mrs Griffiths might like to hold it off and not move on with what I see as the inevitable that's why this Bill has my support because we actually need to start getting all the ground work done and pieces of legislation in place so that once we have the new agreed model of government we are ready to go, we don't say "oh dear we haven't done all the work that we needed to do to progress to this stage to carry on, to go forward with certainty". So it's far better to get this work done now and not put it off. So hopefully soon we will have an announcement from the Federal Government on our future tax and governance model so that we can move forward with certainty. Thank you.

MR NOBBS Thank you Madam Speaker. It is an emotive issue. I'll tell you right now I've had people stop in my driveway in quite some distress over what they see could happen to their family land as we go through a evaluation and land rates and the like. However if we don't collect the data we won't know how to formulate it, how to formulate a system to give those sorts of protections. I'm supportive of gathering data just so that we can do the analysis, perhaps counteract some of the misconception from outside of Norfolk Island as to what land rates could bring into the coffers and to give some perspective to it, not just on a fiscal basis but also on a cultural and heritage basis as well. So I do acknowledge you know that this is a very difficult one and no doubt we've all had our ears bashed at various venues in the lead up to this one. However if you look at some of the preconceptions and misconceptions of past commissions of inquiry into Norfolk Island that have said "oh you could earn x out of your land rates". If that's relied upon in our future funding formula for Norfolk Island then we'll be at a significant disadvantage and we also will not have put the steps in place to recognise that family connection with the land that I would hope flow out of this valuation. There are some

elements of this document that obviously in the transshipment of it from another location, perhaps don't sit that well across certain areas, and there is certainly some documentation in process that is part of this for the landowner to challenge the land valuation amount and to make a recalculation or request a recalculation if there's natural causes damage to their property that devalues it. However some of those things are only within a very finite timeframe and those are things I think we need to analyse in the Norfolk context as well, particularly for those people who may not be on the island for that 6 month period in particular for the natural causes damage to the land. Actually that will do for me thanks Madam Speaker.

MR KING Thank you Madam Speaker. Look it is a very emotional issue and it will be. This ought to field some very stimulating discussions around the watering holes along with the other things that we've spoken about today. I'm not as attached to the land as I well understand the Norfolk Island families are, and I would hope that if this Bill passes when the legislation comes forward for rates or taxes on land that that proper account is taken of family members as Mr Nobbs has said and I'm hopeful that there can be formulas, I'm sure there could be formulas arrived at which would take adequate account of that. Let's make no mistake about what this Bill is about. Yes it is a machinery Bill but it is also an expression of policy. It is a very clear expression of policy of the Government's willingness to introduce a land tax or municipal rates arrangement for Norfolk Island. Is that right or wrong? Well it's certainly very sad. No sadder than the day that income tax will come in. No one wants to pay that either. No one wants to see us let go of the controls of Immigration and other areas, but we have to look at this as part of the bigger picture as has been pointed out by a number of speakers. But make no mistake about it, it is a very clear expression of policy about land taxes. We live in a modern demanding society and world. We can't live in the old days. We have to make that reasonable revenue raising effort as we have undertaken to do by accepting the money and being part of the funding agreements. This is borne out of necessity. Whether in its detail it is constructed adequately I don't know. I think I heard the Minister say something about some machinery in here to take account of in valuing land at work that had been done over the past 12 years or something. I just can't see for the life of me how that could possibly be administered, I just can't. So perhaps there is some detail in there that needs to be looked at more closely. I don't have any great knowledge on this type of legislation except to say I will read it. The principle I as unfortunate as it may sound to Mr Snell and Mrs Griffiths the principle I do endorse. Thank you.

