



NORFOLK ISLAND LEGISLATIVE ASSEMBLY
14TH NILA HANSARD – 17 JULY 2013

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.

CONDOLENCES

MR EVANS Thank you Mr Speaker. It is with regret that this House records the passing of **Eileen Gloria Quintal** affectionately known to us all as Pusswah. Eileen was born on Norfolk Island in February 1939. She was the daughter of Freddy Leslie and Dorrie Lee Quintal. She did her schooling at Norfolk until age 12 when she moved to Sydney with her family and completed her schooling at Hornsby Girls Home Science School. After she finished schooling she was employed at McDowells in Sydney for many years, until she married Raymond Meyer and started her family. She had four children John, Pamela, Ricky and Suzanne. She came back to Norfolk Island around 1978 and took up employment with Burns Philp at the top BP store with Lesley Edward and Lorna and Nig Christian. From there she moved to the Administration working in the Bond Store until she was transferred to Immigration where she remained until her retirement some two years ago. Eileen lived life to the fullest. On her return to Norfolk she stayed down at "Aunt Lil's" and was an active member of the MM Club. May a good laugh and pranks were had on the weekly Friday night meetings. From Hotel Randah the move was made to up in a stick where her home was built on family land. She quickly established her grounds and garden and another party home. Pusswah loved to travel with friends as far as the United Kingdom and Ireland, Hawaii, Los Angeles, New York the Cook Islands, Tahiti, Pitcairn where she made two pilgrimages, Bahrian, Turkey Greece and the Caribbean as well as Vanuatu, Guam and the Mariana's. She was planning on visiting Samoa in September with Mutty. She was a great travel companion and kept her companions well entertained. Pusswah loved her family and friends and her home was full of photographs. She is survived by her three sisters, Little Joy, Shell and Dolly, three children John Ricky and Suzanne, eight grandchildren and 14 great grandchildren. Her daughter Pam predeceased her some years ago. She adored her children and networked with them on Facebook and via email and made a special trip to Sydney in April to meet another newly born great grand daughter, travelling via Auckland to visit special friends Nig and Lorraine. To the member of Eileens family and to her many friends this House extends its sincerest sympathy. May she rest in peace.

It is also with regret that this House records the passing of **Stephen Enoch Nobbs**. Steve was born on Norfolk Island in April 1932. His mother was Sylvia Esther known as Girlie and his Father Charles Hastings Hebelthwaite Nobbs known as Dick. Steve started school at age 6. His teacher was Aunt Olga Robinson who drove Steve and his sister Ruby to school in her buggy. If Steve didn't want to work in class he would sit on his Aunty Olga's knee. Steve remembers the airstrip being built, the big bulldozers, graders, rollers and other heavy machinery. The work of clearing pinetrees began along Steve's path to school. This was a distraction as he had never seen the big D8

process for residents by citizenship granted under Section 28 A who literally within days, weeks or months, after applying decide to depart the island with no clear intention to “reside ordinarily in Norfolk Island”. The answer is provided is this. Applications for residency under Section 28A are processed on the basis that the information set out within the prescribed application form by the applicant. The prescribed form simply informs provision for a declaration that the applicant intends to reside ordinarily in Norfolk Island. Once a person is granted residency the only provision dealing with ministerial cancellation of a persons residency is Section 35 of the Immigration Act 1980. Under that Section, if a resident is without the approval of the Minister absent from Norfolk island for a continuous period of more than three years and has not satisfied the Minister that such person intends to resume ordinarily residence in Norfolk Island the Minister may declare the person has ceased to be a resident. However the Act required that a person be given a opportunity to make representations to the Minister before any decision. The usual appeal provisions under the Act will also apply in respect of a decision taken under Section 25 to declare a person as ceased to be a resident. Section 38 of the Act specifically provides for offences in relation to provision of false or misleading information or documents in relation to residency. However Section 38 Does not apply to residency under Section 28A, and this requires closer consideration and possible amendment. The question raises as a matter of policy as to what should be provided by an applicant to satisfy the Minister that the applicant intends to reside ordinarily in Norfolk Island, and it may be appropriate to revise the relevant application form to require information in support of the applicants declared intention. Again this is currently under review. The second part of the question – Norfolk Island residents are provided with an authority endorsed in their passport showing they have the authority to reside indefinitely on Norfolk Island. If residency is ceased what happens with this authority in their passport which has no validity date on it. I found the answer very interesting. I certainly didn’t know this and I would say that many on the island equally don’t know this. The authority endorsed in a residents passport is a requirement of the Commonwealth and is actually a Commonwealth form and is impressed with the Commonwealth Coat of Arms. The endorsement in the passport states “the holder is a permanent resident and the holder is permitted to remain in Norfolk Island indefinitely”. Until the residency is cancelled under Section 35 the certificate continues to apply even if the resident is no longer residing on Norfolk Island as his or her residency status still permits them to remain on Norfolk Island indefinitely if they choose to do so. If residency were cancelled the person would still have the authority endorsed in their passport and the Norfolk Island immigration Section would need to notify the Australian authorities of the cancellation so they could not it on their computer records to be accessed when the person next entered Australia. And three – the question is that the process of person undertakes to obtain a PNRIV which stands for Permanent Resident Norfolk Island Visa when entering Australia and the purpose of this visa. The answer is – Australian citizens permanent residents of Norfolk Island do not require a PRNIV as Australian citizens do not require visa to enter Australia. For your reference the following is what is on the Department of Immigration and Citizenship website that is DIAC in respect of the permanent resident of Norfolk Island Visa and I quote “ It’s No 12 and headed Australia’s Permanent Resident of Norfolk Island Visa. Permanent residents of Norfolk Island are not required to hold a Visa to travel to Australia. They apply for a Permanent Resident of Norfolk Island Visa a PRNIV. At an Australian airport other than Norfolk Island by presenting a current passport that is endorsed with the Norfolk Island Permanent Resident status and a completed passenger card the PRNIV allows non Australian citizens who are permanent residents of Norfolk Island to enter Australia and to remain indefinitely. The PRNIV ceases when the holder leaves Australia and a new visa must be obtained for each subsequent entry. The PRNIV is evidenced by a port and date stamp in the holders valid passport. Holders of PRNIV are Australian permanent residents that only hold Australian permanent resident status and the PRNIV while they are in Australia. Australian citizen permanent residents of Norfolk Island do not require a PRNIV as Australian citizens do not require visa to enter Australia”. Mr Speaker I’m going to table fact sheet 59 on the Australian Government website www.nf.gov.au which is the DIAC website and I just read from the beginning of it, certainly not the whole of it, but it raises a question for me that I will address within the Immigration Department but

partnership with the Commonwealth Government and that the agreed reform will have due regard to local circumstances. I provided a copy of the statement of financial policy and objectives issued by the Norfolk Island Government for the 2013/14 budget. I have not yet received response to those letters. Thank you Mr Speaker.

