



NORFOLK ISLAND LEGISLATIVE ASSEMBLY
14TH NILA HANSARD – 19 FEBRUARY 2014

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

SPEAKER

Honourable Members are there any condolences today. Mr Evans

MR EVANS Mr Speaker it is with regret that this House records the passing of **Marianne Joy Ryan** affectionately known as Ma. Marianne was born in Melbourne in September 1942, the only child of Thomas and Eileen Cheasley. Her father, known to most as 'Pop', loved Norfolk and was to spend the latter years of his life here, living with Garry and Marianne in their home in J.E. Road. Marianne and Garry were childhood sweethearts and they were married in St. Mary's Church, Melbourne in 1964. They raised three children: De-Anne, born in Melbourne, Jason and Kylie, born on Norfolk Island. Marianne had two granddaughters, Teajana and Kaiulani whom she loved dearly. Ma was an accomplished hairdresser both in Melbourne and here on Norfolk Island and in 1957 was awarded a Diploma in Dressmaking, Cutting and Design. Hairdressing was her passion and she was able to pass on her skills to both her two daughters De-Anne and Kylie. Marianne, Garry and De-Anne moved to Norfolk Island with the Department of Civil Aviation in 1970 and took up residence in the DCA Circle. Over the next two years Jason and Kylie were to come along and as a family they enjoyed a wonderful lifestyle filled with fun and laughter. In 1979 a lifelong dream to own their own home came true when they moved from DCA Circle to their lovely new home in J.E. Road. It was to become Ma's pride and joy and she loved to share her pleasure. Marianne loved children and was to become a second mother to many of Norfolk's youngsters. Ma not only cared for the children in "Vegemite Village" but it became a haven for the children to grow and foster. Many of Norfolk's youth and young adults will remember the happy hours spent at Ma's. Marianne was always interested in the welfare and care of others and volunteered her services wherever possible, always involving herself with enthusiasm, making sure everyone had a Costume; a Bounty Ball Dress or Multi-Cultural outfit. The list is endless. In particular, the Hospital Auxiliary to which she served with great dedication, including President for many years and was responsible for organizing many of the improvements the Hospital has today. Marianne was recognized for services to the community with a National Australia Day Council Certificate of Achievement Award presented on 26th January 1996. This acknowledgement was to be complemented further with a Citizen of the Year Award presented to Marianne at Government House on 26th January 2013. Marianne was proud and extremely honoured to have been selected and these awards she displayed with pride in her home. Marianne had many friends, some which span over 43 years. Her laughter, humour and positive outlook will always be remembered, even after years of illness she remained strong, positive and determined to enjoy life to the very end. Marianne will be sadly

missed by our community. To her children and grand-daughters, to her many friends, this House extends its deepest sympathy. May she rest in peace.

Mr Speaker it is with regret that this House records the passing of **Margaret Florence Evans. Peggy** as she was affectionately known was born in March 1922. Her mother was Hannah, nee Buffett, her father Charles Patrick Lynch. Peggy married Charles Leopold Evans, and they had eight children. Peggy was a strong and able participant within our Island community, throughout her lifetime. Her greatest and principal devotion was to her children and subsequently her grand children, and more recently her great grand children. She loved them all, cared for them, provided for them, exhibited an example of living = through difficulty times and good times – which made them strong for the rigours of life. The 90 years from 1922, have seen many challenges in this small Isle. The flow on of the Depression years, a subsistence economy, agricultural industry coming and going, no air services in Norfolk Island for the first 20 years of Peggy's life, the demands of the Second World War (Peggy was a Returned Servicewoman of World War II, and the advent of the principal industry of tourism. At the outset, not an easy climate to raise a family. But she and Charlie did. She proudly knew that her efforts, her careful providing, her devotion, bore fruit in the next two generations. Peggy would have reached 92 years on the 15th of next month. She will be sadly missed in our community. To her family and friends this House extends its deepest sympathy. May she rest in peace.

SPEAKER

Thank you Mr Evans, Honourable Members as a mark of respect I ask that all Members stand for a period of silence in their places.

PETITIONS

Thank you Honourable Members. Petitions, are there any Petitions this morning.

NOTICES

Notices, are there any Notices.

QUESTIONS WITHOUT NOTICE

Are there any Questions Without Notice this morning

MR EVANS Thank you Mr Speaker this is to the Minister responsible for Healthcare. I'll go through some series of questions Robin if I may. Most in the community read in the paper last week that Healthcare is on the increase again. Can the Minister outline the justification for the significant increase to an already economically crippled community

MS ADAMS Thank you Mr Speaker rather than anticipate what is on the Notice Paper and Programme at this time I'll leave til we move to the motion in relation to Healthcare

MR EVANS Thank you Mr Speaker a supplementary to that one. Persons who are not permanent residents of Norfolk Island apply for exemption based on income. Is their application approved and if yes, how and why is this application permitted

MS ADAMS Thank you Mr Speaker and thank you Mr Evans for the question. All persons residing on Norfolk Island over 18 years of age are required to be members of the Healthcare scheme and therefore, are eligible to claim exemption from paying the Healthcare levy on the grounds of insufficient income under section 10(1) of

the Healthcare Levy Act. However the executive member must not declare a person exempt under section 10(1) of the Act in respect of a person who at the time of making their exemption declaration have not been residing in Norfolk Island for six months under the provisions of a permit other than a visitors permit. The executive member must be satisfied on reasonable grounds that a person qualifies for exemption

MR EVANS Thank you Mr Speaker, how long does a returning Norfolk Island resident have to be back within the community to be able to apply for social services benefits, for example, the pension

MR EVANS Thank you Mr Speaker, who determines eligibility for Healthcare exemptions and who are eligible to apply for an exemption

MS ADAMS Thank you Mr Speaker
And I thank you for giving me some advance warning so that I could reply authoritatively on that answer

MR EVANS Thank you Mr Speaker one for the Minister with responsibility for the Public Service, can the Minister please advise the community why has the Administration Human Resources Department has four staff when it is evident that technology has increased and staff number are less than say, ten years ago as having a staff of four in a Department of an already established Service economically justified

MR SNELL Thank you Mr Speaker and thank you Mr Evans for the question, Mr Speaker this matter really is an operational matter. It rests with the Public Service however I advise basically that the Human Resources Department has been under extreme pressure in the last several years due to the requirements of certain Funding Agreement and milestones that have to be met, particularly in relation to the Public Service Review, the Human Resources Policy Manual Review and likewise there is one member of that Department that is co shared between other Departments so basically I am led to understand there are three permanent Members within the Human Resources Department and one member co shared amongst others. It is necessary on occasions for when staff are on leave or illness to have that number. As Members would be aware, all areas within the Public Service are being reviewed and this area will also take some review as well

MR EVANS Thank you Mr Speaker one for the Minister with responsibility for tourism, is there rumour mill correct that there are currently four managers working within the Norfolk Island Government Tourist Bureau and as the community is concerned if that is true and correct can the Minister please give details of the justification for the requirement for four senior positions at the Tourist Bureau given the current and past tourism requirement

MR SNELL Thank you Mr Speaker and thank you Mr Evans for the question, and I advise accordingly, Mr Speaker there were three years ago four managers within the Norfolk Island Government Tourist Bureau. There was the General Manager, Operations Manager, Business Development Manager and a Marketing Manager. That no longer exists. There are two managers within the Norfolk Island Government Tourist Bureau, the General Manager and the Operations Manager, and under the Norfolk Island Government Tourist Bureau Act it is a minimum requirement to have two managers, one to act as General Manager in the absence of the General Manager when required. I appreciate Mr Speaker, Mr Evans pre warning me of these questions

MR EVANS Thank you Mr Speaker I have one from a member of the community to ask one of all Members, each week we see and hear about more and more of our people leaving the Island. When can the people of Norfolk Island see incentives introduced by our Government to secure employment and other benefits for its local population to encourage them to stay. It is very evident that this increase in departures has but a strain and added pressures on an already delicate and crippled community that is left with all the increases

MR SNELL Thank you Mr Speaker and thank you Mr Evans for the question, it is an area of concern. It was a matter of discussion with the Minister and I will make a statement later on in the sitting this morning regarding the Minister's visit, but it genuinely is a concern and obviously all of us that we provide employment within the private and public sector of the island, all I can say is its of major concern and we share the concerns with Mr Evans

MR NOBBS Thank you Mr Speaker this question is addressed to the Minister responsible for the Employment Conciliation Board. There was a report done for 2012-2013 in which they made several recommendations. I think I asked a question on it earlier last year. Will these – I don't want to have a lecture – but they refer to a rewrite of the Employment Act and also the series of articles in the newspaper about fair employment practices. They are the two main ones. Have these been progressed or will they be progressed

MS ADAMS Thank you Mr Speaker and thank you Mr Nobbs for the question, I'm pretty confident in my response that this legislation is on our legislative priorities list. I can't give you a timetable for it. Since the Employment Board's recommendations have been put in place there have been other issues raised as a result of the Immigration (Amendment) No 2 Bill that came into operation May last year, that also flags some issues that must be addressed, and so I will come back with a comprehensive answer on that one, and how far along the priority list its tracking for you at the March sitting

MR NOBBS Another one. I didn't realize you had that one Robin sorry. Is it correct that the Norfolk Island Hospital is not of sufficient to allow it to be certified as a service provider for the purposes of the Commonwealth Medicare scheme

MS ADAMS Thank you Mr Speaker and thank you Mr Nobbs, this issue was raised on Saturday morning in the presence of mi Briggs. It caused concern for me in that is it accreditation as an accredited Medicare provider or is it accreditation as a Hospital. The Norfolk Island Hospital at this point in time, no, I'll pause there and say that I had a meeting on Monday with the Deputy Director and the Medical Superintendent and the nurse at the Hospital who has been tasked to progress the accreditation of the Norfolk Island Hospital because in 2012 the Hospital entered into a Funding Agreement with the Commonwealth and it was provided with \$25,000 to progress accreditation of the Norfolk Island Hospital up to a certain level. I think off the top of my head its 15 equips under the ACHS body, that deals with accreditation. I'm off the believe that there will be officers from ACHS arriving on the Island in March to do an assessment of how they are tracking. It's also dealt with under the Funding Agreement, the accreditation process and they have until the 30th June I believe to meet the 15 standards that are required under the Funding Agreement with the Commonwealth. My question as is your question, do they have to, that's just 15 of the accreditation milestones. Do they have to meet every accreditation standard that may apply in Australia before they can then be accredited to Medicare. That's a question that I've asked, and I'll report to you as soon as I can. I hope that is helpful

MR NOBBS Thank you Mr Speaker a question in relation to the draft Nexus Report. Has it been progressed and if not, what is proposed of the report

MS ADAMS Thank you Mr Speaker and thank you Mr Nobbs. Discussion continues is probably the best way that I can respond on that. You might recall that there were to be three reports, the Nexus Report, the Calvert Connolly Report which was the Child Welfare Review and Dr Tim Smyth's legislation Review and I was awaiting all of those so that we could have a holistic overview where we needed to track forward into the future. Discussions are still continuing ad hoc within the community around the Nexus Report but I'm working towards having a community meeting in March, possible.

MR NOBBS Thank you Mr Speaker a question in relation to the Healthcare Scheme, what is the point in which a Member of the Healthcare Scheme who is in arrears of their contribution, at what point are they no longer deemed to be a Member of the scheme and thus become ineligible to access the Healthcare benefits. Are there any specific points

MS ADAMS Thank you Mr Speaker and thank you Mr Nobbs. From memory, no. I'm going to say no. Under the Act currently and this is an issue that needs to be addressed. You are talking about being in default, not because you've left the Island or ...

MR NOBBS No

MS ADAMS From memory the Healthcare Act requires that the levy be paid within 30 days of levy day which is 1 March, 1 June, 1 September, 1 December. My understanding is and I will check this, no. You don't cease to be a Member. It's different with the Medivac levy. There is provision for you ceasing to have Medivac coverage, but not with Healthcare. Please make sure that I confirm that for you by next time.

MRS WARD Thank you Mr Speaker a question to Minister Adams in relation to Health as the Minister would appreciate that this is a very important issue within the community, the health situation and the Minister referred to ad hoc discussions going on, and there wasn't an opportunity for the community to provide feedback on the Nexus report. Can the Minister give any indication of how many people have responded to that so far and when is the closing date. It just all appears to be very open and loose to me, I'm thinking a time frame and some commitment from the Minister to progress this very important issue

MS ADAMS Thank you Mr Speaker. Mrs Ward is quite correct, when I tabled it in the House I invited public comment. There has been comment from SWAG, SAR, perhaps three Members of the community and it is my understanding that the Council of Elders have sought discussion and I've made some suggestions to the secretary to the Council as to who might be appropriate to come and talk with them. You will remember that in the Nexus report on their own admission there was no consultation with the community really, on their own admission. Time didn't allow it, and how they thought it could possibly happen in the time that was allotted to them to do so, I can't understand it. I can't give you a firm timeline on that, along the way, I'm going to be having some discussions around it. I'll report to the House or to the Member when I return

MRS WARD Supplementary. It's just a confirmation on whether or not the Minister has had comment from the Norfolk Island Hospital Advisory Board because I understand that, that was what she was waiting for as well

MS ADAMS As well. No. Not at this time. Equally I had been seeking, and I think it's spelt out in the Report, comment from Members and that's also set out in the Report

MR PORTER Thank you Mr Speaker. My question is to Minister Ward. According to the latest Funding Agreement where at item 16.1.7 on page 26, there was a requirement for Norfolk Island to "provide a Norfolk Island Government position paper regarding the introduction of community title legislation in Norfolk Island". My question is, has this been done and if so, will we be given a copy?

MR WARD Thank you Mr Speaker and thank you Mr Porter for the question, a Norfolk Island Government position paper on community title was prepared and provided as a first quarter deliverable. A draft Community Titles Bill 2013 and Community Titles Regulations were prepared last year, however, they are very much a first attempt by the draftsman and have not been properly reviewed. They are not at a stage where they could be released

MR PORTER Thank you Mr Speaker a further question regarding the same subject, if we refer again to the latest Funding Agreement, the matters listed for action in the third quarter, that is, covering January to March 2014, amongst other things just as alarming is a requirement to provide the Department with that draft Bill just mentioned and the introduction into Norfolk Island of community title land tenure. Further inspection of the Legislative Programme under the Roadmap requirements, seems to have no mention of it, so my question is, where is the Bill further to what has just been said

MR WARD Thank you Mr Speaker the legislation remains with our Legal Services Unit at this stage and they are aware of the requirements under the third quarter milestones and certainly they are working towards that. I had hoped that it would be available sooner but the Department over there is under quite a heavy workload and I'm afraid it won't be coming ahead of time that I had earlier flagged it might be

MR PORTER Thank you Mr Speaker a further question regarding the same subject, I'm probably stating the obvious and not wanting to downgrade our staff in any way, I understand the pressure they are on, but for the benefit of this House, will we be expected to debate and approve this complex piece of legislation at the next Sitting to meet the deadline

MR WARD Thank you Mr Speaker I can only undertake to get the legislation to people as soon as its available

MRS WARD Thank you Mr Speaker my question is, in line with Mr Porter's just said, this is not about denigrating staff, we all understand the limitations around resources, but my question is to the Chief Minister, given that the legislation programme shows under the name of the Chief Minister and Minister for Tourism, Mr Snell that a Municipal Rates Bill was proposed to be introduced in April last year, would the Chief Minister and Minister for Tourism, Mr Snell please explain the delay

MR SNELL Thank you Mr Speaker and thank you Mrs Ward for the question, the Municipal Rates Bill is under consideration. There has been agreement to a variance to allow us more time to process the models that is necessary. It is under consideration at this very time. Certain models have been looked at and all I can say is that it is progressing

MR NOBBS Can I ask a supplementary. In view of the complexity of both these issues, when will the community be given some indication of what is proposed in these Bills

MR SNELL Thank you Mr Speaker and thank you Mr Nobbs for the question, as soon as a selection of the models is agreed to by the government then it will obviously be made available to Member for their consideration and hopefully a model or a series of models will be made available to the community for consultation

MR NOBBS Will the same apply to the other Bill we are talking about Mr Ward, the same action the same process

MR WARD Thank you Mr Speaker I've already answered, and I can only repeat what I previously answered there Mr Nobbs, that I will make the material available as soon as possible, as soon as its available to us. I can only produce the legislation when its available

MRS WARD Thank you Mr Speaker my question is to Minister Sheridan given that there's obviously some modelling work going on behind the scenes and Members are not privy to that discussion at this stage, it is solely within the Cabinet, so given that the Minister for Finance, Minister Sheridan said last December that a draft concept would be available for the community to see early in the New Year, is the Minister able to provide an update to the House on that, and some supplementary questions around that, which I'll put at this stage, the Minister can consider at the same time, is does the Norfolk Island Government have a preferred value system yet, for example, capital improved or unimproved on valuation, does the Norfolk Island Government intend to set differential rates, for example, for farm land or residential properties and what equity principles has the Norfolk Island Government considered as important to this community at this stage.