MR SHERIDAN Thank you Madam Speaker. I'll just make a couple of final comments. As Mr Snell has said what's so wrong with the way that we do things or something like that on Norfolk Island at the moment. I know better than anybody here would love to see the old Norfolk way remain but unfortunately Madam Speaker we must pay our way. We can't rely on others to fund all our wishes for us. We have to find a way to fund these things for ourselves or attempt to fund part of it, and this is the reason why we are going down the road of the Roadmap so that we will participate as the Chief Minister says in a bigger slice, a bigger pool, we're going to participate in the bigger pool so that we can provide for the services such as our roads need upgrading, we need better health services, our education services, social services. All these things we cannot provide in our own right and if anybody believes that we can then they've had their head in the sand for the last 2 years whilst we've been getting funds from the Commonwealth to supplement our general revenue. I think there was a comment in regards to concerns with regards to family land and yes long term family land here on Norfolk Island it's precious and I acknowledge that Madam Speaker and whilst this Bill doesn't cover that because that's not the purpose of this Bill. If there is any taxation or municipal rates Bill it would be the intent that that land would be recognised and there would be some type of formula as Mr King says to accommodate that. Yes and it has to happen here on Norfolk Island. That has to be taken into consideration because we do not want to see those large parcels of land that some these families still own and have for generations being having to be sold off to pay for something like this ultimately. That is not the intent.

Madam Speaker I think Mr Snell asked where we got this legislation from and it came from the Queensland legislation. They have been through years and years of taxing land over in Australia and they have recently updated theirs, their legislation and this has been I won't say copied but you might say this is where it came from is the Queensland model, and this Bill has been sent to the Queensland Valuer General to undertake our valuations for our absentee landowners legislation. The Bill has been sent to the Queensland Valuer General for comment to see whether or not the way that the Bill is written is applicable to Norfolk Island and would be workable for Norfolk Island. So we haven't had a response as yet. So maybe when the response does come back then maybe some final tinkering to the Bill but at this time it's presented how it is and as Mrs Ward said she encourages people to write and make comments about the Bill about how they see it will work or if it can work in a better way, or why won't it work. We just don't want to hear people saying "oh we don't want it here, we don't need it, lubbe our alone and we can fend for ourselves". We want to know how to make it work the best for everybody. So just with those final words there Madam Speaker if there's no other words.

MR BUFFETT

Yes Madam Speaker thank you. It's not my intent to talk about the detail of this Bill but I would like to make this point because it's in concert with some of the other things that I've needed to say at this earlier sitting. The earlier parts of the sitting we have described a real need to change, a real need to change. This particular Bill is to value land so that we can further assess how we travel along this Roadmap path, valuation. It's not a taxing Bill at this moment but it's to value land so that we have further information to move. But without a doubt it is to use Mr Kings words "an expression of policy", There is no doubt about that and we're not trying to move away from that, but it's at the early stage of that process and it's to value the land. That's what this particular piece of proposed legislation is about. Given that subject we must also recognise that it is extremely sensitive. Traditional family land is extremely sensitive in this community. Those who may be not associated with it in that context may not realise the difficulty of that but it is. It has emotive aspects, sensitivity and indeed wellbeing in terms of those who are associated with the land in that context. But having said that I must emphasise this. One of the difficulties that Norfolk Island has faced over not only recent times but in other times is that when a difficult subject arises which we find distasteful or whatever we have rather thought that we could solve it by sweeping it away or refusing to address it. You will recognise what I am talking about that has happened quite regularly. Well given the situation that we are in earlier described we need to very clearly demonstrate our maturity about addressing issues whether they are difficult or no. This happens to be a difficult one but we must address it, not think that we can just today confine it and dispose of it in the shredder. It needs to be examined properly, talked about in a mature way and the issues that are very sensitive worked through. It is not satisfactory for us to say "it's too hard, ignore it, sweep it under the carpet" to use another term that has been used today. We're not doing that. We are endeavouring to work through and discuss it in a mature way that at the end of the day the aim will benefit the Norfolk Island community, difficult though that may be. It's important to give that emphasis to it Madam Speaker.