MR SNELL Thank you Mr Speaker. The question No 12 from Mrs Ward to myself reads; Is it a fact that the Norfolk island Government has committed to the introduction of property tax (Municipal Rates) for the island and if so, would the Chief Minister outline the Governments policy position in relation to the development of a rating model and the introduction of a taxing bill and explain how he and his Government arrived at this position. I thank Mrs Ward for the question. Mr Speaker there are a number of Funding Agreement deliverables that relate to preparation and implementation of property tax/municipal rates. In the December 2012 Funding Agreement one of the May 2013 ?? at Schedule 2 Item 10 (f) require 1) an implementation schedule agreeable to the Department for introducing property valuation and rating system for future financial years and a request for "to identify potential service providers to undertake this work with a view to the work commencing in the 2013/2014 financial year". Members will be aware that the Land Valuation Bill 2012 was passed by the Legislative Assembly on the 19th December 2012 and is served for the pleasure of the Governor General by the Executive Council on the 15th January 2013. The Land Evaluation Bill 2012 has not yet received assent. The June 2013 Funding Agreement contains the following deliverables – Schedule 2 Item 16.12 Land Valuation 16.12. Noting the Land Valuation bill has not yet been assented to Norfolk Island will engage a Consultant within 3 months of assent to undertake valuations. Schedule 2 – Item 17.4 . Within 6 months of assent to the legislation the Land Valuation Bill 2012 Norfolk Island will have developed a strategy for the implementation of a property tax, municipal rates which includes an annual revenue target of \$1m with a phasing in period B) an agreed tax base for example on land, land and buildings, or business, land, (improved or unimproved value) C) Discount ? and formula D) Legal and administrative ? and e) Implementation plan for commencement of property taxes(Minister for Rates) from the 1st July 2014. Further deliverables at the Schedule 2 Items 19.4 to 19.6 are; household survey 19.4 – undertake a household income and expenditure survey during this quarter. The results of the survey are to be provided to the Commonwealth in full. Business survey 19.5 Undertake a business income and expenditure survey during this quarter. The results of the survey are to be provided to the Commonwealth in full. Updated property tax (Minister for Rates) 19.6 Provide the Department with an updated property tax (Municipal Rates) implementation strategy having regard to the results of the household and business surveys. There is a Property Tax Working Group that was established within the Public Service in 2012 to consider possible taxing models for Norfolk Island. It is expected that a paper will be delivered by this group for presentation and consultation by Cabinet and Members of the Legislative Assembly and meaningful community consultation. The assent to and commencement of the Land Valuation bill 2012 will enable property valuations to be undertaken within Norfolk Island. This is an essential step in the process. Against this background therefore and in answer to Mrs Wards question I would say that while the Government and Members of the Legislative Assembly formerly have endorsed both the 2012 and 2013 Funding Agreements there is still much evidence to be collected and work to be done on the introduction of a property tax and the nature of any property tax. Some Members have made it clear that they have concerns that need to be addressed in any property tax. Any information obtained in the household and this is income and expenditure surveys is expected to provide evidence of a community's ability to pay Municipal Rates. This is a vital component in this process. The devil is in the detail. However it is clear that the Government is committed to the development of appropriate procedure and draft legislative models. It is essential that we examine possible additional revenue streams. At present I consider that there would be a general preference for the introduction of Municipal Rates than a land tax. However Mr Speaker all option remain open. Thank you Mr Speaker

MR SNELL Thank you Mr Speaker. Question on Notice No 13 reads Mrs Ward to the Chief Minister and I thank Mrs Ward for the question. Is it a fact

draft Bill to enable strata title on Norfolk Island. I understand that a first draft of a Bill has already been received from the Legislative Draftsman. The Minister will issue an exposure draft in due course. An option paper and strategies on future airline underwriting. Mr Speaker while it is difficult to conceive circumstances where the Norfolk Island Government could or would underwrite airline services we will be undertaking this task at the express request of the Department. The CEO and the public Service will undertake this task in conjunction with Cabinet and the Minister for Finance has portfolio responsibility over that matter. Thank you Mr Speaker.

MR SNELL Thank you Mr Speaker. Question No 15 from Mrs Ward Would the Chief Minister provide the House with a list of everything that the Commonwealth has done to assist and support Norfolk Island since both Governments signed the Road Map in March 2011, and attach a dollar value to that support. Mr Speaker I am and would be reluctant to undertake the task requested by Mrs Ward without first seeking the assistance of the Office of the Administrator and the Department. I do not want to provoke any controversy by inadvertently omitting understating or over stating any item of assistance or support and their monetary value. I will therefore seek Mr Speaker to provide an answer to this question once the Commonwealth has been consulted.

MR SNELL Thank you Mr Speaker and thank you Mrs Ward for question No 16. The question reads Would the Minister update the House on what action he has taken to ensure that the Commonwealth honours its obligations under the Road Map namely, the recruitment of personnel to carry out a Government Business Divestment assessment programme and giving assent to the Land Valuation Bill 2012, the Tourist Accommodation (Amendment and Amendment No 2) Bill 2012 and the Public Service Bill 2013. Mr Speaker I am advised the Commonwealth has completed its tender process and a Consultant has been appointed to carry out an assessment of Government Business Enterprises and to make recommendations. It is a term of the Funding Agreement that the Norfolk Island Government continue with the Commonwealth to scope and deliver a Government Business Enterprise divestment programme and that process is proceeding with the appointment of the Consultant by the Commonwealth. The information that will be provided by the Consultants is an important step in our reform process which both the Commonwealth and Norfolk island Governments are committed. The Norfolk Island representatives continue to discuss this matter in the fortnightly teleconferences with the Commonwealth. In regard to the Land Valuation Bill 2012 the Tourist Accommodation Amendment No 2 Bill 2012 and the Public Service Bill 2013, we have in the past and continue to inquire of the Commonwealth. We were last informed that they continue to brief the Minister or Governor General as appropriate regarding assent. Thank you Mr Speaker.

MRS WARD A supplementary if you don't mind Mr Speaker. It's just to ask the Chief Minister whether or not he had a commencement date for the Consultant who was to start on the divestment assessment.

MR SNELL Thank you Mr Speaker and Mrs Ward. At this time no I don't have a commencement date.

MS ADAMS Thank you Mr Speaker. Question No 17 from Mrs Ward. Given that the Immigration Policy and Guidelines state that the Minister will have regard to an applicant's intention to reside "ordinarily" in Norfolk Island. Would the Minister explain why the brand new immigration website states that if Australian and New Zealand citizens intend to reside "permanently" in Norfolk Island they can apply for resident under Section 28A. I'm going to with my responses Mr Speaker with your indulgence to 17, 18 and 19 which are from Mrs Ward to myself on immigration issues to advise that yesterday afternoon for quite some hours I had very valuable discussion with Immigration Officers, Acting Crown Counsel, Acting CEO at the Immigration offices and we walked through many issues in the legislation, certainly endeavouring to answer question that I continued to have around the immigration regime and the more we look

the more we find the more change we need and so, in that state of mind I'm responding. And so the answer to that question No 17 I'm advised that two changes have been made to that Section of the website. The reference to reside "permanently" has been changed to read to be "ordinarily resident" and the reference to "permanent resident" changed to "resident". Shall I continue Mr Speaker with 18.

MS ADAMS Thank you Mr Speaker. Question No 18 from Mrs Ward. Is the Norfolk Island Immigration office authorised to refuse to accept or process and application form under Section 28A – Residency by citizenship and the answer I'm providing is like every other country of the world. To apply for residency or citizenship the application form will only be accepted and processed if you have lodged a completed application form together with the required documents and fee, and I will read Section 89 of the Act relating to fees which reads; Where a fee is payable in respect of an application or other matter for the grant of a permit or other instrument under this Act the application or matter shall not be dealt with or the permit or instrument shall not be granted until the fee has been paid. So in that context there is grounds for refusal. Question On Notice No 19 again Mrs Ward to myself. Would the Minister explain why an Australian and/or New Zealand citizen which is not the holder of a permanent resident Norfolk Island visa, is required to hold a return ticket when entering Norfolk Island. In answer – the policy requirement to hold a return ticket to enter Norfolk Island has been operative for many years and remains. This requirement is mentioned in Immigration Policy and Guidelines in TIM and on relevant Norfolk Island websites and if making an inquiry through a Travel Agency the first point of reference would be TIM which would indicate this requirement and TIM for the listening public is the Travel Information Manual published by IATA which stands for the International Air Transport Association and TIM is published in hard copy and electronically and used by airline check in staff. I just add to that response by referring to the fact sheet 59 which I tabled earlier and I read from the DIAC fact sheet. Entry and visa requirements. All travellers to Norfolk Island including Australian citizens must hold valid passports. The Norfolk Island Administration has responsibility for deciding whether they will allow an Australian citizen or Australian permanent resident to travel to Norfolk Island without a passport. The Norfolk Island Government also required those who are not permanent residents of Norfolk Island including Australian citizens and Australian permanent residents to hold tickets for an onward or return journey. In the discussion yesterday it was explained to me that when an Australian or New Zealand citizen arrives at the Norfolk Island border yes they are automatically the holders of unrestricted entry permits as they come through our border but until they come through the border there is no way of knowing as to whether or not there is a reason why they may not stay. But that's for another day. Part of looking at the whole situation, but for now it's on the DIAC website.

MRS WARD If I may ask because I'm not clear Mr Speaker on whether this is a Norfolk Island Government requirement, Immigration requirement or an Australian requirement. Would the Minister be able to answer that question.

MS ADAMS My understanding that that has always been the case, it is Norfolk Island requirement but clarified by DIAC which supports this current provision. It can be a matter part of the review that is required under the UEP 28A residency at Section 14A 5

MRS WARD Yes I would ask the Minister for a statement of reasons to explain why it has been such.