MR SHERIDAN Thank you Mr Speaker and thank you Mrs Ward for the question, yes this issue of municipal rates or some type of a tax on holdings is proving to be fairly difficult as mentioned before, there are various models that have been produced by the service and we are getting closer to a preferred model you might say. Now the models at this time are purely based on municipal rates. A recoverable fee for service provided. At this point in time there is no intent to use the valuation of the property in regards to municipal rates. This is purely because at this time the Land Valuation Bill hasn't been assented to and we haven't been able to find a General Valuer for Norfolk Island to assist us in that area. Now these problems have been advised to the Commonwealth and it was raised with Mr Briggs last week and he assures us that he will have some discussion with his Department to see whether or not they can assist with getting a valuer for Norfolk Island. Of course we requested from all the States and the Commonwealth value if they would like to get the Norfolk Island Valuer for property and they all declined so we're sort of in a position that's a little difficult so the models that are being developed are being developed on a fee for service in categories that are not yet firm so I wouldn't like to say which ones they are, but they are based upon the use of the land, whether its residential, vacant rural land or whether it's commercial or tourism based whether it's a not for profit organization etc, so those are all taken into account and where the equitable basis comes in is that we have a factor that we multiply it by for different sectors, so we have a multiplying factor. This is the basis that we are working on at the moment to get to the agreed amount of \$1m raised in municipal rates after a period of four years. You will be aware that in the Funding Agreement there was a requirement to phase this in over a period of time and it was agreed that we could go up in 25% stages, 25% 50% 75% then 100%, after four years and this is what's being worked on at the moment, we are getting very close to a model that we can present to everybody very shortly, and realistically there is not much more that could be said at this time

MRS WARD Thank you Mr Speaker a supplementary if I may and I'm quite stunned by the Minister's response, given that in every other state and territory municipal rates are based on a land valuation, so in discussion with Minister Briggs and its certainly not my understanding but I'll let the Minister answer for the Government's understanding of somehow we would think that to introduce a municipal rating system that was not based on the value of land. What was Minister Briggs response to that

MR SHERIDAN Thank you Mr Speaker and thank you Mrs Ward for the question, I don't think Minister Briggs had a real response to a direct question such as that. He indicated that yes, we were still to introduce some form of taxation around land and this is what we are working towards. In the model if I may say, in the model there will be the ability to have a valuation of land, making up a proportion of the total amount, so if we are talking about a total bill of 100% and that may cover four different areas, it might be public works, it might be tourism, revision of some other public services, such as the reserves and the parks, maintenance of all of those, this is what those moneys raised will go towards, and there will also be an ability to have a line item in there that a percentage, whatever the percentage is of that total amount, will be based upon the valuation of land, but that is yet to come in because we are having some trouble as I said before, having the valuations completed, so to try and meet our timelines, and at the commencement of 1 July we're working towards raising the quarter of a million dollars purely through municipal rates. Over a period of time, once we have our valuations come in, they can be slotted in as part of the system. It's virtually nothing that we could really push, until we can get a valuer for properties on Norfolk Island. There has been some \$350,000 allocated this financial year and it's still in the budget for that purpose but until we get a person or a state valuer prepared to take on that task, we can't complete it

MRS WARD Thank you Mr Speaker this is really an equity issue, why is the Minister for Finance not standing his ground and saying that the Norfolk Island Government understands that a municipal rating system is based on the value of property and until that occurs and there is a valuation of land that we will not apply municipal rates. Why is that option not being considered by the Government

MR SHERIDAN Thank you Mr Speaker and thank you Mrs Ward for the a supplementary question. You would be very well aware that in most jurisdiction they do place municipal rates, but a portion of this Bill is on the valuation of land, but that's not the only things that they take into consideration. In most areas they will have both. They'll have a land tax and municipal rates. We don't intend to implement both. Now in a lot of other areas they do charge you for a portion, for whatever the cost of a community fire service, they will charge you a proportion equivalent to how many residents are in that area, a proportion of that fee to get the money to provide that service and this is what we are considering at the moment. We are looking at those areas of Government provision that we provide service to the community such as in tourism, such as in the park, such as in general maintenance, such as in provision of radio and the library and all these things that have no income but are still provided for the community. Somebody has to pay for them and as we are working towards a municipal rates system, this is the best way to move forward and to quantify what those funds will be directed to instead of just a money grab and put into general revenue. Those moneys raised for those specific purposes will be directed towards those purposes and we see that as very equitable and a fair way of doing things, until we can get valuation on our land. If we wait for the valuation of those lands under the current Funding Agreement we have six months after the valuation to complete some type of legislation. We haven't even had a cent to the valuation bill as yet, so it puts things in I might say, everything slides right. We intend to have some form of revenue raising through municipal rates from the 1st July this year.

MRS WARD Thank you Mr Speaker is it reasonable for members of this community to conclude that the Norfolk Island Government is progressing what I

would refer to as service rates and charges and municipal charges at this stage without a valuation

MR SHERIDAN Thank you Mr Speaker and thank you Mrs Ward for the question, I suppose you can call it what you like, but its based upon the service provided to the community and yes, it's not placed on the value of land because we don't have that ability to do that and if you can't see that, well I can't help you there

MRS WARD Or we could stand our ground against the Commonwealth

MR PORTER This is a supplementary in its very nature, but I was a subscriber to the scheme some time back, not now obviously but Absentee Landholders Tax is raised on a value based system. If that's available and exists on the island I'm assuming you don't know who's going to be absent so you must have some mechanism to determine value of land, to determine absentee landowners tax rates, why is that method not available or not able to be used

MR SHERIDAN Thank you Mr Speaker and thank you Mr Porter for the question, under the Absentee Landowners Levy that is for a particular purpose and that's for those people who are absent off island and we've looked at the act to see whether or not we can place those requirements under the Act across the whole of the Island and unfortunately we cannot as it stands at this time, we cannot, and this is why awe are going through a Land Valuation Bill, so that we can have a Valuer General for Norfolk Island. Under the Absentee Landowners Levy Act yes we do have the ability of a Valuer and that question has been asked now, and I think it was raised with Minister Briggs as to whether or not that same service could be extended to the whole of the Island. That question hasn't been answered as yet.

MR PORTER Thank you Mr Speaker another a supplementary in that same argument but not on that particular subject, was the issue of having to raise a particular sum of money, and I understand the Public Service is developing a model to tell us how much money we need to operate the service rather than how much we would like to have. I assume that's being done and we would be provided with that, because to me, it's how much money we need, not how much somebody else decides we should raise, would be the pertinent point

MR SHERIDAN Thank you Mr Speaker and thank you Mr Porter. That's correct in most jurisdictions they identify the shortfall, what they require to fund their gap and that this moment we have a huge gap to fill. At the last model that I saw and the areas that we were looking at to cover the actual cost of those services \$2.5m. Now we're looking at raising a million dollars and it doesn't cover it. In all fairness we should be raising 100% of that \$2.5m through some form of municipal rates, but this comes back to our relationship with the Commonwealth and about the model of government that hopefully within the next 12 months will be decided and the matter of transfer payments and reciprocal payments are through the entering of the Australian taxation system and the GST system that Norfolk Island would garner, then we can identify what's missing and that's what we would have to gain through local tax raising measures. At this moment if we were to fund the total deficit in our budget because we can only raise it from an island this years current budget deficit is something like \$6m and that would put a huge impost on the community. So it's a bit of give and take and in all fairness when we have the model of government from the Commonwealth in conjunction with the Norfolk Island Government that we prefer to see here on Norfolk Island and we know what the transfer payments and equalisation payments will be, we will know that gap that we will need to raise through municipal rates. I can guarantee you that it won't stop at \$1m, that won't be the final figure. It may go down, it may go up

but \$1m is what's been agreed to in the Funding Agreement that we should try and raise initially.

MR PORTER Thank you a supplementary to that if I may. Given that in the absence of a list I can't say but the question would be if we get a list could we determine if we are being over serviced. Obviously if you can't afford what you have, is it something that you can do without, are we being over serviced, are there some things we can cut back on or do we need that. I understand entirely the Grants Commission methodology, I've been involved in local government and it is for most isolated communities like ours an enormous income is what you will be given in grants and tied and untied funding, I appreciate that but in the mean time are we being over serviced. If we do produce a list will we be able to make some valued judgements on what we have to do without if we can't possibly raise that difference.

MR SHERIDAN Thank you Mr Speaker and Mr Porter for the question. I surely hope that we can. It will be a decision for this ultimately for this whole gathering here, the whole Assembly, not just the four Cabinet Ministers. If we are to remove services or reduce services hopefully we will have that round table discussion because at this moment in time we cannot afford all the services that we actually conduct at this point in time, we just cannot afford it and this is why we've had to add the subsidy from the Commonwealth for the past four years. Now it's very difficult when you come down and you try and say what services do you remove, it's not that simple. You can sit here and have a list of all services and say get rid of that one, it's not that easy. There's a lot of factors behind the removal of services. Who would take up the slack. There is the issue of redundancy payments when your cash strapped at the moment, we can't afford our own running of the government. So there's a lot of issues that need to be taken in place and it will be a decision ultimately for the whole nine of us not just for the four of us, but I put the Cabinet on notice for this next financial year there are some hard decisions that we will have to make within our areas of where we will have to reduce some expenditure because we are just not getting the income to maintain those services.

MRS WARD Thank you Mr Speaker. If I may again to the Minister for Finance because I am having, on reading the Funding Agreement I am having difficulty in understanding why he's wanting to progress with a rating system before the land valuation. At 17.4 it says in the Funding Agreement that within 6 months of assent of the legislation of the Land Valuation Bill 2012 that Norfolk Island will have developed a strategy for the implementation of property tax, municipal rates which includes a) an agreed revenue target of \$1m after a phasing in period b) an agreed tax base for example land, land that is improved or unimproved and discount policy formula. So would the Minister please for clarification explain to me again why he is progressing with a rating system before the assent of the Land Valuation Bill, recipe of it.

MR SHERIDAN Thank you Mrs Ward. I don't have the Funding Agreement with me but I'm sure there's other areas that requires us to have an implementation schedule in by 1 July 2014. This is what we're working on, we're being a bit proactive. We're not waiting for the assent of the Land Valuation, we're trying to accommodate what's the requirement under the funding Agreement within the means that we have available to us.

MR SNELL Mr Speaker as mentioned to Members yesterday I have advice from His Honour the Administrator yesterday that the assent to the Land Valuation Bill and they have titled it Regulations, will be approved today.

MR SPEAKER Thank you chief Minister. Further Questions Without Notice.

MR SHERIDAN Mr Speaker just in response to the Chief Minister. What he was referring to was some Regulations to the Land Valuation it was not the Land Valuation Bill itself, it's some Regulations that they have made in their own right.

MR SPEAKER Thank you. Chief Minister does that mean that I might expect a Message from the Administrator with advice about that matter.

MR SNELL I would expect

MR SPEAKER That I would then place before all Members.

MR SNELL I would expect so Mr Speaker.

MR NOBBS Thank you Mr Speaker. Just to the Minister responsible for Roads. Is it correct that the Road Section has no prospect of undertaking any roadwork's other than patching for the remainder of this financial year.

MR WARD Thank you Mr Speaker and thank you Mr Nobbs for the question. Mr Nobbs there has been questions raised in recent days about one particular road that needs some fairly urgent work done on it to enable those residents to gain access to their properties during wet weather and we are exploring ways of doing that work, and that may involve using what's known as the hard fill material rather than sealing the road as the resident would like. There is a proposal before us to take down the bank along Ferny Lane, a section of the bank there but it is likely that we would postpone that work and address this other access road as a priority. That is the main thrust of our discussions in recent times, it that helps.

MR NOBBS The second question in relation to Roads. I note that the road section has been undertaking road type works for private individuals under contract arrangements. Have funds received for this work been credited to the Roads Section or assumed in general revenue.

MR WARD Thank you Mr Speaker and Mr Nobbs. I would have to make inquiries as to how that accounting process was working or perhaps the Minister for Finance may have some word on that but that detail doesn't come back to me.

MR SHERIDAN Thank you Mr Speaker and as Mr Ron would be very well aware he used to be the Finance Minister for years that monies raised through Administration activities go into general revenue. The only money that can be expended is what's appropriated through this House during the budget process. So no those monies that are raised by the Roads Department as well as any other Department within the organisation do all go into general revenue.

MR NOBBS That's now

MR SHERIDAN When they get paid

MRS WARD Thank you Mr Speaker. My question is to Minister Ward responsible for Environment around and I'm seeking an update on RDA F4 Would the Minister please update the House on the development approval application, approval stage and the confirmed location of that application please.

MR WARD Thank you Mr Speaker and Mrs Ward for the question. The planning process has been evolving for that incinerator project to make it

MR NOBBS This is a question for the Minister for Finance if I may. Minister you advised last year of budget amendments to provide additional funding to cover custodial costs. Has there been an additional request for funding of custodial arrangements.

MR SHERIDAN Thank you Mr Speaker and Mr Nobbs for the question. Yes you are quite correct. It's in the mid year budget review and I'll speak to this and I want to table some papers. There has been a requirement to further provide for some funds for custodial costs purely because there are some matters before the Court which we have been advised that may necessitate some expenditure in that area.

MR NOBBS Just a supplementary if I may. The earlier figures related to custodial indicated a cheaper rate for those ensconced in NSW than those retained in the island's custodial arrangements. Has this been assessed and is it correct or what is proposed to be done about it.

MR SHERIDAN Thank you Mr Speaker and Mr Nobbs for the question. Unfortunately we don't have much say in what the Courts decide of how they sentence a person. Now whether it's periodical detention weekend detention which we accommodate here on Norfolk Island, or whether it's a longer jail term which is accommodated in NSW. That is purely a decision for the Courts and we can't get involved in that. So whilst I may appear that the weekend custodial arrangements are more expensive than offshore, that's just a fact of life.

MR NOBBS You would agree would you not that there are more issues involved but you would also agree that there has been a belief that we do custodial here because of the actual savings that gives to the island, there's been a belief and I'm pleased that you are able to correct that.

MR SHERIDAN Thank you Mr Speaker and Mr Nobbs. As I stated I don't know what considerations the Courts place on when they determine the sentence, whether it's to be on Norfolk Island. Now I know there's a limitation of how long a person can be held in a cell here in Norfolk Island full time and so that would be, I don't believe that they would factor the cost into their considerations when they determine the sentence. That's not their job, their job is the sentencing as per their rules and their procedures. We just have to pick up the cost of what they decide. It's just a hard fact of life but yes the cost of maintaining somebody here in a small cell in a small situation where then you need additional custodial officers to be in place 24/7, yes are greater than sending somebody offshore for a period of time when they have a huge system and they have a set rate to accommodate that person. It's something that we just don't have much say in unfortunately.

MRS WARD Thank you Mr Speaker. My question is to the Chief Minister and it's based on comments that have been made about building the economy. Would the Chief Minister first of all state his understanding on the basic underlying principles of economic development and answer whether or not the Norfolk Island Government has recently identified further barriers to economic development and if so what are they and what is the Norfolk Island Government doing to examine them and potentially remove them.

MR SNELL Thank you Mr Speaker. There is a economic development paper proposal under consideration and we are at all times together with the Service looking at ways of removing any barriers to economic development. The Instruction Business Development Committee has been very proactive in assisting the Government in its recommendations and I believe there will be a report on that later on in the Sitting. I can't give any specific details on that.

MRS WARD If I may I will just wait for an answer to the question. I'm asking the Chief Minister what his understanding is of the basic key principles underlying economic development.

MR SNELL Thank you Mr Speaker and thank you Mrs Ward for the question. Yes certainly. The basic principle that we need to do it to progress tourism to Norfolk Island. That's what we need to do. Tourism is the economic stimulus for the island, it's the only industry that we have that we are capable at this time to improve and we're working towards improving tourism to Norfolk Island.

MRS WARD Supplementary. If I may ask if there any other key elements that the Chief Minister recognises which are barriers in place stopping further economic development, above and beyond or using within tourism or above and beyond tourism please.

MR SNELL Thank you Mr Speaker and Mrs Ward for the question. Telecommunications is another area that we are working on to stimulate the economy. As Mrs Ward would be well aware we have removed restrictions on immigration to the island hopefully again to stimulate the economy with increased business opportunities. The removal of accommodation restrictions etc. None of those at this time have proven to be a major stimulus. The provision of the idea RDF3, RDF4 in particular is one area that could stimulate the economy through increased visitation of cruise ships and also ease of cargo handling and perhaps an area of fishing boat assistance and so on.

MR SHERIDAN If I could assist the Chief Minister there. One of the main inhibitors you might say for economic development on Norfolk Island at this time is the lack of clarity in regards to our model of government and that is the main one when you talk to people who are interested in developing some sort of business here on Norfolk Island it is always about well what's the Australian government planning to do. So until we finalise this model of government which we hope to achieve in the next 12 months there still will be a lot of questions that we cannot answer. As the Chief Minister mentioned Telecommunications, we've identified as a key area which limits some form of digression away from tourism and we're hoping to remedy that within the next 12 months, but that's a subject for another day and we can't go into that right now because obviously those discussions are still in place. But it's virtually the model of government which really inhibits our way of moving forward at this point in time.

MRS WARD And if I may to Minister Sheridan this is probably more appropriate to the Minister with Telecommunication is that obviously a member of the community has felt at liberty to make comment on O3B which I thought was still an in house discussion but in the paper there was reference and the Minister may deny this of course, but there was reference to a contractual agreement. Is the Minister perhaps able to give some clarity to the House and the community on that issues please.

MR SHERIDAN Thank you Mr Speaker. The only thing that I can say in regards to Telecommunications is that we are reviewing our current carrier for Telecommunications, we are in the process of determining which carrier will provide for our telecommunication needs into the future but at this point in time contracts are being discussed through our legal people and they have not been finalised, they have not been signed so it would be inappropriate to advise who these people or company would be.

MR NOBBS Thank you Mr Speaker. Just a question on immigration. Following introduction of new immigration arrangements some 8 or 9 months ago as a review of the impact both positive and negative been undertaken, and if so is there a report available.

MS ADAMS Thank you Mr Speaker. In short no. There is a requirement under the Immigration Amendment No 2 Act of the Immigration Act now as it is for review within 5 years from memory. There was also in an earlier Funding Agreement I think it might be the September 2011 Funding Agreement that if the Migration Act had extended to Norfolk Island there was a requirement I think might have been 2014 for a study to have been undertaken on impact by the Commonwealth. I'm talking off the top of my head without the documentation in front of me, but I'll certainly report to you on that. What I did alert Members on was a number of issues within immigration that a review was being put together comprising two former members of the Immigration Review Committee and one community member along with Immigration Officers, terms of reference are almost settled however, a staffing issue is emerging for me and so I'm not quite sure how promptly that can take place. I'll report back to you on that later.