MR SNELL

Thank you Madam Speaker. I just want to comment one more time on this matter. This Assembly was voted in here by the people for the people and this type of legislation whilst the Chief Minister has adequately pointed out it is in his belief and the beliefs of others around this table and I can do my sums and I see that the Bill will go through, is that it's not for the purpose of land taxing or land rates, well I find that difficult to believe. It is land valuation and probably land rates will follow. The peoples of this island deserve a little bit more than this and I hope in the next month before this is finalised they will come out in strong force and voice their opinion at such a document. Thank you.

SPEAKER

Further debate. I look to you Minister Sheridan if there is no further debate.

MR SHERIDAN Thank you Madam Speaker. I move that debate be adjourned and resumption of debate be made an Order of the Day for a subsequent day of sitting.

QUESTION PUT  
QUESTION AGREED

**NOTICE NO 3 – GOODS AND SERVICES TAX AMENDMENT NO 2 BILL 2012-10-20**

MR BUFFETT Thank you Madam Speaker. I present the Goods and Services Tax Amendment Bill No 2 2012 and I move that the Bill be agreed to in principle. I table the Explanatory Memorandum to this particular piece of legislation.

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

MR BUFFETT Madam Speaker this is introduction of this particular piece of legislation. It relates to the Goods and Services Tax. Under the Goods and Services Tax present legislation there is a requirement for people who are so registered under this particular piece of legislation to do two things with regulatory. One is to lodge a monthly return and the other is that with that return they pay the appropriate tax that is called upon given the calculations upon that form. Both of those two things are detailed in the legislation. At present there is a requirement for the form to be lodged in a certain timeframe and if that is not complied with there is a penalty. In terms of lodging the money that goes with that, it's a bit different. Yes there is a requirement to lodge the funds according to the calculations, but the mechanism of penalties is different, and the result of that has been that people today especially in these difficult times are a) lodging a form but not necessarily lodging the money. There is a follow up process to gain the money I might say but it's another process and a more lengthy process. May I remind Members of the House and the community that when bills are met and there is a GST component then there is a requirement on the recipient of those funds on a monthly basis to lodge that component with the GST office. Your not required to do it before you get the money, therefore you don't have to have it out of your pocket, it comes out of the funds that go to you at the time that you receive them and within a monthly cycle arrangement that goes to the GST office. This amendment is designed to have a penalty that already exists in terms of the form but an equal penalty that relates to the lodgement of the funds, if you don't lodge the funds, and that's the purpose of this particular piece of legislation. It's set out in the Explanatory Memorandum and it's a brief Bill but that's the thrust of this particular piece of legislation. It's designed Madam Speaker that it will sit on the House for the month until we come together again and then I will raise it again when we meet in November.

MRS WARD Thank you Madam Speaker. You know in a way it's a shame this sort of Bill has to come to the House because when you go back to Section 12 of the Goods and Services Act it says in terms of time and manner of payment of the GST is on the day that a registered person submits a return in accordance with Section 10 the registered person shall pay the Chief Revenue Officer the GST payable thereon. Shall – so they are supposed to do the two things together. So obviously some people are faxing in or slipping under the door the return and lodging the form but they are not paying the GST, the cash, the cheque, however they pay it. I think that's where the problem lies, it's a debt recovery question. I've got no reason not to support this Bill. What it's doing is changing if I just pause a moment the penalty for not lodging your form is \$2,500 for not lodging the money at the same time the GST which is being collected for the Government by the business or individual, it's \$500. So there's a penalty in place currently of \$500. Why that's not and I don't know that's one of the things about the GST

area of Administration, it's like Fort Knox and rightly so. Members of the Assembly and the public don't get to know about who why what for or amounts necessarily, but it does beg the question what's going wrong with debt collection, whether it's at that first point which is the GST Office or whether this results in summons' being given to people for not paying their money as they lodge the form and then it becomes an account or an LSU debt recovery job I'm not sure. Anyway it's no reason not to support this Bill in principle, it means that the fine will no longer be \$500 if the money is not paid, it will increase to \$2,500 and for a Company the fee in it is \$50 so that's double that. I guess what the Minister is trying to do or the CEO through debt recovery is trying to do is send a really strong message out there to the community that you collect the GST on behalf of the Government. It's not your cash to keep and I know that when I go into a shop or purchase something because I do proudly buy local, I know that a contribution to that is GST which is for the Government which is for education, health etc etc. So I would certainly hope that we would see more respect for the process from individuals and GST and companies when it comes to remitting both the form and the cash, the GST component. Thank you.