MS ADAMS Certainly I'll take that On Notice thank you.

MR SHERIDAN Thank you Mr Speaker and thank you Mrs Ward for question No 20. The question reads would the Minister table and make available to the Public the 2013-14 line item budget papers. Mr Speaker all the papers for the budget was tabled in the June sitting of the House in accordance with the CFMO Section 7 including the Appropriation Bill of which details of the expenditure of each area. Some

areas are based on performance budget allocations and these have a bulk figure attached to them. The others have full details of line incremental budget areas in the way of salaries, wages and recurrent operational area as well as capital expenditure in these areas. All these documents may be found on the Administration's website www.info.gov.nf As well as these documents the Administration and the statutory authorities of the Norfolk Island Hospital enterprise and the Norfolk Island Government Tourist Bureau have management documents for internal use of which further details and management of the funds allocated. These are not required to be placed on the website.

MRS WARD Thank you Mr Speaker. Would the Minister then be able to explain why the change in policy because over the years that what are now being referred to as the Management Papers have been made public. Would the Minister explain why they are not being made public.

MR SHERIDAN Thank you Mr Speaker this question was asked of the Manager of the Tourist Bureau and through the Administration and they gave some concern as to their management papers being tabled. Mr Speaker the requirements under our legislation are that the Appropriation Bill is tabled and within that Appropriation Bill, except for those areas that are on performance budget allocations they are details of their line allocations. So it would be up to a person to sit down and work through the line allocations for each area. The reason why the line items of management papers for the areas that have performance budget allocations are that they are allocated a bulk figure and they are not necessarily tied to that line item for the expenditure of that figure. That bulk sum of money may be expended within their area in which ever way it is deemed appropriate by the Manger of that Section.

PRESENTATION OF PAPERS

MR SPEAKER Firstly tabling of Regulations.

MR SNELL Thank you Mr Speaker. In accordance with Section 41 of the Interpretation Act 1979 I table the **Criminal Code Regulations 2013**. Mr Speaker paragraph 7 9(1) of the Norfolk Island Act 1979 provides that in relation to matters that in his opinion are specified in Schedule 2 to the Act subject to any inconsistency with instructions by the Commonwealth Minister the Administrator shall exercise his powers and perform his functions in accordance with such advice if any as is given to him by the Executive Council. Section 382 of the Criminal Code 2007 allows the Administrator to make regulations under that enactment. The Criminal Code 2007 introduced significant reform and codification of the criminal law of Norfolk Island. Section 10 of the Criminal Code 2007 specifies a (default application date) from which the code will apply to all offences against Norfolk Island laws. The date is 1st July 2012 or if another date is prescribed by regulation that date. As from the default application date all common law offences and defences and common law concepts regarding the mental element necessary for criminal responsibility will cease to apply. For any offence to operate effectively under the code it will be necessary for the offence to be structured in a way that conforms to the general principals of criminal responsibility set out in Chapter 2 of the code. A review is under way to ensure that existing Norfolk Island offence provisions are in a form that can operate under the code. It is essential that all Norfolk Island offences be harmonized before the application date. The review is not completed and it is necessary to delay the application of the code to allow time to harmonize offences. This regulation repeals the Criminal Code Regulations 2012 whilst extending the code application date to 1st July 2015. The subject matter of this submission relates to matters in respect of which the Minister's of the legislative Assembly have executive authority specified in Schedule 2 to the Norfolk Island Act 1979, namely Item 91 Maintenance of Law and Order and the Administration of Justice. Section 9 of the Norfolk Island Act 1979 allows a person appointed as the Deputy of the Administrator to exercise and perform all the powers and functions of the Administrator whenever the Administrator is absent from duty or from the Territory of Norfolk Island. It is ??

recommended that the Deputy Administrator at the time make the proposed regulations namely the Criminal Code Regulations 2013.

MR SPEAKER Thank you Chief Minister. Further Regulations for tabling.

MS ADAMS Thank you Mr Speaker. In accordance with Section 41 of the Interpretation Act 1979 I table the **Employment (Amendment) Regulations 2013** and speak briefly to them. The purpose of the Employment Amendment Regulations is to repeal sub regulation 3 (a) of the Employment Regulations and to substitute the following in respect of these public holidays in 2014. The new Regulation now reads 3 A. For the purposes of Subsection 9 (2) of the Act in respect of the year 2014 a) Monday 27 January 2014 is to be taken as a public holiday (for Australia Day) instead of Sunday the 26th January and b) Monday 9 June 2014 is to be taken as a public holiday (for Anniversary Day) instead of Sunday 8th June. Mr Speaker I received representation from a number of members of the community about whether or not Bounty Day should be celebrated on the day on which it falls, that is the 8th of June. I took the decision that that wasn't my decision to take. That's a decision for the Norfolk Island community, to the island community and so what I did was I wrote formerly to the Chair of the Bounty Day Committee who has had discussions with that Committee. I also spoke to the Chair of the Council of Elders and the response back from the Chair is that for 2014 the gazettal the Employment Regs should stand and Bounty Day will be celebrated as traditionally happens when it falls on a Saturday or a Sunday on the following Monday. However there will be future discussion around this issue by these bodies who are responsible for the management of Bounty Day. But what I am planning to do is to ask the Tourist Bureau and any other forum that I can think of to electronically send out the Gazette notice of the public holidays in 2014 so that there is absolute clarity within the accommodation industry, the travel agents and wholesaler industry when Bounty Day is to be celebrated. It is an ongoing problem in the tourism industry. The visitors arrive expecting it to be on the 8th June to find that their travel arrangements off island don't meet the day that celebration is taking place. I can do no more about that other than to rely on the industry to monitor this themselves and to make sure that any prospective customers coming for Bounty Day are clearly aware of the date of celebrations. Thank you Mr Speaker.

MR SPEAKER Thank you. Any further presentation of papers.

MR SHERIDAN Thank you Mr Speaker. Under the Public Monies Act 1979 Section 32 B (2) it requires that I lay before the House a direction of transfers of monies between division, subdivision or item. I so table these directions of which we known as **virements** made since the last sitting of the House.

MR SPEAKER Thank you. Any further papers.

MR SHERIDAN Thank you Mr Speaker. Also in accordance with Section 19 of the Goods and Services tax Act 2007 I'm required or the Chief Revenue Officer is required to report on the operations of the Act on a quarterly basis and I am required to table these in the House. I therefore table the **GST quarterly report for the period April to June 2013**.

MR SPEAKER Thank you. Further papers.

STATEMENTS

MR SNELL Thank you Mr Speaker. In response to a number of inquiries to me from Mrs Ward and I thank her for those inquiries with the **progress of the Norfolk Island Government Tourist Bureau Tourism Strategy**. I gave a commitment Mr Speaker at the last meeting that I would present the Norfolk Island Government Tourist Bureau Tourism Strategy Plan for 2013 at this meeting. Mr Speaker

I am unable to do so. Up until 2011 the Norfolk Island Government had a 5 year Tourism Strategy. However there was difficulty completing the plan and very few of the strategies of that time were completed. It was later replaced with a 3 year recovery strategy. In doing this the intention was an attempt to address one of the course of the previous strategy not progressing the commitment of all stakeholders in the industry. As mentioned in our June meeting it was my intention to table the 2013 Tourism Strategic Plan at this meeting. However Mr Speaker after much discussion I regrettably had to concede that it would be a mistake to introduce a strategic plan that did not fully satisfy the changing circumstances we now find ourselves in, and in addition to this matter has now been included as a requirement in the June Funding Agreement. The document is intended to provide themes and principles based on community feedback for all stakeholders to work towards and overall effort to create a sustainable successful Norfolk Island tourism industry. This document is to be a reference point for business plans, marketing strategies, budgets, infrastructure, development and investment as well as identify the lead roles that the larger stakeholders play for example, the Norfolk Island Government Tourist Bureau, Chamber of Commerce, the Accommodation Tourist Association, Kingston and Arthurs Vale Historical Area, National Parks and others. We will get only one chance this time I feel Mr Speaker and I need it to be as comprehensive and as informative as possible. The document in its current format addresses a lot of the above. However in the last month it has been identified to me that some industry bodies may not have understood fully what we are trying to achieve, what roles they were expected to play and what commitments are required from them and as such have not engaged fully with the process. In an attempt to rectify this we are now in the process of changing the structure of the document adding some more explanatory notes and consulting more with the stakeholders in an effort to release another draft before August. Honourable Members I again apologise for the delay. Thank you Mr Speaker.