MRS WARD Thank you Mr Speaker. My question is to Minister Adams with responsibility for Immigration and my memory is triggered on a question that the Minister was going to take on board. When she reinterpreted the Immigration law to mean that a fee was to be paid per applicant within an application around a TEP I asked if that was to be extended to a GEP application as well, that would be an ordinary reading I assume, but I didn't want to make assumptions. Does the Minister now have an answer to that question. Thank you.

MS ADAMS Thank you Mr Speaker. To make absolutely sure that I am across what is happening I'll come back to you on that one. Your quite right a question was asked and I'm just presuming that the law has been applied. I can't give you any other answer to that and certainly the opinion that was given around that was, how it applied to the Temporary Entry Permits applied for the General Entry Permits. I'm hearing that the law is being applied.

MRS WARD Supplementary if I may Mr Speaker. Is it a fact that now when a GEP as a foreign national General Entry Permit couple for example come to the island that the fee will apply to them individually, so that is \$500 each that's a total of \$1,000 now, not \$500 as was previously applicable under the interpretation of the Act.

MS ADAMS If that is what the law requires I am presuming I've said that the law is being applied. I'll make that inquiry for you. It was made quite clear at the time but the law may not have been applied in the past, doesn't mean that it shouldn't be applied now.

MRS WARD If I may thank you. I'm wondering how that sits with the Governments commitment to providing incentive and remove barriers to economic development, and integral part of that being immigration into the island for population growth. Thank you.

MS ADAMS I have nothing further to answer.

MR SPEAKER Time for Questions Without Notice has expired now Honourable Members. We then move on to Presentation of Papers.

Presentation of papers

MR SNELL Thank you Mr Speaker. I have several Papers for presentation this morning. Mrs Speaker I'd like to present Statement regarding the visit of the Minister the Honourable Jamie Briggs

MR SPEAKER

We're at papers Minister. Statement will be next of course.

MR SNELL Mr Speaker I table the Norfolk Island Annual Report of the financial year 2012/2013. Mr Speaker 2012/2013 as we all know was a difficult year and thanks must be extended to the Commonwealth for providing \$4.5m towards essential services funding. Without this essential funding services and benefits that the community deserve would have been diminished. Mr Speaker 2013/2014 is also a difficult year and I will be making a Statement at a later time in this Sitting about future arrangements and working in a co-operative partnership with the Commonwealth to strengthen Norfolk Island. Mr Speaker I believe that all Members around this table have received a copy of the Annual Report and for those in the community that are interested the document is available on www.info.gov.nf under the heading of Reports. Mr Speaker in closing I thank the Officers in the Public Service for all the work that they undergo to compile the Annual Report and I thank all of those involved for providing this Annual Report in such a timely manner. Mr Speaker this Report was available in December last year, however this is the first opportunity that I've had to table the Report in the House. Thank you Mr Speaker.

MR SPEAKER

Thank you. Further Papers.

MR SNELL

Thank you Mr Speaker. In accordance with Subsection 12 (4) of the Public Sector Remuneration Tribunal Act 1992 I table a copy of the Rules of Procedure which were amended by the Tribunal and the notice of making the rules was published in the Gazette on the 14th February 2014. Mr Speaker there were no previous forms provided under Rules of Procedure, these new rules have prescribed forms included. An application form, a reply to application form and a response to reply form. Mr Speaker as you would be aware the views of the statutory employers that is the Administration of Norfolk Island, the Norfolk Island Hospital Enterprise and the Norfolk Island Government Tourist Bureau was sought along with views from the Norfolk Island Public Service Association and also from yourself as Speaker of the legislative Assembly. There were no objections to the proposed amendments to the Rules of Procedure. For those interested a copy of these amendments may be obtained from Allan Bataille , Clerk to the Tribunal.

MR SPEAKER

Thank you.

MR SNELL

Mr Speaker I table a report covering the 6 months covering July-December 2013 by the General Manager of the Norfolk Island Government Tourist Bureau. I take this opportunity to thank Mr Glenn Buffett for compiling and providing this comprehensive report. Mr Speaker for those interested in this report it will be available in the next Norfolk Island Government Tourist Bureau Newsletter, Awas News Industry Newsletter. For those that are not in the distribution list for that newsletter I encourage them to contact the Tourist Bureau and provide their email address for inclusion. Tourism is our principle industry and as such it is important that the Norfolk Island Government Tourist Bureau is open and transparent. Reports such as this provides greater transparency. Mr Speaker I am pleased to advise that our visitor numbers are currently up by 9%. These figures based on the data for the financial year to date including January 2014. As we are aware growth in this industry it is vitally important to our economy. I urge the industry to continue to work together and support the Norfolk Island Tourism Strategic Plan to achieve ongoing growth in visitor numbers. Thank you Mr Speaker.

MR SPEAKER

Thank you Chief Minister.

MR SNELL

Mr Speaker I also table the Law and Order Survey Summary. Mr Speaker attached to it I also include the Police Report from the Sergeant of Police for

the period 1st January to 31st December 2013. Mr Speaker the survey respondents indicated there was significant interest in the community of the issue of Law and Order. Respondents felt personally very safe living on Norfolk Island and whilst there was some concern as to personal property the current crime rate appears not a real issue. Despite there being an assumption held that the community may not be prepared to assist or cooperating with Police the survey respondents indicated overwhelmingly this was not in fact the case. Current economic difficulties could not be shown to impact on Law and Order and there was no clear support for introducing a neighbourhood watch programme. While respondents felt sentencing by the Courts did not reflect community standards it was not by a clear majority and while periodic detention was supported community service was not. Respondents indicated that the community should have greater input into Policing issues, that there are issues that need addressing, the current cost of Policing is not warranted nor was the concept of greater funding or provision of more equipment. In responding to questions specifically related to the Norfolk Island Police Force there were strong support for the island to have its own Police Force. However there was no clear satisfaction with the current body, it's operating hours availability nor the number of Officers employed. There was significant support for sourcing fully trained Officers offshore and employment of local Specials. Permanent appointment of Officers was not supported for fully trained from offshore but generally supported in the case of Specials. The primary role of Specials in the community liaison, public education etc was supported by having the OIC at rank higher than Sergeant was not supported. The mandatory wearing of firearms was rejected but there was support for arrangements which permits the OIC to decide when they are worn. There was belief that the community should have more say in Policing and a distinct and specific policy on Policing should be developed in conjunction with the community. There was concern and no clear support for the concept of creating an independent body to monitor the Policing policy but no such constraint in the similar body dealing with complaints. Respondents felt the Force should comprise seconded full time Officers plus local Specials and the numbers supported were 2 or possibly 3 full time seconded Officers and 2 full time local Specials. Whilst on the broader question of recruiting Officers from the AFP or other forces there was support for the AFP but when the same question was asked in a case where no Norfolk Island Police Force existed and the question became AFP and any Australian or New Zealand Force the latter was marginally preferred. There was no real support for having the AFP and Norfolk Island Police Force as two distinct forces. Following the survey and the community support displayed it is essential that the Police review as required by the April Legislative Assembly Motion be progressed with some vigour and it's been recommended Mr Speaker that Policing policy for Norfolk Island should be developed in conjunction with the community to ensure that the policy take into account the views expressed in the survey of particular concern is the dissatisfaction with the current body, it's operating hours, availability, cost of Policing and community concerns in relation to mandatory wearing of firearms. The policy also takes account of suggested staffing by two or possibly three fully trained Officers seconded from offshore or limited contract and two part time are trained locally permanent employed Officers in a community Policing role. The sourcing of fully trained Officers offshore requires additional investigation, operational policies will be developed in conjunction with advice from professional offshore Police Forces and particularly the selected provider of offshore recruits to the Norfolk Island Police Force. Legislation and amendment documents related to provision of the Policing service to be developed and concerns expressed in the survey relating to the sentencing by the Courts needs to be addressed. Thank you Mr Speaker.

MR WARD

Thank you Mr Speaker. What I have here is a letter from the Honourable Senator Richard Colbeck which I received in January and I'll read the contents of that letter if I may and then table it. "Dear Ron, I refer to your letter of the 24th October 2013 to the Hon Greg Hunt MP Minister for the Environment about matters of concern to the Norfolk Island Government. As mentioned in his reply to you on the 12th November 2013 Minister Hunt referred your letter to me to apply to the establishment of the local commercial fishing industry as this falls within my portfolio responsibilities as parliamentary Secretary to the Minister for Agriculture. I acknowledge

your desire to foster the industry in Norfolk Island to reduce reliance on tourism as the primary income earner. In June 2012 the AFMA Commission decided against the development of the commercial inshore island fishery due to cost and sustainability concerns. In making this decision AFMA sought the views of the then Department of Agriculture, Fisheries and Forestry. The then Department of Sustainability, Environment, Water, Population and Amenities and Regional Australia. I am advised there were concerns about sustainability of the target species Red Throat Emperor, locally called Trumpeter. Sustainability concerns were based on research showing a declining catch rate of the species. Another concern was that the management costs for the commercial fishery would be high compared to the local gross value of production. In addition the costs involved in accreditation under the Environment Protection and Biodiversity Conservation Act 1999 would be high. It was also noted there is limited infrastructure necessary to support a commercial fishery and the cost of building the infrastructure (harbour facility) would be high. The compliance in Regulation of such a commercial fishery would be difficult given the geographic isolation of Norfolk Island. I understand the AFMA Commission was conveyed to the Norfolk Island Government in July 2012. I am advised this situation remains unchanged. Thank you for bringing your concerns to the Australian Governments attention, yours etc Richard Colbeck “.

MR SPEAKER

Thank you Minister.

MS ADAMS

Thank you Mr Speaker. I have two Papers today at this time. In accordance with Sub-section 11(1) of the Healthcare Act 1989, the Manager is to prepare a report on the performance of each Fund in relation to that financial year. Subsection 11(4) of the Healthcare Act 1989 provides that the Minister, as soon as practicable after it has been prepared, must lay the report before the Legislative Assembly. Mr Speaker the report is dated 16 January 2014, and I now table the report.

MR SPEAKER

Thank you Minister.

MS ADAMS

Mr Speaker in accordance with Subsection 20 (3) of the Healthcare Act 1989 the Minister must as soon as practicable after issuing guidelines lay a copy of those guidelines before the Legislative Assembly. Mr Speaker I so Table **Referral Guidelines made under the Healthcare Act 1989** which was signed by me on the 6th November 2013. Mr Speaker those guidelines are provided to all Medical Practitioners as defined by the Norfolk Island Hospital Act 1985 to assist those persons in determining the appropriate offshore referrals. Just speaking to the guidelines which, the most current guidelines, the only change that has been made in respect of earlier guideline is in respect of the final provision No. 5 which now reads “ The medical Practitioner may issue a Healthcare referral to a Carer to accompany the healthcare member who has been referred offshore for medical treatment. The referral for a Carer must only be issued if the Medical Practitioner is of the view that the Healthcare member is medically unfit to travel unaccompanied to and from Norfolk Island for the purposes of seeking medical treatment. Mr Speaker subsequent to the making of these guideline and in recent days conversation with the Legal Services Department it's been suggested to me there is a need within the guidelines to make an additional change in respect of paragraph 3. I'll be having that discussion with LSU then consultation with the Deputy Director because I'm required to do so under the legislation and there will be possibly a further change made and new guidelines will be tabled. Thank you Mr Speaker.

MR SHERIDAN

Mr Speaker under the **Bookmakers and Betting Exchange Act 1998** and the **Gaming Act 1998** I'm required to table their reports and I table a report from each of these Acts for the period ending on 31st December 2013.

MR SPEAKER

Thank you Minister

MR SHERIDAN Also Mr Speaker Section 2 b 2 of the **Customs Act 1913** make provision for the Minister to exempt goods from duty where the duty payable is less than \$200. Section 2 b 5 (5) of the Act provides that where the Minister does exercise his power he shall lay a copy of the exemption on the table of the Legislative Assembly. Mr Speaker I so table those exemptions and I'll just read through them briefly. The first one is a sum of \$164.62 on the importation of life jackets by the Norfolk Island Rescue Squad and No 2 is a sum of \$54 on importation of hydraulic oil for the Jaws of Life by the Norfolk Island Volunteer Rescue Squad. A sum of \$54.90 on the importation of a laptop computer by the Norfolk Island Rescue Squad and the sum of \$58.35 on the importation of trophies by the Norfolk Island Netball Association.

MR SHERIDAN Thank you Mr Speaker **Financial Indicators ending December 2013**. Under Section 20 of the Commonwealth Finance Minister's Orders 2011 Norfolk Island I am required to table periodic financial statements. Mr Speaker I therefore table the Financial Indicators for the period ending December 2013 which includes material Departures from the Budget

MR SHERIDAN Thank you Mr Speaker **Virements**. Under Section 32b of the Public Moneys Act 1979 I am required to table directions in regard to the transfer of expenditure between divisions. Mr Speaker I therefore table the Virement's for the months of November and December 2013.

MR SHERIDAN Thank you Mr Speaker **GST Quarterly Report October to December 2013**. Under Section 19 of the Goods and Services Tax Act 2007 I am required to table a report each quarter into the operations of the Goods and Services Tax Act. Mr Speaker I therefore table GST quarterly report for the period October to December 2013.

MR SHERIDAN Thank you Mr Speaker **Sale of Liquor**. Under Section 25 of the Liquor Act 2005 if I declare that liquor cannot be supplied on a certain day, then I must do so by disallowable instrument. Mr Speaker I table a declaration that liquor must not be sold on Christmas Day and Good Friday subject to certain conditions contained within the instrument. This instrument has already been printed in the Government Gazette.

MR SHERIDAN Thank you Mr Speaker under Section 13 of the Commonwealth Minister's Finance Orders 2011 Norfolk Island, I as the Minister for Finance must publicly release and table in this Legislative Assembly the **Mid-Year Budget Report 2013/2014 against the Financial Policy and Objectives Statement** to provide updated information to allow the assessment of the Administration's financial performance against its current financial policy objectives, therefore I would like to table the following documents. The financial statements for the revenue fund for the first six months of the financial year 2013-2014, the revised budget summary's for the revenue fund for the twelve month period of the financial year 2013-14, the Norfolk Island Hospital Enterprise six month report and the Norfolk Island Government Tourist Bureau six month report which is accompanied by the Mid-Year Budget Report 2013/2014 against the Financial Policy and Objectives. I would like to move that these tabled documents to be noted and I can advise that these documents can be viewed on the Administration's website and I would just like to take this opportunity to read out the mid year budget report from that. This report is broken down into two sections and I'll start off with the first section which is the background. This mid year budget report 2013-14 provides updated information to allow the assessment of the Administration of Norfolk Island's financial performance against the statement of the Financial Policy and Objectives tabled in the Norfolk Island Legislative Assembly on the 26th June 2013. This mid year budget review is tabled in accord with division 3 of the Commonwealth Finance Minister's Norfolk Island Orders 2011 and will be available on the Government's information website, www.info.gov.nf. The Norfolk Island economic situation remains unchanged from that outlined in the

statement of financial policy and objectives however an 8% increase to visitor numbers in the six months to December 2013, compared to the previous year is an encouraging trend. The long term financial objectives. The Norfolk Island Government's long term financial objectives remains unchanged and this is to place the territory into a financially sustainable position of the preferred model of territory self government that was recently endorsed by this Government. This includes the participation in the Australian taxation system and transfer payment arrangements for the provision of State and Local Government services to the community. It is still the Government's intent that the Government Business Enterprises are to be assessed utilising the Deloitte's Access Economics framework with a view to examining and considering options associated with these services to ascertain as to whether or not they remain under Government control. The Norfolk Island Government is still committed to local tax reform and work is continuing on the proposal to introduce municipal rates as from the 1st July 2014. It is acknowledged that whilst undertaking these local reforms it may have a negative impact on the Norfolk Island Government's financial outlook, and the local increased revenue from local tax reform will be less than the loss of revenue from the Government Business Enterprises assessment from divestment and or corporatisation. To remove the forecasted deficit in the budget forward estimates by local taxing increases and expenditure reductions would prove to be virtually impossible and it is this Government's intention to remove this deficit by entering into the Australian taxation and GST systems which incorporates transfer and equalisation payments including participation in the Australian welfare system. The Norfolk Island Government can no longer provide for all three tiers of Government due to the high cost of providing education, law and order, health and social services to the community without the extension of the federal transfer payment system to assist in their provision. **Key Financial Measures.** The NIG has been provided with direct budget support of \$4.4m in FY2013/2014 for the provision of essential services. The Norfolk Island Government's financial position has further deteriorated since the commencement of this budget with an increased forecast level of operating deficit by approx. \$1.6m.

- Key financial measures that were to be implemented in these 12 months include a freeze on public sector recruitment (without a demonstrated need for recruitment), public servants leaving the service would not be replaced (unless the position is deemed to be vital to be filled), vital positions to be filled by internal transfer of non-essential staff where possible.
- Capital expenditure reduced to \$0.401 million and with only approx \$65,000 being expended for the six months to December, primarily the finalisation of the RESA works. The initial budget was increased by \$135,000 to accommodate the transfer of satellite communications from Telecom New Zealand to a future carrier, which will be operational by the middle of this year. Capital costs for the shed to house the high temperature incinerator and the replacement lighter have been deferred to the 2014/2015 financial year, as the shed will not be required until then and the timber for the lighter is still curing.
- Customs duty for personal imports was to be increased to 18%, however whilst this increase was budgeted from the 1st July the legislation is yet to be assented to by the Commonwealth.
- International telephone calls costs during peak periods increased to 40 cents per minute from landline to landline calls, and with international mobile calls increased to 90 cents per minute. This increase was made in July 2013 and monthly revenue has increased as projected.
- Passenger movement's charges were to be increased by \$10 per sector and whilst a review of the total airport fees and charges has been completed, the approval is still being awaited from the Commonwealth to implement.