SPEAKER Further debate. No further debate.

MR BUFFETT Madam Speaker I move debate be adjourned and resumption made an Order of the Day for a subsequent day of sitting.

QUESTION PUT  
QUESTION AGREED

#### **ORDER OF THE DAY NO 1 – CUSTOMS AMENDMENT BILL 2012-10-20**

SPEAKER We resume on the question that the Bill be agreed to in principle. Chief Minister you have the call.

MR BUFFETT Thank you Madam Speaker. This is a Bill that was introduced at our last Sitting Customs Amendment Bill and it's designed to provide for a collection point to be available in the Norfolk Island Airport whereby tobacco products, low duty tobacco products may be after they have been prepaid, ordered and available therefore collection in that context. And people would collect them before they pass through the Customs to enter into Norfolk Island. The reason for bringing this Madam Speaker as I explained on an earlier occasion is that it's an effort to offer further business opportunities to established businesses but the legislation also is framed so that anyone who wants to enter into this business may do so provided they meet all of the requirements that relate to the processes. The commentary that has been given to date is that they are particularly would be a wish to see maybe a wider application of purchasing arrangements at the Airport and for visitors. I'm not opposed to that I might say Madam Speaker but I do need to point out that for that to happen there would need to be considerable further facilities at the Airport itself in terms of size and the like which is not available at this moment. What is seen at this moment in terms of certainly the present players whether that would be the case in terms of a wider context if others wanted to enter the list but there is the prospect of reasonably comfortable accommodation for people to be able to carry this out at this moment. I've got to acknowledge that the Airport terminal incoming area, given the size of the aircraft that we have now doesn't leave a great deal of room, that must be acknowledged but nevertheless we need to try and give opportunity for business especially in the times that we experience at this moment, and that's what this Bill endeavours to do. It could be a first step to inward or wider inward duty free arrangement and I would have no difficulty in moving towards that but I do make the point about space at this moment and any further legislation would need to be able to be backed up by the offering of space and we don't have the funds at this moment to be able to make those additional arrangements at the Airport in terms of size, although maybe when our circumstances improve the day may

well be different. I'm trying to tackle the situation of today and not lose business in the context of it, That's what this Bill is about.

SPEAKER

Further debate?

MR SNELL

Thank you Madam Speaker. As indicated earlier on in the meeting this morning that I have a Statement to make regarding this matter and the matter of the Customs Amendment Bill for the provision or the collection of prepaid low duty tobacco products by arriving passengers and related purposes. As Members would know Mr Jack read a letter to all of us indicating his disapproval at some comments that were used in argument in particular those used by myself. Madam Speaker Mr Jack wrote a letter to all Members of the Assembly a complaint about their debate re: access to the Arrivals Hall at the Norfolk Island Airport for the purpose of selling cigarettes or the collection of cigarettes to arriving passengers. In particular he made reference to my comments about exclusivity for the sale of this one product in the Arrivals Hall which I do not deny. However Madam Speaker he went on to say and I quote "Lisle Snell argued he could not vote for exclusivity. For Mr Snell's benefit low duty cigarette outlet has been trading as a one off or exclusive business for the past 10 years and in order to commence trading and gain the approval of the Assembly at the time had to provide written agreement to the proposal for the remaining 2 cigarette and tobacco importers, agreements that were willingly provided by Mr Geoff Bennett and Mrs Judy Jarvis. Mr Snell had no objection over the past 10 years regarding the operation of the business as he made no move to close down the business". Mr Jack's words. Madam Speaker Mr Jack is quite right. I respect every person to the right of livelihood in whatever field he or she so chooses. Whilst I am not an advocate in any way to encourage cigarette smoking I do not object to Mr Jack trading as such. What Mr Jack appears not to have appreciated is the fact we were discussing the inclusion within the Arrivals Hall of an outlet purely for the sole purpose of making it easier to obtain cigarettes. Nothing to do with his Smithy's shop or his delivery to the Departure Hall for departing passengers. My exclusivity comment was purely that if we were contemplating any type of business activity in the Arrivals Hall the opportunity should be offered to other such duty free items as the Chief Minister has mentioned or duty free store to invite other retailers and not just exclusively offered to that in which cigarettes are sold or made easier to obtain in that area. Madam Speaker I hope this clarifies my Statement and I do not wish to support the Customs Amendment Bill. Thank you.