MR SPEAKER

Thank you Further Statements.

MS ADAMS

Thank you Mr Speaker. I have four this morning. The first one is around **Queensland Health**. The Norfolk island Government is again exploring the possibility of an arrangement with Queensland health similar to that currently in place at South Eastern Sydney Local Health District, and by way of background. In 2010 the then Hospital Director entered into discussion with the then Director General of Queensland Health re: the possibility that Queensland Health providing special bed rates for Norfolk Island residents admitted to a Public Hospital under the Norfolk Island Healthcare Scheme similar to those applicable at the time in NSW. In February 2012 the then Minister for Health in Queensland responded to a letter sent in December 2011 from the then Minister for Community Services in the Norfolk Island Government The Honourable Tim Sheridan regarding the possibility of a Memorandum of Understanding with Queensland for the delivery of health care services for Norfolk Island residents who may require treatment in Queensland Hospitals. Our request was positively received from the then Queensland Minister who delegated further discussion to take place with an Officer in the Policy Strategy and Resource Division in Queensland Health. Positive discussions continued up to August 2012 on this possibility of an MOU. However in September 2012 Queensland Health experienced significant change as an organization and regrettably negotiations were put on hold and Norfolk island was invited to again make contact in the second quarter of 2013. As we all know a Memorandum of Understanding is currently in place between South Eastern Sydney Local Health District and the Norfolk Island Hospital Enterprise for the provision of health services to Norfolk Island residents admitted to a Public Hospital in NSW and Mr Terry Clout is the Chief Executive of that health district. On 1 July 2013 I had discussion with Mr Clout on the best approach to take to again explore a similar arrangement being put in place with Queensland as we currently enjoy with NSW, and for the record I table the letter written by me that day to Mr Clout endorsing our agreed approach that Mr Clout initiate discussions with Dr Tony O'Connell Director General of Queensland Health on the possibility of a tri partite Memorandum of Understanding to be put in place between the Norfolk Island Hospital Enterprise a Queensland health entity and South Eastern Sydney Local Health District. The purpose

of this MOU will be to endorse persons who are ordinarily resident in Norfolk Island on referral from the Norfolk Island Hospital having quick access in Queensland to the medical services currently available to Norfolk Island residents through the South East Sydney Local Health District in NSW including access to the same medical charges as would be paid in Queensland Public Hospitals by a person ordinarily resident in Australia, because currently Norfolk Island residents are deemed to be overseas patients and charged the applicable rate for an international traveller. As we all know many Norfolk Island residents have family and friend support networks in Queensland which potentially can alleviate significant accommodation costs to members of the Norfolk Island community. I wish to record my sincere thanks to Mr Clout for undertaking to contact the Director General of Queensland Health to explore how the forgoing tri partite arrangements could be progressed and look forward to receiving his report in due course and a positive outcome can be achieved for the Norfolk Island community. Thank you Mr Speaker

MR SPEAKER

Thank you Minister Adams. You said you had four matters.

MS ADAMS

Would you like me to continue? The second statement this morning is about a **review of healthcare and Medivacs**. Following representation from management in the Public Service on the need to address the burgeoning cost of providing healthcare services to the Norfolk Island community, a review has been commenced. It is intended that the review will address, but not be limited to the following issues. 1) the adoption of the Medicare schedule of fees for the payment of health costs an arrangement already adopted for social welfare recipients on the island 2) the current process for persons making application for exemption from payment of the healthcare levy and the recovery of such costs 3) the increasing cost of medical evacuation including in consultation with the Norfolk Island Hospital Enterprise Advisory Board and the Hospital Director, a review of the protocol for the referral of persons off the island by the Norfolk Island Hospital 4) the need for a more robust debt collection process. It is a requirement under the Healthcare Levy Act 1990 that there be an annual review and the current review is part of that requirement. Turning now to the current medical evacuation scheme to illustrate just one of the difficult issues that the review will need to address. The budget for the medivac levy for the financial year ending 30th June 2013 was \$182,000 There have been 14 payments from the medivac funds for either emergency evacuations by air ambulance or commercial aircraft in the past 12 months. Of the 14 persons evacuated, 10 were adult members of the Scheme, two were children under 18 and two were pensioners. Whilst all the bills have not yet been received, the estimated cost of the provision of these valuable services in the past 12 months is \$422,809 – that is \$235,309 over budget. It has been proposed to me that on present trends the medical evacuation program is unsustainable into the future at the current rate of contribution to the medivac scheme. I'm bringing this to the attention of the Members of the Assembly and the community and invite comment which can be forwarded by email to the secretary@assembly.gov.nf or by post to the health Service Review, Offices of the Legislative Assembly Norfolk Island, and may I thank the Offices in these areas for their speed of their response over night with help with background information to me as I was putting together the statement this morning. Thank you.

MR SPEAKER

Continue please.

MS ADAMS

Thank you Mr Speaker. Ok the third one is **policy and legislative change** and I have had discussions this morning with my Ministerial colleagues that what is in this crosses over their portfolio responsibilities but they are comfortable that I mention them all in the one document. At the meeting of the House on 29 May 2013 the House unanimously agreed that new or amended regulatory proposals be accompanied by an impact statement to ensure detailed analysis and scrutiny as to the necessity of the proposal including its net impact on business and the community. The policy intends that the impact statement include evidence of community consultation and it is for that reason that I'm starting that process today. In an earlier

statement this morning, just now I gave notice to the community of the need for the Norfolk Island Government to address the burgeoning cost of providing healthcare services to Norfolk Island. The provision of health services is in my area of responsibility and as a result of the review legislative change may very well ensue. For the record notice is now given of the need for amendment to the following Norfolk Island Acts or Regulations as a consequence of the commencement of the Immigration Amendment No 2 Bill 2012. This may not be exhaustive. Whilst only some of these pieces of legislation as I've just said fall within my areas of responsibility all the legislation requiring consequential amendments has been listed purely for convenience and because the changes consequential on the recent immigration changes, and the legislation that I'm now going to read is categorized according to the nature of the amendment required, there are two categories. The first category is dealing with entry permit and those pieces of legislation are; Business Transactions (amendment) Act 2006 Crown Lands Act 1996, Employment Act 1988, the Legal Profession Act 1993, Social Services Act 1990. The rest of the legislation that I'm going to read out is categorized according to residency. Absentee Landowners Levy Act 1976, Administrative Review Tribunal Act 1999, Bills of Exchange Act 1961, Business Names Act 1976, Business Transactions Administration Act 2006, Companies Act 1985, Criminal Procedure Act 2007, Education Act 1931, Employment Act 1988, Firearms and Prohibited Weapons Act 1997, healthcare Levy Act 1990, Juries Act 1960, Justices of the Peace Act 1972, legal Profession Act 1993, Liquor Act 2005, Lunacy Agreement Act 1939, Maintenance Order (facilities for enforcement) Act 1960, Norfolk Island Government Tourist Bureau Act 1980, Noxious Weeds Act 1916, Sentencing Act 2007, Social Services Act 1980, Supreme Court Act 1960, Traffic Act 2010, Airport Regulations '82, Companies Regulations 1986, Education Regulations 1931 and we're almost there, Health (general regulations) 1913, Maintenance (facilities for enforcement regulations) 1960 and finally the Norfolk Island Broadcasting Regulations 2001. I would anticipate that legislative change of this type would be dealt with under an Omnibus Bill, not individual pieces of legislation coming into this House. Thank you Mr Speaker. The final one is a statement on immigration, a brief update. As we know the Immigration Amendment No 2 Act 2012 came into force on 24 May 2013. The act made changes to Norfolk Island immigration that had the potential to open the doors for investment and lifestyle change opportunities in our island. The act at Section 14A relaxes Norfolk's border controls for Australian and most New Zealand citizens that requires the Minister at Subsection 14 A(5), a review of the operation of this new arrangement having regard to the social economic and environmental effects of the operation of the unrestricted entry permit system. This review to be undertaken within 5 years of the commencement of the new provision, and to table the results of the review before the Legislative Assembly. The December 2012 and June 2013 Funding Agreements with the Commonwealth require the ongoing gathering of statistics from people arriving and leaving the island and this data will of course be helpful when the review is undertaken. A newsletter about the changes has been published by the Norfolk Island Government Tourist Bureau to a data base with potential to reach in excess of 20,000 people. A follow up newsletter will be published this month. Real Estate Agents have been proactive in getting the message off island through their websites and social media is also being actively used as a medium to get the message out there on the internet. The new immigration website is up and running and I compliment the Immigration and Customs Officers who are ably assisted by the General manager of the Tourist Bureau for the work undertaken by them to produce this professional and informative website. It is to be hoped that retailers, accommodation proprietors, the Chamber of Commerce, and the ATA are being proactive in having the immigration website URL placed on their websites as this needs to be a team effort within the community, a team effort to send out our message of welcome to people looking for investment opportunities and lifestyle change opportunities in Norfolk Island. The Government has published a Sustainable Growth Strategy which aims in the medium term to return our population to the 2001 numbers. It is understood that number was around 2,100 ordinarily resident population, and as mentioned earlier in this statement changes in population are to be reviewed under Section 14 A (5) of the Act within 5 years from May 2013.