Mid-year Budget Review Outcomes. The MYBR for the Administration of Norfolk Island has shown that the total comprehensive loss for the six months to the end of December to be \$3,752,832, which is \$370,013 above the budgeted loss, with expenses \$184,713 below budget and own-source revenue \$445,274 over budget. The loss of \$370,013 above budget is attributed to the non-payment (to date) of the first quarter \$1m essential service funding from the Commonwealth. The outcome for the NI

Tourist Bureau is positive with income of \$727,487 or 2% over budget and with expenditure contained to \$652,914 or 8% below budget. The NIHE has for the first six months of the year noticed a decline in revenue to \$1,914,388, a shortfall of \$132,937 but with an expenditure increase of \$75,104 meaning a budget shortfall of \$208,041. The outlook for the year ending 30th June 2014 is not promising with actual revenue for the Provision of Government Services revised to be approx. \$62,000 above the original budget and this has been achieved without the proposed increase in customs duty (which still awaits assent by the Commonwealth) and is forecast to be under budget by \$300,000, also the adjustments to the passenger movement fees that has not been implemented as the NIG awaits agreement by the Commonwealth will result in a further deficit in this area of \$470,000. The electricity business is also forecast not to reach its budgeted amount by \$100,000. The expenditure forecast for the provision of Government Services is estimated to be some \$1,056,615 over budget. Salaries for locally recruited staff are \$16,760 over budget for a total of \$4,052,528 and the 12 months salaries for the AFP and teachers remaining at \$3,147,900. The forecast for recurrent expenditure has increased by \$1,094,255 to a total of \$11,525,973. Capital expenditure has been reduced from \$129,100 to just \$74,700. The performance of the Government Business Enterprises indicates a slight increase in revenue to \$19,754,200 an increase of approx. \$198,000. Wages for these Government Business Enterprises' have slightly increased by \$47,279 with recurrent expenditure of \$13,491,220 an increase of \$559,718. Capital expenditure has also increased slightly from the original budget to \$461,350 an increase of \$179,300. **FY13/14 12 Month Outlook.** The forecast for the total 12 months of the Financial Year 2013/2014 for the NIG, taking into account all activities including the NIHE and the NIGTB is a further deficit to the original budget of \$1,612,976 a total deficit for the year of \$6,012,976 prior to any essential funding by the Commonwealth. The main contributors to this deficit is that further expenses have been identified at the NIHE of approx \$580,000, the Healthcare Scheme shortfall of \$460,000, Workers Compensation shortfall of \$50,000 and an additional increase to Social Service Benefits payments of \$180,000. There has also been the requirement to allocate a further \$50,000 allowance for custodial costs, a total in these areas of \$1,320,000. This shortfall will at this time have to be accommodated within the existing budget unless this House provides for additional appropriation, a decision that has not been made at this time. I have placed all Ministers and the CEO on notice that they have to assess their areas of responsibility to see where savings can be made, not only in this FY but looking ahead to the next FY and beyond. This Government will have to consider all of the activities which it provides and reach decisions on which services will be reduced or removed totally from the budget with a view to reducing the budget deficit and attempting to live within the bounds for which the community is willing to provide financially. Thank you Mr Speaker

SPEAKER

The question is that the Paper be noted. Debate

MRS WARD

Thank you Mr Speaker and thank you to the Minister for his very comprehensive report which he has been obliged to do at mid year and I think it's better to be done at mid year and we face the more cold hard facts before getting to the end of the year and understanding the mess that we're in. the Minister has made it very clear that there's going to be a continued shortfall or an additional shortfall of \$1.6m. It's the sort of figure that occurs when there's a lack of recognition that somewhere at some point there has to be a reduction of costs and a reduction in services. It also occurs when there is not even a discussion, not one word said in this House about a 7% increase in the public service when only a 3% increase was budgeted and I know there was an attempt to make some savings there. We can see from what the Minister has said, that the big shortfalls are really in the area of health, hospital and welfare, and that's the big message that I would hope the Government and certainly some Members put through that we are in a deep, deep recession and people here are really struggling and it's not a matter of the Commonwealth not making a decision on our governance model. That's really the thing I want to throw my support behind Minister Sheridan in saying that preferred governance model must be sorted. We are lacking

support around the question of divestment. This Government is obviously open to that suggestion and wanting to review the Government Business Enterprises and services. We were promised support on that. I understand Deloitte did come late last year and I understand they are returning again but that is critical. What was said earlier that has really disturbed me, and you can hear that I am disturbed, is that Minister Sheridan is feeling that he is having to place additional rates, a rating system, call it what I like, on to this community. I'm stunned by that. I hear Minister Sheridan. I feel the difficulty he is faced with. I really do. But I just can't believe that this Government is thinking to progress to that stage without waiting for the land valuation, the big equity issue we struggle with. The Government is publicly rejecting any thought of land tax which taxes wealth, commercial and industry. It doesn't touch farmland, it doesn't touch primary producers, it doesn't touch the residential home, there is a resistance to tax wealth and yet the Minister is suggesting that he will put what is in effect, I can call it a poll tax if I wanted to. I can call it what I like. Thank you Minister. The message has to be very clear to the community. If we don't get that governance model, at least agreement in principle of where we're heading in the future, I won't say standards of living are going to decline. They've already been in decline for people in this community for more than ten years. What will happen is a continuation of what we have already been witnessing and that is the young people of Norfolk Island and the young families will up and leave. They're up and leaving now, because there is no support, there is no income support there is no safety net and that is what will happen. The Minister for Finance has my support and I can only urge this Government, if the question of land tax comes on board and that's going to be the problem, for goodness sake, think of the little people, think of the Norfolk Island families who struggle and stop this resistance to taxing wealth because that's what it is and if you read the Commonwealth Grants Commission you're going to understand that the Commonwealth is never going to back, away from that and you know my feelings on land tax. I've just described it. That has my support. I only move to support Minister Sheridan on this whole municipal rates business because I also understand that you need to allow business investments, and if we're going to trigger and assist economic growth, providing an incentive to business development, then I'm prepared to suck it up on behalf of the community because I can see the long term objective. Just one point Minister Sheridan that has come up and it's around telecommunications, but you continue to have my support on this, the injection of capital funds into growth in telecommunications, for that short term objective before the divestment strategy is implemented and we understand that will take some time. I know it's not question time but I will also be very interested when the Minister gets to the stage of asking, even the suggestion of the House providing for additional appropriation. Keh? Where's the money coming from? From now on I will be urging this Government to reduce expenditure. That's all I have to say. Thank you Mr Speaker

MR NOBBS

Thank you Tim for that. Very comprehensive. It's very sad actually that we're in this position we're in at this time, but I just repeat something that I mentioned to the Minister the other day, that it's segmenting the Island as it is, so it's important to deal with a lot of the issues that are within various sections or segments of the community. It's most important. I think we'll be getting on to one in particular shortly, which is the Healthcare Scheme which hasn't had in the recent past, the eyes put on it really to try and fix the issues in there. There are a number of issues that we need to fix. I don't think it will be the be all and end all but these things combined with the push for other industries to get our current industry, tourism, back on the track, it's most important that we get the economy up and kicking as quickly as possible, and we seem to be more inclined to do the social things which as a result of a poor economy and we are looking at the actual cause of why we need that additional funding and what have you for social issues. I think that more should be done in relation to that. The Commonwealth should do more as a lot of the stuff as I'll keep saying, is dependent on the Commonwealth's attitude which seems, and I don't want to be too critical because I actually found the Minister after listening to his predecessor, as a breath of fresh air the other day. He mightn't have had a lot to say, and that in a way is a good thing, because I think he's now prepared to feel his way through the issues and there are many issues here. And there are many solutions I guess that people can throw up from different

directions but you've got to have a co-ordinated approach, and I think if we can concentrate specifically on issues around our economy, where we can reduce, not cut back, I don't like the word cut, the Public Service we'll cut this and cut that, but do things a bit better in various areas but we could make inroads to it because believe it or not, I've always said that once this issue hit the fan in 2010 or 11 or whenever, and it was heading that way for the last three or so years, I could see it coming, once it hit the fan, the community of Norfolk Island was the one that had to be really proactive to pull themselves out of it and that's what we have to be now. It's no good saying, it easy to say, oh we'll join the Commonwealth you'll get all these things, you get into the big picture and all those sorts of things, but the issues really are here. We need to progress certain things and push for Commonwealth assistance for instance. Those sorts of things. I don't believe there's a fear of taxation here. I don't believe that any of these issues around land and that are related to the wealthy as the previous speaker has said. I disagree with her completely on that. That it's supposed to be protecting the wealthy. The land here at the moment, particularly is not really worth the paper that its written on under the arrangements that we have. There's no wealth there and there will be difficulties in funding the taxes and what have you that are put on, so I would tread warily in relation to taxing land. There are other places, there are other colonies, ex colonies or territories where they do have a similar thing to what Minister Sheridan was saying, they do have that, and in some of those territories they have their own income tax as well. So there are a myriad of things that could be looked at, as experienced by other places. So I just say that's good Tim. Thank you very much for that. It's very sad and it won't be a really bright future for the Island before the next financial year at least, probably longer, into the future but we have to battle it through. It's been done before and I'm sure that the people of this Island will do it again. People go away. I've done it myself. It's everywhere. People leave Sydney or Brisbane or Newcastle or some other place and go out into the bush, and other people in the bush pour into the city. It's just a fact of life but we have to give this Island here a major opportunity and the major opportunity it needs now is to reinvigorate the economy, and it's something we have to push and we all have to push it, and I firmly believe that whilst tourism is our one and only at the moment, there are other opportunities but our one and only at the moment, needs a helluva lot of work done on it and it needs a lot of work done by everybody. Not the Minister, not Spuddy at the Tourist Bureau but every participant in the tourism industry needs to participate. There are successful companies that went down the chute about the time of this. They reinvigorated themselves, by doing things and realistically looking at their failures and that's what we have to do here. We have to work out, why is it failing. Why are we in this position and then go ahead and sort those issues out. That's my opinion. Thank you Mr Speaker

MR PORTER Thank you Mr Speaker. This report again reminds me that I took great heart from the Government's commitment to the reform process with the recent visit of the Minister and I keep saying that the proof is in the figures presented today. We must move forward but at the same time we must look to cut costs and as all know quite well, we can't tax ourselves to prosperity. Before we join that bigger pool we need to survive and we don't need to drive the exodus of people from our Island and whether they are economic refugees or as Ron said perhaps soldiers of fortune, they are still paying members missing from our community. We must move to the bigger pool to survive at all. The standard of living enjoyed by the average Australian, should include us. As I say, I thank the Government for their commitment and just remind everybody that these figures presented today, proves that this is our only way forward. Thank you Mr Speaker

MR SNELL Thank you Mr Speaker. I again endorse the report by the Minister for Finance. He's done a remarkable job. He's on top of the situation and he has related to some of the issues that are facing us and so are some of the other speakers here this morning. As mentioned I for one will never support land tax and its application. I've said that in my policy. It is another tax. Land on Norfolk Island is mostly inherited land. It hasn't been purchased for speculation or for personal gain. It would be

a difficulty. Municipal rates in as alternative and it's been described that the preferred model of Government is stymieing the efforts of introduction of economic stability to the Island and economic input. The slow introduction of the income tax system from Australia and of course the social welfare system is probably a deterrent now as well, because there's so much uncertainty out there. The provision of certain facilities such as a new rock quarry has to be determined, and that would provide stimulus. The jetty on the western coast would provide stimulus to reduce freight costs etc and to assist in the visitation of cruise ships. The removal of some federal responsibilities that we undertake now in our governmental system. We would need to look at areas of improving our tourism, particularly how to make it easier for visitors to come to Norfolk Island maybe from the domestic terminal, the removal of passports, the extension of the Medicare system to our visitors who come to Norfolk Island so that they may not have to have the expense of travel insurance and so on, but we are concerned at the declining financial situation of Norfolk Island and it is obviously a concern to all members. Thank you Mr Speaker

MS ADAMS Thank you Mr Speaker a few words. I took heart from the Minister's statement. The taxation and social welfare is not a silver bullet but the answer lies for Norfolk Island in building the economy and the question I ask him was how. I don't resile from the issues that I raised in my December 2012 motion in this House which did not pass, however, the facts it contained made suggestions on how we can begin to look innovatively around building our economy. That is the question. How o we build our economy. That's the singular most important question that this Parliament and this community has to address. Thank you.

MRS WARD Thank you Mr Speaker. Mr Nobbs and the Minister and the Cabinet are talking about economic development that is why I posed the questions earlier to the Chief Minister to ask what his understanding was of the basis principles of economic development. He had trouble answering that but he sort of got to it at the end to understand, and you mentioned Immigration and that was something of course we know that people in the Cabinet didn't support originally and now they do, they've changed their thinking and that's a good thing. The dame went for deregulation of the accommodation industry and they changed their thinking and that's a good thing. I hope that land tax gets added to that list, where they change their thinking, that will be a good thing. That will allow us to leave options open to maintaining a Territory self governing model where we understand that we must commit to contributing to future and further education, health, policing, court system judicial system on this island. If we truly are committed to the maintenance of self government in a modified version for this island, by modified I mean removal of the national type responsibilities that going into the Federal taxation system and the social welfare extension, but if we want to maintain, if we want to continue to be proud, a proud community and demonstrate our willingness to continue to contribute to State and Territory levels of responsibility then we must remain open to land tax. Now this is not happening tomorrow, this is a commitment demonstrating a commitment of our willingness to fund a Territory model of government. The question of economic development. There can be no argument that that is the critical key to ongoing prosperity to this island, and I might sound like I rant and rave about the social aspects but I can assure my colleagues that is only a part, it is a dot point within the whole big picture of self sustainability for Norfolk Island. Of course the critical key element is economic development and that is why I posed a question to the Chief Minister, unfortunately well he was able to go on and articulate key elements but what he didn't answer at the end Mr Speaker was what further points this Government had identified or barriers they had identified and what they were going to do about it. Minister Adams has just said yes that's what we asked the Commonwealth but I agree with my colleague Mr Nobbs, that's up to us, it's up to us. The Commonwealth has committed to something an infrastructure item RDAF4 which is the Cascade Pier, thank you to the Administrator for securing that with the ex Honourable Simon Crean and it was announced by Katherine King the Labour Government, and then the Liberal Government came in and they remained committed to this piece of infrastructure which

is stage 1 to a long term objective of increasing numbers, increasing tourism to the island. I would ask this Government to think very very long and hard before they think that they are going to put that project at jeopardy and if they do, and heaven knows. I don't even want to think about that option but it would also help that other key barriers are identified. You have a very hard working industry infrastructure and development group. They have put suggestions on the table, they recognize that we have a gold mine in the KAVHA area and in the national Parks. We have a General Manager at the Tourist Bureau working his heart out to increase tourist numbers. He has our support. The Strategic Plan for tourism has our support. I agree with my colleague Mr Nobbs, it is all of our responsibility to get behind it and push economic development and growth. My question to Minister Adams where she couldn't answer about how she correlates a re assumption on an Immigration Act which increases the cost of people moving to the island, how that is in train, how it ties, how it dovetails with incentive and removing barriers. They are the key critical elements that we need to concentrate on and as a government said to the development group who came and there were some local members of the community as part of that, they have my full support. My question to them was what are the barriers in place, give us the place, we're the legislators, we can look at them. You know what we can remove them, it doesn't take much. We would analyze and assess and do the risk assessment, but we can do that, that's the advantage that we have on Norfolk Island. We don't have these massive great regulatory systems of red tape that we have to fight. So the doors are open but to say "oh we just got to find them, we'll just keep thinking about it", we've been doing that for 30 years. The truth was all governments ever did was balance the budget and I refer back to the Commonwealth Grants Commission, it really is a report that everybody should read the financial update because it's crystal clear. Thank you Mr Speaker.

MR SPEAKER
Statement be noted.

Thank you Mrs Ward. The question is that the

MS ADAMS
Thank you Mr Speaker. Just to respond to Mrs Ward. It wasn't a matter of I do not know how to answer the question, I chose not to answer the question because it cannot be taken in isolation of a bigger picture, and I'm not here to score points. Thank you Mr Speaker.

SPEAKER
Any further debate Honourable Members. No. Then I put the question that the Paper be noted

QUESTION PUT
AGREED

The Paper is so noted.