MRS WARD

Thank you Madam Speaker. This has been a difficult one for me because I've certainly supported the Chief Minister in bringing forward the Bill and I support any attempt to increase business opportunity on the island. However there are a few factors that I've had to weight which I'll just dot point really because then I'll come back to the main point. It would appear and the Chief Minister has acknowledged that tobacco vendors for the purpose of this Bill have been singled out. So that's one point we have factored out. We have spoken about that the benefits of Norfolk Island as a duty free shopping destination in the future should be looked as part of a comprehensive tax reform package and that may include what Mr Snell said at the last Sitting about his GST tourist refund scheme, so a big picture and long term but that's not what this Bill is about today. The big one for me on this one is that the Bill is contrary to a recent anti smoking campaign funded by the community via the budget and passed in this House last year. So I don't want to take the moral ground, the high ground here on cigarette smoking, that's not what this debate is about as Mrs Griffiths has said. But we can't ignore the cost factors that are associated with that and all of the piles of information that go with that. I guess that if the economic benefits of this expansion to allow cigarette vendors to sell cheaper cigarettes to people coming into the island if that argument was able to outweigh what I see I guess as a moral issue even though cigarettes are legal I find it very difficult to support a move which would make cigarettes cheaper when we've put that 1000% we've increased the tax on cigarettes to fund the anti smoking campaign. So it becomes a decision that you know it's a toss up between the legalities, what's legally

right and morally wrong or vice versa, and I think that I'm still open to listen to debate. If somebody can convince me that the economic argument outweighs the health issues, again a Government policy set by the Minister and the Government and endorsed by this Assembly to not encourage or to discourage cigarette smoking through an increase in tax and by putting in place and funding an anti smoking campaign then I may, it may be easier for me to support this Bill but at the moment my intention is not to support the Bill. Thank you.

**MR NOBBS** Thank you Madam Speaker. We've got all the sensitive and quandary type issues happening this afternoon and this is one of them. Here we are with and I'm in a similar internal turmoil as Mrs Ward is. On the one hand I absolutely want to support commerce development and the opportunities for businesses to diversify, gaining better revenues for themselves obviously the spinoff into the GST that supports local services. On the other hand I am fully aware of the damage of smoking and particularly aware of the successful campaign that the Hospital and the Community Services Minister has been operating. I might as well cut to the chase Madam Speaker and say that I will support this but it is very shaky ground.

**MR SHERIDAN** Thank you Madam Speaker. I can't see why we're wasting too much time with this myself but Madam Speaker first impressions count and I'm just trying to think of the fellows name that came over for the...Peter Canyon. He said to me when he arrived in the Arrivals Hall he said he was blown away by Norfolk Island. When the plane circled, landed he said he was blown away. He stepped off the plane, he walked into the Arrivals Hall and he said there's a couple of things you could do there quite easily to brighten the place up. Ok so first impressions count. Madam Speaker having somebody there with a box of cigarettes handing them out to people as they come off the plane to me would be a negative impression that would be ?? on our tourism. So leave that as a first impression. The main reason why I can't support this Madam Speaker is my position as the Minister for Health. As it's been said at the last Budget we increased the taxation on cigarettes from 600 to 1,000% and as part of that increase revenue raising increase you might say the other side of that was that we would put into place a Quit Smoking Programme to facilitate those people who wished to give up because of the rise in the price of cigarettes to be able to get off smoking in an easier way and an affordable way. To date Madam Speaker and this is going back last month I think 44 people had applied for the Quit Smoking and 6 had dropped out so we had a success rate of 38 and I applaud those people because they will benefit from their giving up smoking in the long run and it will benefit the community health i.e. the Hospital you know the community having to fund the Hospital to provide services for people who have diseases etc through the smoking. So I just could not support this Bill and whilst I endeavour enterprises, people going out and earning a living and everything I just think it would be so negative for our tourism having someone there handing out cigarettes and also like I said I'm the Minister for Health and I just cannot support a Quit Smoking Programme and then be seen to be endorsing to encourage the purchase of the low price cigarettes.