Honourable Members it gives me pleasure to advise my intention to reinstate an earlier practice where the Minister for Immigration formerly welcomed new residents to the island and handed out their **certificates of residency** at a ceremony held at the Legislative Assembly. Invitation will be issued shortly for the first ceremony which will be held in the afternoon of 31 July 2013 and thereafter the ceremony will be on the last Wednesday of the month. At 8th July 2013 75 persons have applied for and have been or will be by 31 July granted residency by citizenship under the new section 28A of the Act but let me make this quite clear. Of the 75 people all by one were already ordinarily resident on the island under either Temporary Entry permit or a General Entry Permit and it will be my pleasure to welcome these people as our new residents on your behalf, residents who already have been ordinarily resident on Norfolk for years and have demonstrated by having lived here under the old permit system that they wish to be long term residents of this wonderful community. It is my intention where possible to provide the listening public with an update on how our new immigration regime is operating at each sitting of the Legislative Assembly. Thank you Mr Speaker – dars et for me.

MR SPEAKER Thank you Minister Adams. Any further Statements this morning around the table.

MR WARD I have one that could come in as a Statement Mr Speaker. It's to do with the **Road Safety Committee**. I'd like to take this opportunity to advise the community that at a recent meeting of the Road Safety Committee it was agreed that following the serious road traffic incidents of recent weeks that a full review of all issues influencing safe driving is needed. It is proposed that there be an intensive forum developed to focus on a wide range of issues that affect road safety. While initiated by the Road Safety Committee the forum is to be community based and will be actively seeking input from the public. It is to be aimed at all demographic groups and is not seeking to blame any section of the community, merely bringing out the issues and working through them to find solutions that are acceptable. The forum will be seeking input from the medical Officers, Ambulance and Police and Rescue Services and anyone that has input they wish to offer. We will also of course be seeking road safety material from other jurisdictions that has relevance to our situation. Serious traffic accidents have such a direct impact on people's lives and the financial cost that this small population simply cannot afford. I urge everyone to get behind this initiative and help to achieve a safer island for us all. Thank you Mr Speaker.

MR SPEAKER Thank you Minister Ward.

MESSAGE NO 5 – MESSAGES FROM THE OFFICE OF THE ADMINISTRATOR

MR SPEAKER On the 27th June 2013, 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. Appropriation Act 2013-2014 (Act No 11 of 2013) dated the 27th June 2013 and signed Keith Young Deputy Administrator.

REPORTS OF STANDING COMMITTEES

MR NOBBS Thank you Mr Speaker. I present the **Quarterly Report of the Infrastructure and Business Development Committee** and table the Report, and I will read it if that's appropriate Mr Speaker. Just dealing with the introduction. The Infrastructure and Business Development Committee was established by a Motion of the Norfolk Island Legislative Assembly dated 10 April 2013. Terms of reference require the Committee to investigate and report on A) The means by which the current Norfolk Island economy may be strengthened and expanded and B) Norfolk Island's current and future infrastructure needs based on current proposed or potential business development requirements. C) Such other relevant matters as the Chief Minister and/or Committee deem relevant. At the Committee meeting of 2 May an initial programme was agreed which encompassed the following points. 1) Advise the community of the Committee's existence, contact points etc and seek submissions from

those who have proposals considered appropriate in the quest to strengthen and expand the current Norfolk Island economy. 2) Investigate and document the island's current infrastructure, its' strengths and weaknesses and plan for the future 3) Investigate those proposals submitted by the community in relation to strengthening and expanding the economy 4) Identify areas in which the Norfolk Island Government may directly or with assistance from others assist projects identified by the Committee. Meeting of the Committee – The Committee first met in the 29th April and attended to preliminary arrangements such as the election of a Chairman. Confidentiality was considered a prime issue for consideration in all Committee deliberations. Subsequently the Committee has formerly met on 10 occasions during the reporting period. The Committee is required to report quarterly. Additional data/advice was also gained from informal meetings and discussions. The number of persons who formerly appeared before the Committee totalled 13 and the Committee also commenced seeking advice on the island's actual existing infrastructure initially requesting the Administration to provide details of its infrastructure and particular comment on its strength and weakness. Witnesses to date have sought meetings with the Committee and the topics of their evidence has been wide ranging as well as being extremely helpful to the Committee. Topics at formal meetings included land title, telecommunication, electricity generation, port facilities, existing business with potential to expand the island as a research and development and demonstration facility and other initiatives relevant to the Committee including tax breaks investments from sources outside Australia and New Zealand, provision of support for business in relation to training etc as well as promotion of the island as a business investment opportunity. The Committee is still working through a number of these issues. Issues of concern – The Committee was established with a view to provide advice to the Legislative Assembly, the Norfolk Island Government and where practical facilitate new investment in the form of business development. There were a number of issues of concern which are relevant to the Committee's role, not the least of these concern is the limited ?? investigation which has been undertaken prior to the establishing the concept of a Road Map. This issue is particularly relevant in relation to essential issues of revitalising and expanding the economy by attracting investment in new business ventures. The concept with some claiming agreements within some Funding Agreements to simply open up Norfolk Island immigration will not alone achieve the response expected in relation to expanding the economy. It appears that a major driving force of the immigration change was to create and enhance market for local business through sale of things such as that currently stocked in shops, provision of services or by sale of residential accommodation and such. This is a different concept to that of encouraging new investment in business to expand to local economy. In other places where new investment is sought there is usually available certain incentives which may be offered to investors/developers such as tax breaks, land/buildings where development may be sighted, appropriate services readily available with such incentive normally under a government led structure. A depressed economy may not necessarily be a deterrent, in some cases it will act as a positive. Norfolk Island has no such system of incentives. It may offer significantly new business proposals. In fact with the uncertainty over issues of future taxation and regulatory arrangements coupled with infrastructure concerns and limitation on some services is abundantly clear major disincentives do exist. However the Committee does not see these disincentives as a major stumbling block and in its recommendations offer some simple procedures which if implemented will allay some fears and support the encouragement of potential investors. Deal with the recommendation now Mr Speaker. Recommendation 1 – The difficulties as to the future status of the island particularly in relation to business related taxation suggests some stability is required into the immediate future. To gain some severity for potential investors on Norfolk Island it is recommended that he proposed Australian taxation regime be not introduced for significant new business ventures until at least 1 July 2021. In other words in conjunction with the Commonwealth a scheme be introduced which permits for those business ventures be they local or offshore investors of significant value to the whole community be offered a tax break from whenever the Australian Taxation regime is introduced to at least 1 July 2021. 2) Second recommendation. The issue related to health services to those new residents associated with business development for potential customers visiting the island could