We move to Statement Honourable Members

STATEMENTS

MR SNELL
Thank you Mr Speaker. As foreshadowed before Mr Speaker I'd like to make a brief Statement arising from the recent visit to Norfolk Island by the Honourable Jamie Briggs Assistant Minister for Infrastructure and Regional Development. Minister Briggs arrived on Friday the 14th February 2014 and departed on Saturday 15th February 2014. Minister Briggs was accompanied by Mr Nick Meyer Chief of Staff, Mr David Colmer Advisor and Ms Robin Fleming Executive Director, Local Government and Territories Division, Department of Infrastructure and Regional Development. On Friday afternoon the Minister met with member of the Norfolk Island Government at a meeting held in the Office of the Administrator. The Norfolk Island Government had previously provided Minister Briggs with its position paper detailing

critical issues that the Norfolk Island Government sees as requiring immediate resolution. I table a copy of that position paper now Mr Speaker. Mr Speaker to clarify a misunderstanding in the community it was initially proposed that this meeting be a working dinner, however it was considered more practical and appropriate to have the meeting in an office setting as the matters for discussion are of critical importance. The meeting was therefore changed to an afternoon meeting in the Office of the Administrator. No further dinner invitation was extended. Mr Speaker the discussions with the Minister at that meeting were wide ranging, useful and cordial. At a reception at Government House that evening the Minister had the opportunity to meet with members of the Norfolk Island community. Minister Briggs met with all nine Members of the Legislative Assembly on the morning of Saturday the 15th February 2014 and I believe the discussions were well received by Members. Mr Speaker the following are a number of outcomes from the Minister's visit. The Minister will be submitting an Options paper to the Prime Minister and subsequently for Federal Cabinet approval regarding the future governance and fiscal arrangements for Norfolk Island. The Minister confirmed that he would be consulting with the Norfolk Island Government and the Norfolk Island community on the options. This is heartening news and I will be writing to the Minister to reiterate our readiness to engage at the earliest opportunity in the consultation process. The Minister is already aware of the Norfolk Island Legislative Assembly's preference to continue with a model of self governance. The Minister understood the vital importance of strengthening the Norfolk Island economy and recognized great opportunity for growth in our tourism industry. In writing to the Minister I will stress that we, the people and Government of Norfolk Island obviously welcome any assistance and advice that the Federal Government might be able to provide to stimulate and grow the Norfolk Island economy and the tourism industry. As outlined our Position Paper to the Minister we will be providing an Options paper to present to the Commonwealth in the near future to seek support to establish an economic development function on Norfolk Island. The Minister undertook to provide assistance to hopefully provide Norfolk Island with access to Commonwealth infrastructure grants for which it is currently ineligible including tourism and road funding grants. The Minister indicated that considerable administrative and other work remained to be undertaken by both the Commonwealth and Norfolk Island Governments to facilitate the introduction of the Commonwealth taxation and social welfare benefits systems. We understand that a report of the Australian national Audit Office has been prepared to identify the systems and legislative changes, if any in this regard. The report is still to be tabled in the Federal Parliament and we are yet to receive a copy. In writing to the Minister I will reiterate the Norfolk Island's readiness to engage in this process as soon as the Report is received. Minister Briggs advised that entry into the Commonwealth taxation and social welfare systems would not be possible within the next 12 months and as such, the current Funding Agreement arrangements will continue for the next financial year. Mr Speaker as you know this path of reform has been protracted. Many in the community are disappointed with the lack of progress and the continuing uncertainty. I urge the community to stay strong as we work towards rebuilding our economy and providing a suitable safety net for those suffering hardship. My Government is committed to building a strong Norfolk Island and working in a co-operative partnership with the Commonwealth Government, and in this regard we look forward to promised consultation with the Commonwealth. Mr Speaker as I have already stated publically I thank Minister Briggs for taking the time out of his busy schedule to familiarize himself first hand with Norfolk Island and the needs of our community. I thank him for his commitment to Norfolk Island and the Norfolk Island Government looks forward to working with him to achieve the best outcomes for Norfolk Island. Thank you Mr Speaker.

MR SPEAKER

Thank you Chief Minister. Further Statements.

MS ADAMS

Thank you Mr Speaker. I have two Statements this morning. The first is on the review of the KAVHA Management Plan. Kingston and Arthurs Vale were formally recognized as an historic area when it was listed by the National Trust on the Register of the National Estate in 1980. KAVHA was later listed on

the Norfolk Island Heritage Register in 2003 on the National and Commonwealth Heritage lists in 2007, and the World Heritage List in 2010 as one of the 11 places that form the Australian convict sites, World Heritage Area. A conservation management plan or commonly referred to as the CMP for KAVHA was adopted in 1988 and updated in 2008 to support the World Heritage nomination. Earlier revisions in 2002 and 2004 were not adopted by the Australian and Norfolk Island Governments. The Environment Protection and Biodiversity Conservation Act 1999 of the Commonwealth requires the CMP for a National heritage listed site to be reviewed every 5 years, 7 years for a World Heritage site. As well, the CMP is to accurately reflect the significance of the place which for KAVHA now includes the outstanding universal value following the 2010 inscription which is not yet reflected in the sites 2008 CMP. As a place without standing universal value KAVHA has new roles to perform with greater responsibility to ensure obligations including giving World Heritage a function in the life of the community and implementing integrated values based management arrangements in partnership with all stakeholders as a World Heritage property are delivered. These are no longer desirable outcomes. As a World Heritage property they are tangible expectations that accompany the achievements of the highest level of heritage values accorded to places on earth. It is time now to shift focus internally to ensure appropriate foundations are in place to enable the governments, staffs, suppliers, users and visitors to play their respective part in the identification, protection, conservation, presentation, rehabilitation and transmission to future generations of this very special place. A number of information articles have recently been published locally both on Norfolk Online and in the Norfolk Islander to signal the commencement of the statutory review of the 2008 Conservation Management Plan for the Kingston and Arthurs Vale Historic Area, and from Monday, next Monday the 24th February a team of heritage experts from Sydney and Melbourne will be on island to undertake the community consultation and engagement part of the review process. An itinerary is to be published this weekend which will outline the various opportunities to meet with the Consultants. That information will also be uploaded on the web page created for this project at www.kavha.gov.nf. I extend a very warm welcome to Professor Richard Mackay, Dr Sharon Veal, Ms Chris Johnson and Ms Jean Rice to the island and into our community to hear how we value and how we care for this significant place and to learn our ideas to shape Kava's future. It is my hope that this time is informative and productive and provides clarity for both the Australian and Norfolk Island governments to improve and strengthen the partnership that ensures the obligations of our governments as custodians are achieved. I urge each and every person with any connection to KAVHA to make the most of this significant opportunity to be consulted by joining in, on the round table discussions within your areas of expertise and interest, as well as having one on one interviews and completing the online survey. The success of the new Management Plan to guide the site forward moving forward is largely informed by information provided through this review process. I cannot reinforce strongly enough the importance of full participation in as many ways as is possible for each of us. If you need any further information please do not hesitate to contact the KAVHA office on 23101. I urge you to take this opportunity Norfolk Island. Do not let ourselves down. Thank you Mr Speaker.

MR SPEAKER

Thank you Minister Adams.

MS ADAMS

The Second one is around education. The education review update and I thank Mrs Ward. As Members will know I established an education review working group in October last year. The Working Group was to carry out a review of the 1988 MOU agreed with the Commonwealth, the 2008 staffing tenure MOU, agreed with the NSW Department of Education and Training which is now known as the Department of Education in communities, and the Education Act and Regulations. The terms of reference also asked the group to carry out an audit of existing service from pre-school to Year 12 continuing and to identify comparable student services. In addition the group was asked to identify a professional development framework for staff working within this area and the group was to review the role of the Norfolk Island Administration in relation to teaching and ancillary staff and other support services.

Members will appreciate that the scope of the job is significant and as the Chair of the group Mrs Ward indicated earlier on in the process that what maybe available by the end of January is an interim report. I again take this opportunity to thank Mrs Ward for the sterling work that she is doing on my behalf and Norfolk Island's behalf in this area. I can't stress that strongly enough. What I have received are two interim recommendations 1) That the 2008 MOU should not be used in its current form and that the Minister should enter as soon as possible into dialogue with the NSW Department of Education in Communities Director of Staffing, and I can report that this has already commenced. In fact I have had a video conference link up with the Director of Staffing Mr Mark Anderson, along with the Principal of the School Mrs Michelle Nicholson and paperwork has been provided to Mr Anderson who has actually now passed it along to Mr peter Johnson with whom I will be continuing a negotiation process. Progress to Stage 2 of the review. The Education review terms of reference which are available online just as a reminder, state that Stage 2 of the review is to investigate the expansion of educational opportunities for tertiary and vocational education, including apprenticeships and that Stage 3 of the review will benchmark the Education budget against equivalent services in NSW as is required under the June 2013 Funding Agreement between the Commonwealth and Norfolk Island. Before I proceed on, I had a very brief conversation the other day with Mrs Ward around, I'm going to call it international students, and since that time I've gone back to information previously provided to me which is the NSW Department of Education's governments Education in communities policy around eligibility and procedures for the enrolment of international students in NSW Government Schools. It is a comprehensive document, and I'm going to be discussing with Mrs Ward that I think this is the vehicle to undertake this to have a look about eligibility and procedures for the enrolment of international students in NSW government schools and how that can be applied on Norfolk Island. Under the NSW Education Act of 1990 it spells out, just in very brief, overseas students including international students are subject to the payment of fees prior to initial or continuing enrolment in a government school each year. The Director General may terminate the enrolment of an international student if fees have not been paid etc etc. The focus is not just around fees, the focus is around what could potentially be an economic opportunity for Norfolk island and there are already suggestions coming to me on this basis. I see this as a valuable part of the review and I'm quite sure that Mrs Ward will be more than comfortable to pick this up. The completion of stages 2 and 3 will assist in putting forward fully considered recommendations to me and I look forward to receipt of the draft report in the second half of this year. I take this opportunity to thank the stage 1 working group members for their commitment so far, and I sincerely mean that. A lot of work has gone into this. The working group will be expanded to include people with experience in the vocational training and apprenticeships area and I'll announce these people at the next sitting should they accept my invitation to work on Stage 2. I'm in the process of formerly inviting those people. Thank you Mr Speaker.

MR SPEAKER Thank you Minister Adams. That document is so tabled, that is the document on NSW overseas students.

Reports of Standing Committees

MR NOBBS Thank you Mr Speaker. I present the third quarterly report of the Infrastructure and Business Development Committee of the 14th Legislative Assembly. This is an introduction. The Infrastructure and Business Development Committee was established by a Motion of the Norfolk Island Legislative Assembly dated 10 April 2013. This is the third report of the Committee which conforms with the requirements of the original Legislative Assembly Motion requiring a report by the Committee at the end of each quarter. The Committee's earlier reports were delivered to the Legislative Assembly on the 17th July last providing eight recommendations and 16 October with seven recommendations. These recommendations remain alive and should be considered in conjunction with the Committee's third report. The recommendations of both the July and October 2013 reports have been passed by the

Legislative Assembly to the Norfolk Island Government for their deliberation and action. N There has been no response from the Government to date. Meetings of the Committee. During the period of October to December the Committee formerly met on ten occasions. Additional advice was received during informal discussions and written advice was provided to the Committee. During formal meeting persons appeared before the Committee. The Committee wishes to record its appreciation of those who took time to appear before the Committee and also those who contributed in other ways. From the ten meetings the Committee gained information related to key areas of government managed infrastructure, some government services as well as a community organizations and private enterprise services. Whilst the Committee has now commenced the more concentrated approach to issues within the private sector deliberations are currently work in progress and no recommendations relevant to discussions to date are complete. Whilst in no way comprehensive the Committee considers it promised deliberation during the past quarter the following are issues of major concern with readily available solutions. They all directly related to progressing the Committees terms of reference. Issues which require urgent attention are 1) cultural promotion. Cultural identity is an essential component of Norfolk Island community and is of particular value to tourism. Any programmes or facilities which aid in the promotion of teaching and display of island culture should be encouraged. Whilst culture is a significant concern to most governments there appears no specific policy developed for Norfolk Island. This is overdue. Recommendation : - that the Norfolk Island Government develop a specific policy related to the protection, preservation and dissemination of the island's culture. 2) The quality of roads on Norfolk Island. The public roads on Norfolk Island are in poor condition. The Administration Roads Section who is responsible for roads repairs and maintenance were previously allocated a minimum of all funding received by Government from the fuel levy, motor vehicle registration and traffic fines. This has ceased and as a consequence little attention other than pot hole repair has been given to roads in recent years. All sealed and some other formed roads are used regularly by residents and visitors. Title to most of these roads is held by the Commonwealth of Australia. Some ten years ago the Norfolk Island government was in the process of negotiating the transfer of title of all land including roads from the Commonwealth Government. The only transfer progressed resulted in an ability for a lessee of some Crown land to transfer title from leasehold to freehold. The total plan transfer programme was not progressed thus no other land titles have been progressed. It is time to clarify the issue of ownership and responsibility for the public roads on Norfolk Island. Recommendation: The issue of Commonwealth title of land on Norfolk Island be explored by the government particularly in relation to roads. 3) Norfolk Island Airport. The Airport currently a business enterprise is yet another such facility which in the interest of both the entity and the island should be operated under arrangements that reflect its commercial potential and thus value, not merely as an arm of the Public Service. The Airport GBE encompasses significant area of land which includes that required for landing of aircraft and attendant service facilities as well as areas which are not required for these activities. Some of the land not required for air services are utilized for other activities but there are significant vacant areas which require maintenance. The issue of maintenance is a major issue for the GBE, particularly related to the reciprocal overload requirements for bituminized surfaces which is at a huge cost at regular intervals. The fact that for the last overlay alone of \$11.4m remains outstanding and the potential for a further overlay in 5 years time is a concern. The Committee recognizes the importance of the Airport to the island and thus its value directly and indirectly to the island's economy. It is time a business plan was developed for the Airport which would include actual and potential utilization of the whole area. Recommendation :- That a business plan be developed for the area which encompasses all the Norfolk Island Airport landing facilities. 4) Additional tourist activities. The role and importance of tourism in the Norfolk Island economy is well known and too often the focus is directed to how many visitors step off the Air New Zealand flights. Comments such as planes full, that's great are certainly encouraging but a real issue for the whole community is that the other end of it is the stay. How did they enjoy their stay and what did they do? The quality of visitor stays is essential. Quality not only includes visitor accommodation and culinary needs in which the islands

standards with appropriate legislation but also the presentation, variation in both these and other activities offered. To vary the long held perception of Norfolk Island attracting only the newly weds and the nearly dead there is a need to broaden the base of visitor attraction. Reserves and Parks cover a significant area of Norfolk Island, some 699 hectares. On an Island of some 3,529 hectares the percentage of the island within Parks and Reserves is some 20% in fact very significant. Title to all such areas is currently held by the Commonwealth. A number of these areas were created before the Commonwealth assumed the island some 100 years ago. These areas were originally created for a number of reasons not the least to permit actual economic activity. However today their use for regulated tourist activity is limited, if not discouraged. There is a need to encourage greater use of these areas with commercial activity not the least being regulated tourism activities. It is recommended that the Norfolk Island Parks and Reserves be assessed to ascertain the potential for regulated tourism activities as well as other commercial activities. Recommendations on the implementation of any finding should be included.

5) General quality and provision of Social Services. In an era of gender equality it appears an anomaly that there are gender differences between females and males in pension arrangements under the Norfolk Island Social Services Act. Women are eligible for an aged pension at 60 years of age whilst males receive the privilege at 65 years of age. It is recommended that steps be taken immediately to rectify this obvious discrimination on the grounds of gender.

6) Reporting of income sources of Social Services applicants. Currently the assessment of an applicant under the Norfolk Island Social Services Act is largely restricted to information available to an assessor from Norfolk Island sources. Despite the fact that an applicant may hold significant assets and funds offshore there is no real mechanism in place to assess and monitor financial activities by an applicant offshore. There is a need to develop a process which permits information sharing in co operation between the Norfolk Island Social Services Office and relevant departments in both New Zealand and Australia. It is recommended that the Norfolk Island Government liaise with neighbouring governments in Australia and New Zealand seeking their assistance and information sharing in relation to the verification and accuracy of information provided by applicants for Social Services assistance.

7) Variation in current school enrolments. The Committee is concerned that the School could not manage a significant increase in school enrolments should there be an expansion of economic activity on the island which creates a significant increase in the population segment of school age children. The Government will need to ensure that this does not become a constraint on the expansion of the island's economy. It is recommended that the Government assess the potential of the School to cater for enrolment variations be they negative or positive and develop appropriate policies which ensure that the community is offered the best possible education options.

8) Additional utilization of School facilities. The Norfolk Island Central School is not only an essential facility for the education of children it has also significant potential as a resource for use by the community at large. While there is currently some limited use of the School outside of School hours there is considerable scope for additional relevant usage of the facility outside of the School hours. This additional relevant use particularly in the period 3pm – 9pm should be encouraged. It is recommended that an assessment be taken of the actual potential opportunities which could be offered for usage of the Norfolk Island Central School by the community in times outside normal School hours and encourage the development of a programme for such use as appropriate. Thank you Mr Speaker.

MR SPEAKER

Thank you Mr Nobbs,

MS ADAMS

Mr Speaker I move that the report be noted.

MR SPEAKER

The question is that the Report be noted.

MS ADAMS

Thank you Mr Speaker, The purpose of my doing so was to speak on No 1) recommendation relating to cultural identity and the importance of it. I've got on my hat as Minister for Cultural Heritage and I'll out on the

table. I had planned today or I had hoped today to be in a position to table the Norfolk Island Cultural Strategic Plan which has been developed over perhaps the last 6 months, could be longer and has been presented to the Counsel of Elders under who's consideration it currently is. I was hoping to table that today but in discussions last evening a decision has been taken to leave it until March, prior to that I will be looking to the Speaker to facilitate a PowerPoint presentation to all Members on the strategy and in that document and I'm looking to that happening on the 18th March if possible and then to table the Strategic Plan on the 19th March. A tremendous amount of work has gone into creating this document. I think the community will find it valuable. I just thought I'd let you know that.

MR SPEAKER

Thank you.