**MR KING** I don't know that this ought to be given a great deal of time either. I think we just go ahead and approve it. It's consistent with a decision made many years ago to allow the Airport to develop a commercial character. It really is a means of introducing no more than what is available elsewhere as you go through International Airports. The only major objection I have to it is it's a reactive piece of legislation. I would have much preferred to have seen in the nature of what the Chief Minister was talking about I think it was an Omnibus Bill which deals with all the necessary enabling legislation to enable that commercial character to develop in the general sense around there. Irrespective of whether we have the physical room around there now or not it may well exist in some time in the future. If all that happened it would simply be a going along the direction that the Government of the day established back in whenever it was 1996 or 97 to develop a commercial character around there. The fact

that it's cigarette smoking, look it happens it's part of society unfortunately. Why shouldn't people travel into our shores and have the same benefits in those terms or similar benefits as they have when they travel to other places. It doesn't need any more than that I think I'll probably support it.

MR BUFFETT Thank you Madam Speaker. Just to conclude I do understand the matter of balance about health factors and the matter of balancing commercial activity. The reality is that there will be the continuation of cigarettes and I'm not necessarily applauding that but it is a fact and it is part of the business enterprise also and there needs to be a balancing of those situations. I too would like to be more commercial in terms of the Airport arrangements but I've expressed my regret already that there is a time frame to achieve that and it needs resources which I'm not able to martial at this moment. But I do want to offer whatever is able to be offered at this moment for those who would want to exercise some business acumen in the Airport context and hence bringing forward what I can at this moment.

SPEAKER Thank you further debate. The question is that the Bill be agreed to in principle.

#### QUESTION PUT

SPEAKER I ask the Clerk to call the House please.

MS ADAMS	AYE
MR SNELL	NO
MR SHERIDAN	NO
MRS GRIFFITHS	AYE
MR BUFFETT	AYE
MR NOBBS	AYE
MS WARD	NO
MR KING	AYE

SPEAKER The result of the voting is Ayes 5 the No's 3 the Bill is so agreed in principle. We move now to the detail stage. Is it the wish of the House to dispense with the detail stage. Thankyou. I therefore seek a final motion

MR BUFFETT Madam Speaker I move that the Bill be agreed to.

SPEAKER No further debate. I put the question.

#### QUESTION PUT

Would the Clerk please call the House,

MS ADAMS	AYE
MR SNELL	NO
MR SHERIDAN	NO
MRS GRIFFITHS	AYE
MR BUFFETT	AYE
MR NOBBS	AYE
MS WARD	NO
MR KING	AYE

SPEAKER The result of the voting Ayes 5 the No's 3 the Bill is so agreed to.

#### FIXING OF THE NEXT SITTING DAY

MR KING Madam Speaker I move that this House at its rising adjourn until Wednesday 21 November 2012 at 10.00am

SPEAKER Thank you Mr King. Any debate, I put the question.

QUESTION PUT  
QUESTION AGREED

**ADJOURNMENT**

MRS WARD Thank you Madam Speaker I move that the House do now adjourn.

SPEAKER Thank you Any debate. I put the question.

QUESTION PUT  
QUESTION AGREED

SPEAKER This House stands adjourned until Wednesday 21 November 2012 at 10.00am.