be assisted greatly by small changes to Australian legislation and at virtually no cost to the Australian tax payer which would permit on Norfolk Island a) Commonwealth Medicare Cardholders to utilise their cards in the same way as Returned Servicemen resident on Norfolk Island utilise their gold cards and b) access to private healthcare by those medicate cardholders who contribute to private healthcare funds. 3) To overcome the identified issue of the lack of incentives related to lands and buildings two proposals that could be implemented immediately are recommended for potential use in significant new business developments which can be demonstrated as having a major direct financial benefit, not just to individuals or groups but to the island community as a whole. A) Reserve current vacant Crown land on Norfolk Island for the possible use in such projects. Such land would be retained under leasehold title and B) Identify Government owned buildings and ruins which are readily a potentially available for use by interested developers. A perfect example is KAVHA where an appropriate tender process could be established for the lease and use of existing buildings for the reconstruction and use of other former convict buildings not considered habitable. Recommendation 4 – There is a long held belief that Norfolk Island should be utilised as a research, development and demonstration area for technologies and practices which could be relatively easily utilised on other islands throughout the pacific to improve their lifestyle and wellbeing. This proposal is supported and should be progressed with the relevant researchers ??? institutes, other island governments and particularly with the Australian New Zealand French governments. 5 – The Norfolk Island Government as a direct result of open door immigration should provide more comprehensive control for the construction and service industries. Currently trades and service personnel are well known to consumers and whilst not suggesting a raft of controls there is now a need for at least basic consumer protection initiatives. 6 – The introduction of strata title is considered by the Committee as a potential means of providing an alternative alternate title option which should not impact negatively on the environment or the tourist potential of the island. Consideration of the issue occurred without the benefit of relevant Norfolk Island legislation. Being a new form of land title for Norfolk Island the Committee stresses that based on earlier sub division experiences the introduction of this new title carries with it significant issues which require to be addressed. Not the least of these issues being potential environmental concerns but the Committee also stresses the importance of community education and acceptance. As a consequence the Committee whilst supporting introduction of strata title recommends a bridle approach as follows a) Norfolk Island legislation applicable to introduction of strata title be developed and b) A potential area for its introduction and for a specific purpose where the title would be initially demonstration be identified) Following provisions of points 6a and 6b which I just read, a thorough process of community education and consultation be undertaken and general agreement ascertained prior to initiating a demonstration as per 6b. and d) Further extension of strata title be considered following 6c on the basis of a consideration of identified issues from the initial demonstration and the community acceptance of any land title. Recommendation 7 – A more commercial approach be introduced in key areas of administration infrastructure as certain areas are falling behind in the provision of services due primarily to governance arrangements. It is imperative such failings are addressed by introducing commercial practices as this infrastructure is critical to the island's ability to provide for business development, and finally Mr Speaker Recommendation 8 – the Infrastructure and Business Development Committee be retained in its present forms but the establishment of a small Territory authority to operate outside but responsible to the Norfolk Island Government as a Norfolk Island Development Authority be investigated. Thank you Mr Speaker.

MR SPEAKER

Thank you Mr Nobbs.

MS ADAMS

Mr Speaker I'd like to move that the Report be noted.

MR SPEAKER

The question is that the Report be noted.

MS ADAMS

Thank you Mr Speaker. I just want to compliment the Infrastructure and Business Development Committee for the sterling work that they are

doing. I compliment them for putting on the table the need for some independent authority to be established and I personally hold the view that that needs to happen as promptly as possible knowing that there are many initiatives in the pipeline, investment initiatives that are in the pipeline and compliment them on the work going forward which I'm sure will continue to be valuable to this House, and I will move that the Report be made an Order of the Day for a subsequent day of sitting to allow consideration of the Report and the recommendations so that at a future sitting this House may care to entertain adoption of the recommendations. Thank you Mr Speaker.

MR SPEAKER Thank you. Further debate.

MR NOBBS Thank you Mr Speaker. I thought the next process would be one of acceptance of the issues but also that we deal directly, the Norfolk Island Government should take these issues on board I believe and that they would then deal directly. Some of them required the Commonwealth Government's support and it's a matter of some urgency I feel that we get that in train, and I would suggest that if the Assembly agrees and I don't know how to actually, what terms we use but that it should be referred to the Norfolk Island Government, this Report. Is that the normal procedure Mr Speaker.

MR SPEAKER That's a matter for the House

MS ADAMS I'm happy to withdraw my Motion in favour of...

MR SPEAKER You can move a Motion to that affect if you would wish to. I have foreshadowed a particular Motion that this matter be adjourned and made an Order of the Day for a subsequent day of sitting but

MS ADAMS I'm happy to withdraw that Motion in favour of the Motion that Mr Nobbs is proposing that the Report be referred I gather to the Norfolk Island Government for its consideration and report back to the House.

MR NOBBS I'm not too sure that's the thing.

MR SPEAKER If you wish to move that. I'll come back to you Mr Nobbs.

MRS WARD Thank you Mr Speaker. I just say at this stage that I do prefer the Motion as proposed or the idea of a Motion as proposed by Minister Adams. Only that it is the House which created the Committee, the Chair who I second the words of Minister Adams but it's just been read out in Handsard, it's the first time but other Members have had opportunity to really look through the items and I think it would be of benefit if all heads were put together and every Member be given the opportunity to make some details and well informed comment. Is it the will of the House to refer it straight to the Government well of course that's the will of the House, but I would have thought that just some time I'm aware, it's proposed that we will sit again on the 14th August which is not a long time away. That would be of some benefit. Thank you Mr speaker.

MR SNELL Thank you Mr Speaker. I support in principal both Motions that are being couched today on this matter. I thank again Mr Nobbs for his Chairmanship of the Committee, the Infrastructure and Business Development Committee. I support the recommendations of the Report coming to the Government for action but I will also take into account the comments by Minister Adams. But certainly is the Motion is that it be referred to the Government we certainly will look at it in the entirety as to what it recommends.

MR SHERIDAN Thank you Mr Speaker. I agree with Minister Adams in that it be adjourned to a further subsequent day of sitting you might say. Of course the

Chief Minister will endorse the recommendation because he was part of the Committee I believe. So we can't just accept this to be a fete compli that the recommendations are what the majority of the community or the majority of this Assembly wants. I think it needs to be debated and the proper place for that is at the next sitting of the House as Ms Ward stated, this is the first time we have seen it. I'm sure that if it gets referred to the Government for consideration I don't know what will happen to it but I think that everybody should have the opportunity to have their say and it is appropriate that it is discussed in this place. It could have happened today if the Members had seen the Report earlier but seems how it's just been tabled I think it's only appropriate that it be brought up in this chamber at a future sitting.

MR WARD Thank you Mr Speaker. I'd just like to also commend the work that Mr Nobbs and his Committee have done. I think there are some excellent initiatives in there and really I'd be happy to see it thrown open to all the Members. I believe it's some valuable work there and it's probably faster for us to get it out to all Members and give all Members a chance to respond to it at the next sitting.

MR SHERIDAN Thank you Mr Speaker. If I could just add on to. I know Mr Nobbs says that it's important that we progress these things as a matter of urgency and it is. There are some urgent matters that are required, but this Committee is ongoing. The Committee reports quarterly, so I would presume that recommendations will be forthcoming on a quarterly basis and that it would be a continual progress you might say. So I just see that whilst this is a first Report I think that there is time for debate and for the continuation of this Committee to progress its work and work on these recommendations as well and to bring further recommendations to the House in due course.

MS ADAMS Thank you Mr Speaker. I for one as a member of the Norfolk Island Government would look to my ministerial colleagues that we put this matter on a Cabinet Agenda and give preliminary discussion consideration of the implications that arise out of the report so that when we come back to the House that that's the way the House determines. At the August sitting unfortunately Mr Nobbs won't be here in the August sitting and it causes me some concern when the Chair of the Committee to be part of the discussion however be that as it may. As I said earlier I have concern on the need for urgent consideration of the independent authority that the report makes reference to because on independent authority, a legislative arm perhaps of the government like ACCC etc etc would be a guiding body that ensures that what comes into this community by way of investment the community as a whole receives value from it. As a matter of interest I had a conversation on this matter, I took the opportunity while I was away to explore this and there are many possibilities as to how an independent authority can be set up and I can't stress strongly enough the need for us not to be tardy around our consideration of that issue and due diligence. That's what this authority has would partly have responsibility for as well. It's all very well to say we're opening up for investment in Norfolk Island but let's make sure that the investment is in our best interest, and I see an independent authority having a role to play there. And so for myself personally I can only speak for myself as a Government Minister I would be encouraging our Ministerial colleagues together to look at the report and give further thought as to what Mr Nobbs had said, the need for liaison entering into discussion with the Commonwealth because that equally is a role that needs to be considered. But which we go, whether we adjourn, that's up to the House. I'm happy to withdraw my Motion in favour of Mr Nobbs Motion but we're in the hands of the House, so at the moment that Motion to adjourn is there but I will withdraw in favour of another.