MRS WARD

Thank you Mr Speaker. Just recognising that people do take a lot of time to make submission to these groups and so I would just like to pick up on two of Mr Nobbs' recommendations to Government but perhaps I'll have dialogue with him and pursue. One is in the area of social services and talking about gender equity around the pension rates. Mr Nobbs is also a member of the Board and we have as part of our roles and functions the ability to Report to the Minister on all things and areas relating to social services so I'll be sitting down with Mr Nobbs and pursuing those issues through that pathway. The second one is around Education. Again the issues that Mr Nobbs has described have also been provided to the Review which I have been chairing on education and those submissions have been provided to us so again I will commit to having further conversations with Mr Nobbs and ensuring that those where possible within our terms of reference can be supported by our review. Thank you

MS ADAMS

Thank you Mr Speaker also in regard to information sharing, I can advise that one of the recommendations that came to me from the Community Services Manager flowing out of the comparison of benefits between Norfolk Island Social Services and Commonwealth Benefits Report which is now before me, I have signed off that there be investigation of improved information sharing between all Norfolk Island Government entities and between Norfolk Island Government entities and Commonwealth entities. I have signed off on that for them to progress it and do the best they can with it and bring back whatever legislation is needed in going forward to achieve this. Thank you Mr Speaker just letting members know that for the record

MR NOBBS

Thank you Mr Speaker. That's very good to hear that that's going on. We've had what's presented to us, to make recommendations and at this time we feel the relevance, as the gender equality if I may just quickly deal with that, Australian's changed their system about ten years ago and gradually the age of a women being eligible for a woman has been increased gradually. We were to do it but never got around it at the time, so I mean that's why there's a difference now

MS ADAMS

It was disallowed. We did do it. There was legislation brought to the House quite some years ago now and it was disallowed by the Commonwealth

MR NOBBS

Thank you Mr Speaker. That's interesting. We haven't heard. It must have been in the last few years

MS ADAMS

No, it was quite a few years

SPEAKER
debate

The question before us is that the Report be noted. Further

MR EVANS Thank you Mr Speaker, as part of the Committee I would just like to thank all those people who did come forward to the Committee and gave their ideas. It was very pleasing in that Committee to note that the people weren't thinking about themselves, they were thinking about the Island as a whole and that was very pleasing in their submissions that they gave to us and so that was very good and also he doesn't like this sort of stuff, but to thank Ron for all the tireless work that he does and also the Clerk up there, she won't recognise herself but she's very good at pressing play on the tape, thank you Gaye

SPEAKER Thank you. No further debate. I put the question that the Report be noted

QUESTION PUT
AGREED

The ayes have it thank you.

NOTICES

SUSPENSION

Honourable Members we've concluded matters up to Notices. I think this is a time that I'll pause so that we might have an opportunity for lunch. We'll return at 2 o'clock, so Honourable Members we suspend until 2 o'clock

RESUMPTION

Honourable Members we reconvene after luncheon suspension. We are at Notices.

NORFOLK ISLAND GOVERNMENT TOURIST BUREAU ACT 1980 - APPOINTMENT OF MEMBER TO THE NORFOLK ISLAND GOVERNMENT TOURIST BUREAU ADVISORY BOARD

MR SNELL Thank you Mr Speaker I move that this House resolve for the purposes of section 4 of the Norfolk Island Government Tourist Bureau Act 1980 that the Minister appoint Peter John Barney as a member of the Norfolk Island Government Tourist Bureau Advisory Board for two years.

SPEAKER Thank you Chief Minister. The question is that the motion be agreed to

MR SNELL Thank you Mr Speaker. Mr Barney is replacing Megan Adams on the Board and I wish to take this opportunity to thank Megan Adams for the contribution that she has made to the Board over the last two years. Mr Barney comes to the Tourist Bureau as a young and motivated resident of the Island. He is passionate about the environment, sustainability and primary industry and the Tourist Bureau Board and the General Manager supports his position and they state that there is a desire to engage relevant stake holders in the areas of National Parks and Environment. He is also President of the Sustainable Norfolk.com Inc and the Board want to build the connection between tourism and the environment and Mr Barney will be able to assist with their endeavours in this regard. Thank you Mr Speaker

MR EVANS Thank you Mr Speaker I would just like to endorse what the Chief Minister said about Pete. I know Pete fairly well as a worker on our farm for some time and sort of taught himself into issues regarding the environment and I

think he'll be a wonderful asset to the Tourist Bureau and I completely endorse his appointment

SPEAKER
the Motion be agreed

Thank you. No further debate. I put the question that

QUESTION PUT
AGREED

The ayes have it thank you.

CUSTOMS ACT 1913 - EXEMPTION FROM PAYMENT OF CUSTOMS DUTY

MR SHERIDAN Thank you Mr Speaker. I move that under subsection 2B(4) of the Customs Act 1913, this House recommends to the Administrator that the goods specified in column 1 of the Schedule imported by the person specified in column 2, and on the conditions mentioned in column 2 of the Schedule, be exempted from duty.

SCHEDULE

Column 1

Column 2

Goods

Importer/conditions

Fireworks

Norfolk Island Junior Rugby League (NIJRL)

- amount of duty applicable \$231.53

Conditions: Nil

7 x Extreme Motox Motorcycles

Norfolk Island Junior Rugby League (NIJRL)

- amount of duty applicable \$6000.00

Conditions: the motorcycles to be exported at conclusion of the event

Laser Grade Blade

Norfolk Island Bowling Club and Council

- amount of duty applicable \$960.00

Conditions: the Laser Grade Blade to be exported upon completion of works

Lions Christmas Cakes

Lions Club of Norfolk Island

- amount of duty applicable \$264.27

Conditions: Nil

Thank you Mr Speaker. I don't think there's too much to say about these, but these are required under the Act to come to the House because the duty applicable is over \$200 so I've put it before the House to gain its approval

SPEAKER

Thank you Minister. The question is that the motion be agreed to. Any further debate. No further debate. I put the question that the Motion be agreed

QUESTION PUT
AGREED

The ayes have it thank you.

SPEAKER

Unless somebody has carriage of this matter I'm going to move onto the next and call Minister Adams

MOTION BY LEAVE

HEALTHCARE LEVY ACT 1990 - INCREASE IN LEVIES & RELATED MATTERS

MS ADAMS Thank you Mr Speaker, first and foremost I seek leave to withdraw the motion currently that is in my name on the Notice Paper and to replace it with a new motion that appears on the programme today

SPEAKER Is leave granted Honourable Members? Leave is granted

MS ADAMS Thank you Mr Speaker, accordingly I move that acknowledging – A. Recent budget reviews reveal that the Norfolk Island Healthcare Fund will have serious difficulties in meeting its financial commitments for the current and next financial years unless the Healthcare Fund is provided with greater financial resources; and B. This problem is an ongoing one and will not be resolved until the Commonwealth and Norfolk Island Governments reach an agreed position on the integration of “Norfolk Island with the mainland social welfare systems” in accordance with the undertakings set out in the Memorandum of Understanding signed by the two governments on 25 November 2010. This House resolves that —

1. In accordance with subsection 6(3) of the *Healthcare Levy Act 1990*, and on the recommendation of the Minister for Cultural Heritage and Community Services, to approve –

- a. that the healthcare levy payable under paragraph 6(1)(a) of the Act be increased to \$220.00 with effect from 1 March 2014; and
- b. that the medical evacuation levy payable under paragraph 6(1)(b) of the Act be increased to \$80.00 with effect from 1 March 2014.

SPEAKER Thank you Minister. The question is that the motion be agreed to

MS ADAMS Mr Speaker, as members would know around this table, I am not a believer of imposing taxes on a hurting community. You can't tax a depressed economy into prosperity and I know that this community is hurting. However on the other hand Mr Speaker responsible government is about protecting the community and ensuring that the Healthcare Scheme can provide the necessary services to the Norfolk Island community. Mr Speaker the Healthcare is a medical fund established in 1989 to assist with the payment of medical expenses for the residents of Norfolk Island. Mr Speaker the Norfolk Island Healthcare Scheme is fully self-insured and provides medical insurance that assists all members against catastrophic medical costs by reimbursing members for all approved medical costs in excess of \$2,500.00 for couples and \$2,000.00 for singles in a financial year. These costs include approved medical expenses and prescribed drugs from the Norfolk Island Hospital as well as offshore treatment received with a referral from a Government Medical Officer as well as medical evacuations. Mr Speaker, the new costs of the Healthcare Levy and Medivac Levy as is being proposed combined will be \$300 per person per quarter. At the moment it's \$195 per person per quarter. Let's really look at these costs and what it means for people in the community. For a single person it will mean that they will pay \$1200 per year in levies, they pay the first \$2,000 in medical expenses and then the Healthcare Scheme pays for further approved medical costs and prescribed drugs and Medivacs. That means, in very simple terms, that a single person pays the first \$3,200 before benefits apply in any given year. Now let's turn to a family scenario of two adults and children referred to as a nuclear family. The nuclear family combined will pay \$2,400 per year in levies and they pay the first \$2,500 in medical expenses, and then the Healthcare Scheme pays for further approved medical costs and prescribed drugs and Medivacs. That means, in very simple terms, that a family pays the first \$4,900 before benefits apply. Of course in those two examples benefits apply as soon as the threshold has been reached. Mr Speaker 111 claims were paid during the 2012-13 financial year. That means that potentially 111 households had extreme medical expenses and the Healthcare Scheme assisted those households in a time of need. I want to explain this point Mr Speaker, as the Healthcare Scheme was set up, and I have mentioned it

before, to assist against catastrophic medical costs for the members. In 2012-13 there were five claims in excess of \$50,000, seven claims in excess of \$25,000 and in 2010-11 there was a claim in excess of \$100,000. I want people to really understand that this scheme has been put into place to help people, to ensure that people do not suffer financial hardship if they receive medical expenses in such excesses. Therefore Mr Speaker, just to be clear, if this increase goes ahead, and if a family did incur medical expenses in excess of \$50,000 or \$100,000 or \$25,000, or whatever amount, they would have paid \$4,900 to get a great benefit. However Mr Speaker, the Healthcare Scheme is no longer funding itself and in fact I think if you go back to 1992 and the Salmon Report, it was said then, it's not going to work. The NIG is continuing to look at ways to reduce costs and the next budget could see some tough decisions being made. You've heard the Minister for Finance talking earlier today about a review on Finances and the difficulties that we are in and are continuing to face. However, we need to be realistic and balance community expectations and budget constraints. We need to ask ourselves, if the fund cannot support itself do we continue with the fund? That's really the bottom line. If the Fund is not supporting itself, do we continue the fund? Mr Speaker as the responsible Minister I want to continue to provide the Healthcare Scheme to provide medical insurance to the Norfolk Island community. That's a given. An absolute given. It's a great system. A great scheme. Regrettably it's no longer sustainable. Mr Speaker, let me talk figures for a moment to explain the financial difficulties faced by the Healthcare and Medivac Levy Schemes. First the Medivac Levy, over the past four years the average of Medivacs has been \$275,000, however last financial year saw a cost of \$408,000 and for this current financial year we have already reached \$362,000. Increasing the Medivac levy to \$80 per levy period would equate to \$416,000, which should be sufficient all things being equal for the Medivac scheme to operate. Now to the Healthcare Levy, over the past 4 years the average expenses have been \$1,110,000, the increase will equate to receiving \$1,144,000 provided the funds are received, which is in line with trends. Mr Speaker, the NIG and NIA are focused on cost recovery of services as a whole and these proposed increases make the scheme potentially cost recoverable at this time. Mr Speaker I am absolutely conscious that the Scheme is regressive in nature, that is, it charges the same amount for low, medium and high income earners. Medicare is a more progressive tax, in that Medicare charges a percentage of what people earn. That is not possible on Norfolk Island at this time. We're endeavouring to get us into a scheme that will allow that to happen in the future. We've been trying to do that since November 2010, coming up to three and a half years ago. It's not possible on Norfolk Island at this time, and it would seem after Minister Briggs' visit that it is possibly is not going to be possible for another twelve months, two years, three years, who knows? Therefore the only option that is available is to continue to provide an exemption of paying the levies to low income earners, that is, they still receive the benefits however are exempt from paying the levy. This will help this portion of the community. To receive an exemption from the levy you must contact the Healthcare Office within 30 days of receiving the Healthcare Levy and complete the necessary paperwork. It's come to my attention, just as an aside, just very recently that it's not all well known within the community, in the people who are suffering, that they can, if their income is below the income threshold, they can get an exemption from payment of the Healthcare Levy, so somewhere along the line we're letting people down by them not knowing that they have this ability, and we have to work on some way to ensure that they do know this. It's that much more preferable than their having to come to court. Mr Speaker, some may ask what about stop loss insurance. Stop loss insurance was cancelled in 2006. We are investigating reinstating this insurance and are awaiting further quotes at this time. However indicators are it is extremely costly and does not on indicators at the present time, provide significant cover. When all quotes are received the NIG and the NIA will together undertake a cost benefit analysis. The Commonwealth Private Health insurance legislation does not yet extend here, and that's another issue that we are addressing with the Commonwealth. We are working on that and have been continuing to press the urgency and work with them to extend the Medicare and social services to Norfolk Island. As Minister Briggs stressed to us in his recent visit, there is much work yet to be done to extend these systems. As a responsible government we need to make sure that our current system is working until

that extension takes place. Mr Speaker, that is why you will also see on the Notice Paper today that I am introducing a Bill by leave, the purpose of the Bill is to limit the payment of “free medical services” under the Healthcare Act 1989 to the Medicare Benefits Schedule, an arrangement already adopted and has been in place for some years for social welfare recipients in this community. These restrictions will not apply to charges by the NIHE. For that to happen that requires me as Minister to consult with the Hospital Advisory Board and come to a decision. At this point in time the Hospital Advisory Board is on notice, I’ve had conversations with the Deputy Director, the Medical Superintendent, the Chair of the Advisory Board saying that I will be writing to them to ask them to look at this going forward.. Mr Speaker I also foreshadow that at the appropriate time I will be bringing on a motion by leave later in the Sitting, Members have a copy in front of them, and in that motion I’m seeking to get your endorsement to look at other issues that urgently need addressing in both the Healthcare Act 1989 and the Healthcare Levy Act 1990 including follow up on recommendations in the Milliman Review of the Healthcare Scheme, and I have just before this meeting recommenced, copied to you all a review that was undertaken in 2011 on the Milliman Report of which I had absolutely no knowledge until yesterday so regrettably, I’m sorry for the late notice around that. Mr Speaker it is for these reasons I have stated today that this motion has been brought to the House. I wanted to provide an opportunity for all Members around this table to debate the subject and to allow the community to hear all of that debate. I want to thank all those members in the community who have taken the time and the trouble to share their absolute concerns with me electronically on the proposal before the House today. I hear them. Some of the people came up with some good suggestions to be looked at and I certainly will take those on board and in fact the motion is already doing that in respect of two of the suggestions that were put to me. This is probably one of the hardest motions that have come to this House. Certainly for me but at this moment in time I have to listen to the Financial Advisors that this is the way forward for the time being until we can find some better way forward for this community and at the same time ensure that they continue to receive good health cover. Mr Speaker in our informal meeting yesterday, asked me would I be banging on the door of the Federal Minister, to try and get an earlier resolution to this problem. You have my undertaking that I will be doing that and in fact I discussed this with Minister Briggs last Friday afternoon at our government meeting. I alerted him to the difficulty that we have in this area and that I will be bringing legislation to the House and that it is up to Minister Briggs to make sure that its passage was expedited if it goes through this House and I will be, through our Chief of Staff, contacting his Chief of Staff regularly to make sure that it’s on his table. That’s all I can say at this time. Thank you Mr Speaker.

MR WARD Thank you Mr Speaker. Minister Adams has already copped abuse in the media and social network areas for an issue that is not of her making. Mainland Australia despite its resources based wealth struggles with its healthcare costs, so how do we as a small remote island with a diminishing pool of contributors possibly escape this problem. In reality the demands being placed upon us are not unreasonable. It is recognised that our healthcare scheme is equal to and in some ways, surpasses that provided by the Australian Medicare system, but the reality is, we cannot afford it. Some will be shocked to hear me say that a 54% increase is not unreasonable but when you look at the level of cover and compare that to what private cover to the same level would cost, it is not unreasonable. What is unreasonable is to expect this community to continue to meet this ever expanding cost while their income remains static at best. For decades this island’s economy has been based on the premise of tax free status, equates to lower costs that in turn justify wages that are vastly below mainland levels. Even when allowance is made for taxation, Norfolk Island wages are still significantly below mainland levels. The previous Legislative Assembly started what we have come to know as the Roadmap for Reform Process because the then Minister for Finance, Mr Craig Anderson recognised that you can’t extract blood from stone. The residents have been pushed to the limit of their financial capacity. I am mindful that we are required to introduce a land rating system with an annual revenue target of \$1m per annum, a similar amount to that currently raised by the Healthcare Scheme. How on earth does anyone expect this community to just dig deeper into empty

or near empty pockets or bank accounts. This does not mean that I oppose reform, or do not recognise the need for reform. But pushing reforms without probably planned implementation schedules will get us nowhere. I support any adjustment to the Healthcare Scheme that returns it to its original concept, that is to provide support to those burdened with catastrophic illness or accidents. That is, a safety net. Not for it to be a comprehensive medical cover. I ask Minister Adams to consider the removal of cover for the consequences of high risk and illegal actions, and investigate methods of recovery of funds expended where a conviction relating to a serious incident is recorded against the claimant. In other words it is time for people to accept some responsibility for their action, not expect the community to subsidise irresponsible or risky behaviour. Typically health insurance excludes claims arising if you fail to take reasonable care. Mr Speaker the delay in the extensions of the Australian Medicare Scheme is of major concern to us. We are being held to implement reforms, some of which are proving to be a direct impost on this community but the Commonwealth can just delay its side of the reform process ad infinitum. Minister Briggs undertook to examine what interim measures may be available but was not able to commit to anything concrete. Mr Speaker I hope this delay does not lead to a state of extreme embarrassment for either Government. Thank you Mr Speaker

MR BUFFETT

Thank you Mr Deputy Speaker. There are two main points in this debate. The first one of course are the issues for and against the motion that is clearly set out here and I want to talk about that first if I may. Firstly I think one can ask yourself as to whether there is real value for money in the scheme that we have in terms of what you put in and the benefits that you receive. The benefits are wide ranging and the scheme doesn't have an upper limit and when you measure that with the subscriptions that are made which is proposed to be \$1200 per annum when you make the current calculations, one needs to look at the Australian scheme to make some comparisons. One can look elsewhere but of course that's where we are normally looking at this moment, and we will know that in the Australian scheme there is Medicare and then there is the private cover beyond that. Medicare is I think 1.5 or 1.6 of salary or income then you have the private costs on top of that, and private costs seem to range for a single person from about \$3000 per annum to maybe \$5000 for a family situation. When you measure that, the 1.5 of income, plus the \$3000 to \$5000 per annum for the private cover against \$1200 per annum, you will see that ours is a very good benefit in terms of what you pay for. And so that needs to be seen. But on the other side of the ledger the scheme has about 1300 members. You need to measure out who can afford even the \$1200 in the present climate. At present of the 1300 we are told that there are something like \$400 people at this stage who have not yet been able to pay their Healthcare levy. That is 31%. I think there was a figure mentioned the other day that, that represents about \$78000. I could be corrected on that figure but I think that's the figure that was quoted at the time. This is a levy that is made on a head basis. It's not made on a proportion basis or on a basis of according to what you can pay so those who do have a reasonable income would find that no impost and would get good value for it. But there are those in the community and this is probably well illustrated by the emails that I think we've probably all received over this morning, knowing that this matter is coming, a dozen or so – that doesn't represent everyone but it does give an indicator. About people who are really struggling to even meet the \$1200 mark. And as I've already indicated to you there are 400 out of the 1300 who have not yet paid their Healthcare levy. The reality is and looking at the for's and the against's, the reality is this. We need to recognize this. That no matter what we do, in other words no matter what we decide today, there's not going to be a solution to maintain the Norfolk Island Healthcare Scheme. It might give some respite for a period of time, but it's not going to solve the problem. It's not going to solve the problem at all. And that leads me to my next point. It is the next point that is about recognizing no matter what we do it won't solve the financial problems of the Healthcare Scheme because the pool is too small. And the answer is to migrate to the larger pool and in the larger pool there is not only a wider financial arrangement but there is a more pro rata arrangement in terms of how people pay. If for example those people who have sent us emails this morning pointing out that they are in financial constraints and that this would cause them a difficulty then

the percentage of income would take that into account and they would be cared for. Those who were in another situation would be able to meet the 1.5 of income and so it's really a matter of too small a pool and needing to migrate to a larger pool, and to be quite frank, although we've had a Minister Briggs visit in the last couple of days we need to press and push and point out the difficulties that people who are Australian citizens in Norfolk Island are so experiencing because that is the longer term solution and I do understand that in the meantime we need to take some action, but if the action is to just endeavor to get blood out of stone then it won't produce the income. Again it is not something that is going to provide a financial solution to the Norfolk Island Healthcare Scheme. So one could say that no matter what decision we take today it's not going to do the trick., my concern is that if we take the decision to put further imposts on people who cannot afford it, we are creating a further mire for a significant number within the Norfolk Island community. I can only try and make emphasis upon the point that it needs to progress to the larger pool and our Government needs to be about progressing that to the larger pool. The shorter the time frame between now and progressing to that means the shorter the time of difficulty that people have to continue to bear what they bear today . Thank you Mr Deputy Speaker

MR PORTER Thank you Mr Deputy Speaker. I agree with the previous speakers but as Directors of this scheme so to say, we must ensure that the fund is managed in a way to maintain the services expected from it by the community so I see no option but to support the increase but having said that, it's as well for us to look to the pressure, the cost pressures that are causing this increase and I listen with interest to our Minister telling us that by leave she will be putting forward further measures to look at reigning in these costs and I'm anxious to be assured that this undertaking by the Minister will take immediate action to reign in these costs to the Healthcare Scheme not the least of which the fact that it will be the more vulnerable section of our community are bearing a huge part of the cost cutting process in terms of their ability to have unrestricted access to the scheme as opposed to the community at large. There are many other measures that are outlined in a proposed foreshadowed motion and I urge everyone to deal with that very much as urgently as we need to deal with this budget exercise that we are doing now. Thank you Mr Deputy Speaker

MR SNELL Thank you Mr Deputy Speaker. I endorse the comments made by previous speakers. This is a very, very difficult situation. This is a matter that is not pleasant to all of us around this table, certainly not to those in the community that have expressed their concerns to us as has been expressed to us before, this morning. There are a broad range of issues as detailed by Mr Buffett. The problem associated with problems of this nature as previously outlined by Minister Ward is that the wages situation for Norfolk Island have not increased with the cost of living. Mr Deputy Speaker I acknowledge those concerns expressed by the community members and I share those concerns. I also stress that we need a Healthcare Scheme for peace of mind and the Healthcare Scheme that we have here on Norfolk Island is a good one, as again examples have been given here this afternoon. We look at some situations and I thank the Minister for Finance for giving these examples to us on private health cover and a premium struggle to obtain peace of mind in Australia, and when we look at these situations, for example, Wollongong mother, Phoebe Murphy had her daughter Charlotte Zix in a private hospital but when it came time to give birth to her son Archie, now 15 months she chose the public system. The birth of Charlotte was a joyous occasion for along with the Murphy's family first child it also delivered a \$3000 out of pocket charge not covered by their private health insurance policy. In the lead up to Charlotte's birth, Murphy and her husband Shawn who works in mining in the New South Wales South Coast had been paying an extra \$50 monthly premium with insurer HCF for obstetrics cover. This was lumped in mental health cover they didn't need. Faced with a stretched household budget the family decided obstetrics cover was just not worth it. "As the cost of our insurance kept going up it was an easy choice to drop it" she says. Without the added obstetrics cover the family pays \$246 per month. After the private health insurance rebate which Murphy says is manageable, this covers basic hospital,

ambulance and extras such as dental, optical and chiropractic but it keeps going up every year. The Murphy family's experience is emblematic of the conundrum facing the \$10.7m or 46.9% of Australians covered by private health insurance. There are other examples of the seriousness of this health issue that we have here today. There are others. Some who have gone on holidays and have had to return due to accident and have no insurance cover and they've been able to claim for it and one of the typical examples is that they know, if you have a health cover you have peace of mind. There will always been accidents and there will be those that need the cover. Whilst I regret to say it I have no other option but to support the motion

MR EVANS

Thank you Mr Deputy Speaker. I totally agree with the previous speakers it's something that's pretty hard for this community to bear with you know the constraints on the economy and stuff like that but like we've said it's something we've got to pay. We talked a little bit before about the Norfolk Island community's got to do what we've got to do, we're the ones that are liable for our lifestyle and where we live and unfortunately you know the costs are getting more and more. It's something we're going to have to bear. I know there are certain things that have been happening with the Health scheme, you know people have gone to where they prefer to go rather than where they should be going. I think that's something that the community should be made aware of as far as you know why these extra costs have blown out as much as they have so if everyone can be aware of that and try and find out and certainly as the Minister Adams said before there are rebates for people that well you know are on the lower threshold of income and stuff like that. So if people could sort of look at those things and the way that they can get relief in any way like that, it's one of those unfortunate things but unfortunately it's something we have to live with. I have to support it as much as I don't like to, and like everyone else we've copped the emails and stuff like that, but as we said it's something probably a lot better than other people experience overseas and for where we live I suppose, well it's a large price to pay, it's not a small price to pay, but it's one of those things we've got to live with. So I will be supporting it as hard as it is for everyone in the community. Thank you.

MRS WARD

Thank you Mr Speaker, and I will keep it brief. I think I had enough to say yesterday and I think really we have progressed, Minister Adams has progressed a long way in the last two weeks and that is demonstrated by a Bill that will come to the Table and also a Motion. I was disturbed to hear that this document, it was obviously an in house document from 2011 that the Minister October 2011, that the Minister had only just been made aware of it. I'm certainly not going to go back over my debate from two years ago but that is where I was so concerned about the management of the fund, and that is what the Minister is now attempting to address very seriously. So she is to be commended for that. For me this isn't, and the people I represent it's not the fact that the premiums or the levies should not increase. Everybody understands that levies and premiums of private health schemes increase. I think there has been a national statistic put out of the increase on private health care being 6.2%, it's an average across the companies this or the funds this year which has been the highest since 2005. Everybody knows that medical inflation is going through the roof, that is happening. The other point that I'll just repeat although other Members have made it very clear is that what we have on Norfolk Island is a private health scheme, it is not a universal healthcare system which is what Medicare is. So I did put, because of my concern that 54% overall increase was obscene, extreme, and I don't think I'm about playing the blame game. I think Minister Adams can now see that there are other issues to be addressed and I won't go into that. But so what am I asking. What I was asking the Minister for, and Minister for Finance and Minister Adams was to in some sense reduce what was being asked for in this premium, or this levy. We'll call it a levy of course and that the subsidy continue, not at current rates, I wasn't fighting against there being some contribution and increase. It's because I understood that we were going through a transitioning phase to a more Mainland budget and economic model and of course Medicare is the point I'm making. That while we were transitioning from what we have today into that scheme that it was worth asking Minister Sheridan or

Minister Adams to put that as a bid to the Commonwealth and just say "look we've got a very real social issue happening here and we are putting this burden on our community that when you read all the statistics, how do you do that". I would have thought that even just an approach through the Administrator would have been worth doing. When I realized yesterday morning that I had no support for that and it wasn't going to happen then I do what all, I say all mothers, this is what we do, we compromise constantly, we negotiate. I came back to the table in my email and I said I'm prepared to support, and it was the Medivac because we understand the difference and that I would support up to a 10% increase on the healthcare levy because I understood that we hadn't increased it for two years, this is the second year, and that obviously in responses to me, and I thank the Members to did respond, was not going to gather support either. I guess as I said because I'm a mother and because I do understand the big picture scheme but I would have thought there was some room to allow a bit of subsidy to continue for there to be a better balance and that's why I won't support the increase, not because I'm representing people who want something for nothing, nothing could be further from the truth. It's just I represent a group of people who have been pushed far enough and I'll stand by them today. Thank you Mr Speaker.

MR NOBBS

Thank you Mr Speaker. I think that it really comes down to, nobody and I've heard it around the table here and it goes exactly the same for me that nobody wants to really push the community at this particular point further than they actually have to. So really it is a sad day as the Minister said but we have to do this and I don't probably it's not the saddest day I've had been involved with around this table here but anyhow it is still a very sad day. The question really is do we need a scheme. Forget about. Norfolk Island, first thing we should do is just divorce yourselves for a minute from the Medicare scheme which they have in Australia and what we have here at the present time on Norfolk Island. Do we need a scheme? Well I go yep we definitely need a scheme, it's a catastrophic scheme and I don't know why they cut the other insurance that we had against major events out of the scheme, I'm not too sure. But the question is we need this scheme. Increase is required, is the increase required under the current arrangements – yes, it definitely is. I saw a report yesterday or a couple of days ago from Milliman, the guy that wrote the report from my memory had served us quite well on this island for the last 15 years I guess. I mean his word to me when I was previously in a position where we had to make these, personally had to make some serious decisions, his word was gold. I mean he gave us the right advice. How that Milliman report was not acted on is beyond me and I'll talk more on this later on when I bring up Tim's previous Bill. What's the alternative? Well we haven't got an alternative really. I mean we've been trying. People of previous Assembly's were trying to get into the Australian scheme. We talked about it ten years ago of contributing to it or more, contributing to the scheme, we couldn't get in. We still can't get in. So there is no real alternative except just leaving people to their best devices. Those who are struggling? Do we have a social welfare organization? We have, and if people are genuinely concerned and can't pay their way as I've said it for years here, there is an opportunity to see somebody in a particular area, healthcare or it's over there on the other side in Barry Wilson's thing where you have to go any pay your bills, there's a setup. It's an organization that people can go and see, so we've got that. Is it a fair price? I don't know. The Chief Minister has already brought out these things before. I mean it's \$35k or something and you work it through and you get 1.5%, you guys do the math's but it's per couple, double working, that's two, and you don't pay your Medicare, you get a break right, but once you get over that break, the break is included then and you pay you 1.5%, that's Tim nodding there because he told me. So there you go. So that's it. So the figures are starting to mount up for a married couple with kids. Can we sit around waiting for this Australian scheme to come in, we can sit around waiting. That's the way I look at it. It's been four years now but we do need to look at what we have and I think Dave Porter mentioned it a few minutes ago that we need to look at the actual operations of it and bare down into the scheme and find out what really are the issues, there are issues in there and the Motion that's coming up. So that's what we have to do. We have to deal with it. You don't leave it for 12 months or two years or something. Do it right now and that's with everything here. We have to just start doing

something now. We have to as I said before and I don't want to carry on like the big fool and all that but we have to do things ourselves. We have to get into it and deal with it. Apart from that, I'm sorry about it. I've got to pay it so you know I'm in the same boat. There you go. So I'm going to support it because you have to. Thank you Mr Speaker,

MR SHERIDAN

Thank you Mr Speaker. I'll try and be brief. I'd just like to throw some facts as I see it into the picture. Been a few comments thrown around today there Mr Speaker in regards to you know why we have to pay and what sort of scheme it is and how much Medicare you would pay etc but I'd just like to point out initially that you know whilst it's been stated it's a private scheme, well it is but it's also a compulsory scheme. In a private scheme it would normally not be compulsory. So it's a highbred between the public and a private scheme, and the reasons why it was made that way years ago, all those years ago when it was first introduced because it was recognized I believe that if it was just made to be a voluntary scheme then the numbers that would be included in it would not support the scheme, so therefore it was made compulsory and it was supposed to you know provide for catastrophic illnesses as the first part of the Act states. There was a comment before that from Mrs Ward I believe who said that she would have like to see some more subsidy be provided to the scheme instead of raising it. I'd just like to point out that in the budget last year or 6 months ago we provided \$200,000 subsidy for the Healthcare Scheme as a subsidy you might say in our initial calculations. Since that time that \$200,000 was snapped up like that. I've had to provide another \$130,000 out of the discretionary vote that I had and only last week signed away the last of it \$56,500 that I had in that scheme. So this financial year so far the Scheme has been topped up by \$386,500. The mid year budget review has identified that even if this increase gets up there will still be a need for a subsidy of \$460,000 to provide cover for all members in this financial year. So you work that out, that's close to \$1m, \$1m in subsidy that the Revenue Fund will provide to members. When you divide that by 1300 people that's \$650 per person that's been subsidized for their healthcare by this Government. That would be \$780 so it's a little bit under half \$780 currently for the year, we're providing \$650 cover. I think that's a pretty good subsidy and it just cannot continue, it just cannot continue. We can't continue to do that, we know that ourselves. We're already asking the Commonwealth for \$4.4 this year and we've got a further deficit of \$1.6 of which this healthcare Scheme forecast is part of. So I'd just like to, when we refer to the healthcare Scheme to Medicare and say "well you'd be better off on the Medicare" the good thing about Medicare is you can access your benefits from day 1. That's the big benefit. The actual cost of it, the levy as Mr Buffett said, he said it was 1.5% of your income, that's correct if you have private health insurance. If you don't have private health insurance it's actually 2.5%. So on our average wage here on Norfolk Island at \$575 per week that would equate to at 2.5% a Medicare levy of \$747-50. So that's just slightly above what we pay now. But if you were earning \$600 per week at 2.5% and I don't think that's unreasonable 40 hours at \$15 you would be paying \$780 in your health care levy. If you were earning \$800 per week you would be paying \$1,040 for the benefit of accessing a public system. Ok you could reduce that if you have private health but then you would have to pay the health costs of \$3,000 or \$4,000 depending on your family makeup etc. So when you try and balance out the two schemes it's not a bad premium to pay for the cover that you do get, As we said before it's for catastrophic illnesses in the main, and as I said Minister Adams pointed out in the last four years we've had you know, last year 5 claims in excess of \$50,000, the year before that 1 claim in excess of 50, the year before that 1 in excess of \$100,000, two claims in excess of \$50,000, the year before that 1 in excess of \$200,000, two in excess of \$50,000 and just reading the Healthcare Report that Minister Adams tabled from last year it confirms the 5 claims of \$50,000 plus 7 claims over 25 and six claims exceeding \$15,000. It puts it into perspective what the scheme provides. It provides very good cover, but to get that cover you must pay. You can't expect it to be subsidized. Unfortunately it's a closed scheme, it's a statutory scheme and it's supposed to support itself, and unfortunately the monies that currently are brought in by the healthcare and the Medivac just don't allow the scheme to operate efficiently. With this increase we hope to achieve \$416,000 in the Medivac scheme and \$1.1m in the Healthcare scheme. At this point in time on averages over the last four years, that

should accommodate the scheme as it operates now. I know the Minister intends to bring forward some further ways of looking at the scheme to see how it can be further adjusted because as a Government we not only have a responsibility to the public and to provide a scheme for their healthcare, we also have a responsibility to the public purse to ensure that the schemes that we do put in place are funded. As everybody believes there's a money tree down here somewhere, well I've been down here for about 10 years and I haven't found it yet. That money tree just can't provide subsidies all the time. It is a huge increase and I suppose part of that problem is that I was the Minister for healthcare in the previous Government and I think the last increase was in 2011. Maybe it should have been put up in 2012 and then again in 2013 and I can say that the reasons why it wasn't was because we believe under the Roadmap that we would have the opportunity to participate into a bigger pool. So that's why that decision was deferred. Unfortunately there is no light on the horizon at this point in time as to when that scheme will be extended to Norfolk Island. So now we have to make those hard decisions as a Government, and to provide for the scheme in its own right. I'm very well aware that some in the community are distressed by this. Everybody thinks that everybody sits around this table and is very well off. Unfortunately that's not true, because we all come from sectors of the community that are just normal everyday Norfolk Islanders. I myself, I have four kids at home. So maybe they say well I get a good benefit out of that because I get good cover for my \$4,900 for 6 people, where somebody who is a couple with no kids, they pay virtually the same but covered for them two. Unfortunately what I'm trying to say is not everybody, questions have been asked of me – what do I get out of the scheme. I don't claim on it, what do I get? You get the knowledge that your covered for a serious illness and unfortunately it's the younger people in this community, because your younger you don't use the service as much. So of course the younger people will provide that cover for maybe our more senior people who do have difficulties and they access the funds. So it's like everything, it's just an insurance. You look at your house insurance, you look at your car insurance, look at your life insurance, why do you pay your premiums? I pay something like \$470 odd dollars a month just for a mortgage insurance – why do I do that? Because if I can't work I don't want to lose my house. I don't get anything out of it every year, but it's that surety that it gives you knowing that you do have insurance in place that when your house burns down, your out of work, your mortgage is covered, your insurance will pay to build a new house. You have an accident in your car your car insurance will buy you a new car. Well this is exactly the same. Under the Healthcare scheme it provides you that security knowing that if you do have an illness and there's people around here on the island who are fairly young who do have some serious illnesses, who will call upon this. So look at the numbers who have made a claim, big claims. Where would they be without the Healthcare Scheme, they wouldn't own a home now because they wouldn't be able to afford to pay their health costs. So it is very unfortunate but it's a fact of life and unfortunately it's something that we as a government must make a hard decision on and try and make the scheme operate, not profitable but at least cover the majority of its costs which at this point in time it is not. Thank you.