MR SPEAKER If I may just make this commentary in terms of the two proposals that have been mentioned at this time, that pursuing yours Minister Adams that the matter be adjourned and made an Order of the Day for a subsequent day of sitting, means that Members will all have an opportunity to see the report and read the report. They've heard it today only, it has been tabled today, and then have some discussion about it. That doesn't preclude Mr Nobbs from then moving his Motion about

referral if that is what he would want to do at that time, or make some arrangements if he happens not to be here when that takes place.

MR NOBBS Thank you Mr Speaker. I don't think my presence here will make all that much difference Mr Speaker with the discussions on it. I mean I'm only very ably supported by other members on the Committee and may I make a suggestion that at this stage the Report be made an Order of the Day for the next day of sitting but that it doesn't preclude the Cabinet Ministers, or the Norfolk Island Government having discussions on that as a preliminary basis. Would that be

MR SPEAKER That's entirely in the Cabinet's area and I don't see that anything that is being done today would impede that if the Chief Minister and his Cabinet wish to make some pursual of that.

MR EVANS Thank you Mr Speaker. Just to voice my opinion on it. I'm sort of, great work there by the Chairman and the Infrastructure and Business Committee but I do believe we are a team and I'd like to know that the other Members of the House can see this report as we know was just read today and I would sort of be a great advocate of letting the other members of our team know and see what we're doing and I think it would be a great opportunity. I don't think it's going unthwart what we're trying to achieve so I think further perusal by the other Members is essential.

MR SPEAKER On that basis I think I'll turn to you Minister Adams in terms of your original thought and I've interpreted that that you may well have a proposal that this matter be adjourned.

MS ADAMS I move that the Report be noted and that that Motion be adjourned and made an Order of the Day for a subsequent day of sitting.

MR SPEAKER May I just confirm Mr Nobbs that you used the words that you've tabled the report at your opening statement.

MR NOBBS Yes I have

MR SPEAKER Thank you. Therefore we have the Motion made by Minister Adams in front of us. Any further debate in respect of that because I will put that now.

QUESTION PUT
AGREED

MR SPEAKER Thank you for that Report Mr Nobbs.

NOTICES

MR SPEAKER You will note first of all that the first matter on the Notice Paper is no longer coming forward today. It may come forward at a subsequent time. We have a Motion for which leave is to be sought, a person to act as Clerk. As Speaker Honourable Members I just want to brief you in this context. We do have a Clerk of course. We do not at this stage have a person who may act as Clerk in the absence of the Clerk and members will know that because of illness our Clerk needed to move off island last week. I'm very pleased to say and you to see that she is here with us today and we warmly welcome her back in that capacity but it does demonstrate the need that we do need to have somebody to act should we have circumstances such as that reoccur and that's the purpose of this Motion at this moment. It's an appointment by the Speaker that is my capacity but it is upon recommendation from the Legislative Assembly and that's what this Motion is about in terms of recommending to me and Chief Minister that is in your hands. I give you the call.

**MOTION BY LEAVE
LEGISLATIVE ASSEMBLY ACT 1979 - APPOINTMENT OF A PERSON TO ACT AS
CLERK.**

MR SNELL Thank you Mr Speaker. I seek leave to move the foreshadowed Motion in respect of the appointment of a person to act as Clerk.

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

MR SNELL Thank you Mr Speaker. Pursuant to the provisions of Section 48 of the legislative Assembly Act 1979 this House recommends to the Speaker that a) Sharyn Louise Quintal be appointed as a person to act as Clerk to the Legislative Assembly. B) This appointment be upon the same terms and conditions of the appointment which apply to the Clerk to the Legislative Assembly and c) The period during which she may from time to time be called upon to act as Clerk be from 11th July 2013 – 2 January 2014.

MR SPEAKER Thank you Chief Minister

MR SNELL Thank you Mr Speaker. The above Motion is self explanatory. However I fully support the appointment not only as a matter of proper process but also to recognise the exemplary effort this member of our staff has shown particularly in the past 6 weeks with some staff being absent and other changes within this workplace, and I believe and consider Mr Speaker we are indeed very extremely fortunate to have such a dedicated employee. I certainly commend the Motion.

MR SPEAKER Thank you Chief Minister. Further debate. No further debate. I put the question.

QUESTION PUT
AGREED

NOTICE NO 2 – MARINE SAFETY AMENDMENT NO 2 BILL 2013

MR WARD Thank you Mr Speaker. I present the Marine Safety (Amendment) No 2 Bill 2013 and move that the Bill be agreed to in principle. I table the Explanatory Memorandum to the Bill.

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

MR WARD Mr Speaker this Bill seeks to clarify and correct the principle Act The marine Safety Act 2013. when the principle Act was presented for assent it contained two corrections that has been made after its passage through the Legislative Assembly. These corrections while obvious were beyond the level of correction left to the discretion of the Speaker. Subsequently the needed corrections were noted within the Legal Services Unit but not that they had been corrected already in the Bill to which assent had been given. As a result of this the Marine Safety (Amendment) Bill was proposed and passed but before it could be presented for assent it was found that the corrections were already made albeit without proper authorisation. IT being noted that one of the corrections made should be further amended but the present Bill is proposed. This Bill does three things 1) gratifies the principal Act in all respects thereby giving full effect to the Amendments to the Act at the time of its assent. 2) It repeals the changes made by the Marine Safety (Amendment) Bill 2013 which will be presented for assent at the same time but before the present Bill (Process avoids having that Bill left in limbo having being passed but never being presented for assent). 3) It adds to Subsection 52 (C) following the correction made previously the words “prescribed by regulation “ to ensure that only licences of another country approved by

regulation may be exempt from the requirement to hold a boat driving licence. Thank you Mr Speaker.

MR SPEAKER Anything further from you at this moment and then I'll turn to other Members.

MR WARD No Mr Speaker

MR SPEAKER Any debate Honourable Members. No further participation. Mr Ward I turn to you for adjournment.

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

MR SPEAKER Thank you. I put that question.

QUESTION PUT
AGREED

NOTICE NO 3 – CUSTOMS AMENDMENT BILL 2013

MR SHERIDAN Thank you MR Speaker. I present the Customs Amendment Bill 2013 and move that the Bill be agreed to in principle and I table the Explanatory Memo to the Bill

MR SPEAKER Thank you Mr Sheridan. The question is that the Bill be agreed to in principle.

MR SHERIDAN Thank you Mr Speaker. I'll just read the Explanatory Memo into the Handsard and it's a Explanatory Memo for the Customs Amendment Bill 2013. The principle purpose of the Bill is to increase the rate of duty on items 1 of Schedule 1 (all goods not included in any succeeding items) from 12% to 18% but the opportunity has been taken to amend the provisions of paragraph 2 A (1) D that has previously caused confusion. As originally established it set out a rate that could be amended by regulation. The Bill therefore removes a statement of an amount in the paragraph and substitutes amount prescribed by regulation therefore ensuring that the rates are to be found only in the Regulations. The Bill in the first 3 clauses provides for the short title of the commencement in reference to the ? being amended. Clause 4 amends the principle Act. Para 1 – Paragraph A repeals specific amounts set out in paragraph 2 A (1) D and replaces it with a general provision that refers to amounts to be prescribed by Regulation and paragraph 2, paragraph B amends Item 1 of Schedule 1 by increasing the rate expressed there from 12% to 18%. Mr Speaker this Customs Amendment Bill is part of the budget process that we've agreed to at the last Sitting of the House. There were three increases in some taxes or proposed increases to some increases in taxes and that was increased as mentioned from personal imports from 12% to 18% of duty, some telecommunication charges for mobile calls and they will take affect from the 1st August and also the passenger movement charges of \$10 per sector. Those are yet to be ratified. So this is part of an exercise which commenced a couple of months ago you might say Mr Speaker. As indicated in the Explanatory Memo currently the rate is contained in the Regulations and is referred to in the Act and it does cause some confusion at times. So as the Explanatory Memo explains the dollar figures are being taken out of the Act and its leading it to the percentage figures in the Schedule to determine which rate will be apportioned to these imports. Mr Speaker the Customs Amendment Bill 2013 increases import duty from 12 to 18% of invoice value. There will be no change to the \$100 threshold so this means Mr Speaker that currently there is a \$100 threshold of which imports imported into Norfolk Island are zero, there is no duty applied and as an offshoot while I'm thinking of it. As an offshoot to this with food only being at 6% of an import this actually increases the amount of food that a person may import actually some \$299 before duty is payable. So that's an offshoot that will benefit

the community to some degree. Mr Speaker the purpose of this increase is to ensure consumers who direct import contribute to the provision of services such as health, education, and pensions to the same degree as consumers who purchase locally. Just by way of an example for a demonstration. If an item has an invoice cost of say \$600 from Australia the contribution to the provision of services at 12% duty is \$72. If that same item was imported by a retailer for resale there would be no import duty. However with a 70% markup the contribution to the provision of services through 12% GST would be \$109-29. Increasing the duty rate to 18% will provide a contribution to services of provision of \$108-00 similar to the contribution from those who buy locally. Mr Speaker with the advent of computerised retail shopping you might say, people now can buy much easier and they have a greater choice you might say, instead of buying through a local retailer. They can do this through the ability online shopping and it's through the taxes that these goods bring into the Government that we provide services as mentioned before health, education, and the pensions. If our tax base is reduced by a great amount those services may be affected. So this is an attempt Mr Speaker to ensure that our tax base remains pretty standardised, pretty flat so that we do not have to reduce any services, and whilst acknowledging that people do have the right to buy direct from offshore and import it personally but recognising at the same time that those people that do that should contribute the same amount per item that a retailer would purchase or bring in to sell through their retail shop. So Mr Speaker if I could just refer to a letter that was received back in 2009 from on eof the Proprietors up town and this is when it was proposed to increase the GST from 9% to 12% this email was received and I remember in the back of my mind and I tracked it down and this person clearly points out that the inequality between the person who imports and then it was only 10% duty and the increase of the GST to 12%, and I just quote a couple of lines from this email and he states here " The inequality that currently exists puts every retailer at a competitive disadvantage against an importer who imports for their own use. This inequality is not only detrimental to viable businesses on Norfolk Island but also results on lower revenue for the Government", and this is the area that I am interested in, is the lower revenue to the Government. Whilst the offshoot is if the personal imports duty rate is more than the GST there may be an incentive to shop locally, well that can only benefit our local retailers up town. And he goes on to say, and he provides an example and he's interpretation was that duty would need to increase to approximately 17.2% to receive the same level of revenue for the Government. And again he makes a comment " the social impact of this is that those with the least amount of resources and disposable income will bear the burden of the increase in the GST", and he makes a few pertinent comments that was instrumental you might say in the decision to increase the duty rate for personal import from 12 to 18%. So Mr Speaker I just leave it at that for the moment. It is the intent to leave it in the House for another month and I'll take comments from other Members. Thank you Mr Speaker.

MRS WARD Thank you Mr Speaker. My voice won't allow me to make too much contribution today however I did give in principle support to duty being assessed or targeted as a revenue raising measure, but at the same time I did ask Minister Sheridan if he was open to looking at other options within the duty area and one was looking at the reduction of the threshold which could in turn lead to reduction of the duty as a result. Minister Sheridan stated that he had done that assessment but I would like to highlight to the House and the Minister that members have not been provided with that background information. As Members will know I don't intend to follow and Minister blindly if the information is there would that please be made available to all Members, because effectively what this does is it has an affect on areas such as medical goods and fertilizers so any increase will then in turn lead onto items which are the result of primary production on the island. So I'm very aware of that. I also ask the Minister if he would look at items that are dutiable on what I refer to as a sliding scale and that may not be the correct term in economics but it was that if a dutiable item is up to the value of \$500 that the duty may be in the end 18% - that may be the result, but if something is worth \$500 or \$1,000 or \$50,000 my mind of course is turning to investment, future investment in equipment which will be part of building business for the future and I would expect that it's not just going to be 18% all the way through. So I did ask for a sliding

So it's not purely based on, that \$400,000 on the increase of this 6%. That's not what it's based on. It's based on the current trend from the previous 12 months plus a factor in there that hopefully we will import some more and a factor of what this increase would be a donation to our tax coffers and as Customs Duty Department have said it's around \$90,000 additional.

MRS WARD Thank you. If I may just support the Minister's words there – yes he has jogged my memory. Unfortunately it's what happens when you start to work on the run. You have only seen something as early as this morning. So yes I acknowledge that, that's right. This was a budgeted figure whereas the actual did come in at well over \$1.2 \$1.3m. So I accept that here and now thank you Mr Speaker.

MR NOBBS Thank you Mr Speaker. I think that the crux of the question really is that we've got GST is our only real taxation arrangement whether you like it or not, it came in quite a few years ago and what we're seeing now is on the run trying to rectify issues that should have been done 12 months after it was introduced as was promised. But so my personal view is that it's the review of a GST, a proper review of the GST, not just dotting the I's and crossing the t's in the legislation, it has to be undertaken. One of the major issues really is that it applies to producers and sales of producers, or people who make sales of as low as \$3,000 and that was always a particular issue that was considered at the time a necessity at the outset, because we didn't have any idea of really what the economy was all about. We knew we had guestimations and what have you but we didn't know what it was about. So the \$3,000 issue is one that would, if it was reviewed you would then take a lot of the smaller producers primary producers out of the equation. Those things will have to come out and I don't like this shifting and changing on the run, but if everybody, I believe expects to have the Hospital going and the School operating and the Roads, not completely back to dirt that they should be, we need to raise the funds, and that's all about it and you've got one tax arrangement and major tax arrangement. The others are really only fees for services and so that's, this is it and it should apply across the board, and if it's applies to goods that are sold here, well it should apply to and w=equivalent to Customs Duty coming in, and it should be form zero. That's my personal view, but a review of it could highlight some of the issues that are. We're saying that leaving food at 6% now as Customs Duty is fine, gives relief to people, but it doesn't give relief to everybody. It only gives probably, it's like the FIL was, it probably gives relief to the top 2/3 of the economy but not to the bottom third and that's what happened before and those are the issues that we need to deal with as far as a review is concerned and I know that the Minister is looking at these things and I hope he progresses it and I wish him well. Thank you Mr Speaker.

MS ADAMS Thank you Mr Speaker. I'll be brief. Minister Sheridan knows my view. I have a great difficulty, I expressed it in the House often enough that you can't tax a depressed economy into prosperity. However there is the real world as well, and all the comments made around the table this morning alert us to those various parts of this overall equation. I am particularly concerned for primary industry, I couldn't not be the part of sustainable ? which is a not for profit Association but as it's philosophy you know looking after primary industry. They are equally the providers of our food. I support the review Minister Sheridan that you have undertaken and you have alerted us to to encourage you that that happens a little more promptly than what it perhaps happening now because it equally has bearing on where can we give relief in order to support the philosophy that this community is endeavouring to work towards being sustainable in the true sense of the word. I've got a month to give further thought to that and perhaps in that time between now and the August sitting of the House we will have that additional information from the Service that gives us a broader picture to look at to see where we can give relief. I hear what Mrs Ward is saying, luxury items yes you know I don't have a difficulty around there, but I do have a difficulty around lower income bracket people who are just struggling to make a go of life and living here. As Mr Nobbs has just said to us, it's the same with the FIL, the top 2/3 of the community can cope with this it's a third of the community that can't cope with this are the ones that I am

concerned about. It's just another impost but of course on the other side of the coin on my health, social services hat it's a very difficult one. Thank you Mr Speaker,

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

MR SPEAKER Thank you Minister Sheridan I put that question.

QUESTION PUT
AGREED

FIXING OF THE NEXT SITTING DAY

MR PORTER Thank you Mr Speaker. I move that the House at its rising adjourn until Wednesday the 14th August 2013 at 10.00 am.

MR SPEAKER Thank you. Any debate.

QUESTION PUT
AGREED

LEAVE OF ABSENCE – MR NOBBS

MR NOBBS Thank you Mr Speaker. Before I move the Motion I wasn't too sure when to seek leave for the August sitting of the House and I do so now if I may.

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

ADJOURNMENT

MR NOBBS I move that the House do now adjourn,

MR SPEAKER Thank you. Any adjournment debate Honourable Members. No adjournment debate. Thank you, Honourable Members I put the question that the House do now adjourn.

QUESTION PUT
AGREED

MR SPEAKER Honourable Members this House stands adjourned until Wednesday the 14th August 2013 at 10.00 am.