MR SPEAKER Thank you Minister Sheridan. Any further debate. No further debate. Time to put the question. The question is that this Motion be agreed to.

QUESTION PUT

MR SPEAKER Madame Clerk would you please call the House.

MR BUFFETT	No
MR PORTER	Yes
MR WARD	No
MS ADAMS	Aye
MR SNELL	Aye

MR NOBBS	Aye
MRS WARD	No
MR EVANS	Aye
MR SHERIDAN	Aye

MR SPEAKER The result of voting Honourable Members the Ayes 6, the No's 3, the Aye's have it. The Motion is agreed.

Notice No 5 – Child Welfare Amendment Bill 2014

MR SPEAKER Minister Adams No 5 that I'm calling is in your name.

MS ADAMS Thank you Mr Speaker. I present the Child Welfare Amendment Bill 2014 Luken aut fe Letl Salans Chienjen Bil 2014. Mr Speaker the purpose of this, I'll go to the Memorandum first. The purpose of this Bill is to update the law of Norfolk Island concerning the welfare of children and young persons and to bring it more in line with that of the States and Territories. The Bill consists of a number of Amendments to existing provisions and a major addition concerning support provisions for children in crisis. The interest of the child or young person is of paramount consideration under the Child Welfare Act 2010 and these Amendments will build on those parameters that have been set by the Act. Prior to bringing these Amendments to the House consultation was had with the stakeholders in the community including the Police, Counselor, Norfolk Island Hospital Enterprise, Social Welfare Advisory Group, Clerk of the Court, Child Welfare Officer and the Legal Services Unit. I will return and say I move that the Bill be agreed to in principle and I table the Explanatory memorandum to the Bill.

MR SPEAKER Thank you.

MS ADAMS The impact of these Amendments for the community are that they will bring greater accountability for those persons who are mandatory reporters and provide a more robust system of protection and reporting while at the same time providing guidelines to the effective functions of the position of Chief Welfare Officer. It will also provide protection for those persons who are reporting in good faith support for those persons who are in crisis, as well as provisions for the contribution to the costs of an application with Court makes a specific issues order. It provides for the definition of abuse to be expanded to include the hearing and/or seeing of sexual, physical or psychological abuse by a child or a young person. An additional section has also been included in respect of prenatal reporting where there are reasonable grounds to suspect before the birth of a child that it may be at risk of significant harm. The issue of homelessness and how it is to be reported and treated is also addressed in the Amendments.. One of these Amendments are designed to address issues that have been identified by the stakeholder of a deficiency since the initial legislation was introduced in 2010. As with all legislation the need to have it current with the changing issues in the community is critical so that maximum benefit will be provided to both those persons who are responsible for the administration of the Act and protect those persons who are most vulnerable in our community, namely the children and young persons of the island. Before concluding my introductory remarks Mr Speaker I would just like it to be noted that today we as a parliament have taken the decision to reinstate the practice that the long and the short title of Bills introduced into this Parliament contain, are written both in English and Norfolk language. This is the Chief Welfare Amendment Bill 2014 – Luken aut fe Letl Salan Chienjen Bill 2014 which is a Bill for an Act to amend the Child Welfare Act 2009. Wan Bill fee wan Aekt chienjen aa Luken Aut fe Letl Salan Aekt 2009. Thank you Mr Speaker.

MR SPEAKER

Thank you. Further debate.

MR WARD

Mr Speaker I'd just like to commend this Bill. Anything that brings us into line and helps us maintain standards with the rest of Australian standards in this area has got to be a good thing. It can't be seen that we're neglecting the young people of this island and even though we know there's no issues at the moment along these lines, it's good to know that we are maintaining the same standards as other States and Territories. Thank you.

MR SHERIDAN

Thank you Mr Speaker. Just briefly. I applaud the Minister for bringing this to the House because I know that the previous Government when I had carriage of this area there was issues you might say with regards to the introduction of the original Bill. There was some anomalies within there that weren't quite clear and I think this Bill sets out those areas of concern. But there's just one area there and that was a big concern the last time and it's on the first page of the new Section 12 (1) subsection K & M. It's when a young person or child is to be interviewed and previously there was no indication whether or not a guardian or parent had to be notified and whether the child had to agree etc. Well this sort of steps it out quite clearly that a person has parental responsibility of the child needs to be notified etc, but what concerns me is sub para M is that in default of an adult person chosen by the child or young person that an interview may proceed with the support and present at the interview of an adult person chosen by the Child Welfare Officer. I would like to see that amended to say – "with agreement by the young person or child", because again this was a big problem in regards to back then no guidelines when young people/children were being interviewed without their parents knowledge, and without the children realizing what rights they did have. So I don't want to leave a avenue open for it to be abused, or what could be seen to be abused. I'm not saying that it does happen I'm just saying that there is possibility that whoever is in the job might appoint somebody they know to be the witness and then go ahead with the interview without informing the guardian or the parents etc

MS ADAMS

What are the words that you'd like to add

MR SHERIDAN

I can speak to you about that later Minister. I haven't gone through the Bill comprehensively but I'm sure that it will lay on the table for a month and I may have some further comments next month Mr Speaker.

MR NOBBS

Mr Speaker I'd rather hear from Members who were in the last Assembly before I talk if I may.

MR SNELL

Thank you Mr Speaker. I've had a discussion with the Sergeant of Police on areas regarding this Child Welfare Amendment Bill and he is of the opinion that it is a beneficial Bill certainly in the areas of interview that has been mentioned by Minister Sheridan, and it was of concern to him and he is supportive of the Amendments as they stand here but like Mr Sheridan I have another little concern, but I'll save that for another time.

MR NOBBS

Thank you Mr Speaker. I just wanted to say that I'm fairly disappointed that we need a Bill of this nature and I know there's a previous Act in place. It's a disappointment to me but knowing the Child Welfare Officer as I do I can assure you that I will support this no matter my concerns in that particular area. I always wonder when they bring out these Acts such as this that, where's the responsibility of the parents. Is that spelled out in any of this legislation or what penalties do parents have apart from if they interfere and do other things with kids. That's what I thought that we need to get into the system I believe that the parents have a major responsibility for their children. That's all I wanted to say Mr Speaker. I'll get more into trouble if I keep going.

MR SPEAKER

Thank you Mr Nobbs

MR SHERIDAN

Thank you Mr Speaker. If I just respond to a couple of points that Mr Nobbs brought up. His initial comment was he doesn't know where this sort of Bill comes from and the need for it. I believe it's necessary, these types of Bills for the protection of our children otherwise child abuse or mistreatment of children could go unabated and not reported. The responsibilities of the parents has been addressed in this Bill where has previously they hadn't. When somebody was placed in care or there was some orders for the children to do certain things the public bore the cost. This Bill refers that cost back onto the parents, back onto the guardians of those children. It is putting the responsibility, they cannot care properly for their children and then the service will, but the cost will be portrayed back onto those parents. So there is some responsibility you might say in this Bill to lay it back onto those parents of these children.

MR NOBBS

Thanks you Mr Sheridan for bringing that out because I know a lot of people are concerned about it. I appreciate what the Bill is about and it's the care of the children. I appreciate that there are kids that go off the rails and parents that go off the rails I appreciate all of that. I'm just disappointed that it's come to this now, that's all, that we have to have it and I appreciate it and I support it.

MR SPEAKER

Thank you. Further debate.

MR PORTER

Thank you Mr Speaker. I agree the sentiments just made. It's unfortunately a sign of modern life but it's the holding of this body to ensure that we look after all of our citizens, not just children but also that we look after the public purse and the Amendments here deal with distributing those costs where they belong are an important part of this, but above and beyond all it's the welfare of our children and I commend the changes to the Act.

MR SPEAKER

Thank you. Any further debate. No further debate.

MS ADAMS

Thank you Mr Speaker. I move that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of Sitting.

MR SPEAKER

I put that question to you Honourable Members.

QUESTION PUT

AGREED

No 6 - Healthcare Amendment Bill 2014

MS ADAMS

Mr Speaker I seek leave to move the healthcare Amendment Bill 2014, Helthkeya Chienjen Bil 2014.

MR SPEAKER

Just bear with me for a moment. Does this mean that notice is not being given in the normal way

MS ADAMS

Correct yes.

MR SPEAKER

I would like a Motion from you Minister that so much of Standing Orders be set aside that would prevent this from coming forward.

MS ADAMS I move that so much of Standing Orders be suspended as would prevent this Bill from being introduced into the House at this time. I understand it requires six people.

MR SPEAKER May I ask Members those who are in favour

Aye

MR SPEAKER The Motion is agreed. Leave is granted thank you.

MS ADAMS Thank you Mr Speaker. I present the Healthcare Amendment Bill 2014 – Helthkeya Chienjen Bil 2014, a Bill for an Act to amend the Healthcare Act 1989, wan Bil fe wan Aekt Chienjen aa Helthkeya Aekt 1989

MR SPEAKER Thank you. Moving that the Bill be agreed to in principle?

MS ADAMS Yes I'm having trouble with that one today aren't I. I move that the Bill be agreed to in principle and table the Explanatory Memorandum.

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

MS ADAMS Thank you Mr Speaker. Mr Speaker this Bill is intended to ensure that reimbursement of medical expenses in accordance with the Act does not exceed the maximum prescribed benefit payable under the Medicare Benefit Schedule of the Commonwealth for that particular service. Whilst its limitations does not apply to services provided by the Norfolk Island Hospital Enterprise it does apply to all other services whether provided in Norfolk Island or in the Commonwealth or other place outside of Norfolk Island and whether provided as a referral by the Hospital medical staff or as a self referral.

Tape 7

MR NOBBS Thank you Mr Speaker. I'd rather hear from Member who were in the last Legislative Assembly before I talk, if I may

MR SNELL Thank you Mr Speaker. I've had a discussion with the Sergeant of Police regarding this Child Welfare Amendment Bill and he's of the opinion that it's a beneficial bill. It's certainly in the areas that has been mentioned by Mr Sheridan, and it was of concern to him and he is supportive of the amendments as they stand here, but like Mr Sheridan I have other little concerns but I'll reserve that for another time

MR NOBBS Thank you Mr Speaker I just wanted to say that I'm fairly disappointed that we need a Bill of this nature and I know there's a previous Act in place at this point, but knowing the Child Welfare Officer as I do I can assure you that I will support this no matter my concerns in that particular area. I always wonder when they bring out Acts such as this, where's the responsibility of the parent. Is that spelt out in any of this legislation or what penalties do parents have if they interfere and do other things with kids. That's why I thought that we need to get into the system I believe that the parents have a major responsibility for their children. That's all I want to say Mr Speaker or I'll get more into trouble if I keep going

MR SHERIDAN Thank you Mr Speaker if I could just respond to a couple of points that Mr Nobbs brought up. His initial comment was that he doesn't know where this sort of Bill comes from and the need for it. I believe that it's necessary these types of Bills for the protection of our children otherwise child abuse or mistreatment of children could go unabated and unreported. The responsibilities of the parents has been addressed in these Bills whereas previously they haven't. When somebody was placed in care or there were some orders for the children to do certain things, the public bore the cost. The public bore the cost. This Bill refers that cost back onto the parents. Back onto the guardians of those children so it is putting the responsibility back on them, if they cannot care properly for their children and then the service will, but the cost will be portrayed back onto those parents so there is some responsibility you might say for this Bill to allay it, back onto those parents of these children

MR NOBBS Thank you Minister. I'm glad that you've brought this out because I know a lot of people are concerned about it. I appreciate what the Bill is about and that's the care of children. I appreciate that there are kids who go off the rails, and adults go off the rails, and people go off the rails. I appreciate all that. I'm just disappointed that it's come to this now. That's all. But we have to have it and I appreciate that and I'll support it

MR PORTER Thank you Mr Speaker I agree with the sentiments just made. Unfortunately it's a sign of modern life but its beholding of this body to ensure that we look after all of our citizens not just our children, but also that we look after the public purse and that the amendments here deal with attributing those costs where they belong. They're an important part of this, but above and beyond all it's the welfare of our children and I commend the changes to the Act

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

SPEAKER Thank you. I put that question to you Honourable Members

QUESTION PUT
AGREED

The ayes have it, that Bill is so adjourned thank you

BILL BY LEAVE

HEALTHCARE (AMENDMENT) BILL 2014 / HELTHKEYA (CHIENJEN) BIL 2014

MS ADAMS Thank you Mr Speaker, I seek leave to move the Healthcare (Amendment) Bill 2014 / Helthkeya (Chienjen) Bil 2014

SPEAKER Just bear with me for a moment. Does this mean that Notice has not been given in the normal way

MS ADAMS Yes. This only arose out of yesterday's meeting of Members

SPEAKER Yes. I would like a motion from you Minister that so much of Standing Orders be set aside that would prevent this from coming forward at this time

MS ADAMS I'm comfortable to do that Mr Speaker. I move that so much of Standing Orders be suspended as would prevent this Bill from being introduced into the House at this time. I understand that this requires six people

SPEAKER May I ask Members for those who are in favour of that

QUESTION PUT
AGREED

Leave is granted thank you

MS ADAMS Thank you Mr Speaker, I present the Healthcare (Amendment) Bill 2014 / Helthkeya (Chienjen) Bil 2014, a Bill for an Act to amend the Healthcare Act 1989, wan Bil fe wan Aekt chienjen aa Helthkeya Aekt 1989. I'll be brief

SPEAKER You are moving that the Bill be agreed to in principle

MS ADAMS Yes, I'm having trouble with that one today aren't I. I move that the Bill be agreed to in principle and I table the Explanatory Memorandum to the Bill

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

MS ADAMS Thank you Mr Speaker. This Bill is intended to ensure that reimbursement of medical expenses in accordance with the Act does not exceed the maximum prescribed benefit payable under the Medicare Benefit Schedule of the Commonwealth for that particular service. Whilst this limitation does not apply to services provided by the Norfolk Island Hospital Enterprise it does apply to all other services whether provided in Norfolk Island or in the Commonwealth or other place outside Norfolk Island and whether provided as a referral by the Hospital medical staff or as a self referral. I could just go on to say that this is one of the processes of tightening up our healthcare system and it was discussed by Members yesterday and my understanding was that there was general support for it to happen today. Whether or not it's an urgent Bill is up to the House but I understood that people wanted it to lie on the table. I'm happy with that. Thank you Mr Speaker

MR NOBBS Thank you Mr Speaker I understand that the Bill was actually brought forward two years ago but it was never proceeded with, not through the mover, any action or non action by the mover as may be, it just wasn't progressed and I'm fully supportive of it myself. It's one of those fairness things. If it's fair for some it's fair for everybody and that's what this bill will do I believe and I think it should have been brought in two years ago but that's beside the point. I think it's most important to tidy up the healthcare arrangements that a Bill of this nature should be brought forward straight away. Thank you Mr Speaker

MR PORTER Thank you Mr Speaker I'm keen to support this so I'll just speak briefly about it, with it being tabled today. We've had enough advise from people today that increases of the magnitude of the one just approved are unsustainable in the current circumstances and the community does not have the capacity to keep on giving and giving however, this raises the inevitable conundrum. If we are unable to put more funds in we will have to reduce the benefits coming out. It's quite obvious and to this end we must look to the overall operational effectiveness and efficiency of the provision of healthcare services for the residents of Norfolk Island all the way from frontline services at our local hospital to the provision of specialist services off shore. I look forward to joining the debate to set the direction for these deliberations to reign in

these costs, as well as to make access to the services more equitable for residents. I believe all those points are picked up in the matter that the Minister is putting on the table today so I look forward to it. Thank you Mr Speaker

MS ADAMS Thank you Mr Speaker if I may add to this, I think I may have mentioned it in debate on an earlier motion that what this Bill does, is it puts the rest of the community in the same position that social service recipients on Norfolk Island have been in for many years and so there will be equity across the island for healthcare coverage. Norfolk Island's social service Department, and so this will be the same as the Healthcare Department, refunds and or pays medical costs for social service recipients at 100% Medicare scheduled fee. That's what the effect of this bill will be, and that provided you are in the public system, you are fully covered. I just need to make that point quite clear. Minister Sheridan might like to add to that

MR SHERIDAN Thank you Mr Speaker just following on from the Minister's comments about what this Bill will provide for, what the Bill will really do whilst limiting refunds to the Medicare scheduled items, 100% fee, that's fine, but what it will really do in regards to the healthcare scheme, it will make people think twice about going to private health establishments, hospitals, because now they will be responsible for the additional above the Medicare item scheduled fee, 100% of the fee. This in effect supports our agreement with the South East Sydney local health district. We've got an agreement with them, it's a public hospital scheme over there, if we go through that scheme the healthcare fund will refund virtually 100% of the cost. There might be some items that are not quite covered, if they are not a Medicare item number, but where the expense has been on the healthcare scheme is patients who are referred offshore, and it's usually by their choice that they go either outside NSW or into Queensland or into the private system, and the Healthcare Scheme previously had picked up the tab. Unfortunately we can't afford that any more. If you want to go private, if you want to go to a State where we don't have an agreement for treatment, then they will be at risk of having to fund the difference. That is the real ramifications of this, so people have to be made aware of that, so that when they do get referred offshore, because at the end of the day the bottom line is the back pocket, that they get referred through the public system through South East Sydney then they won't have any dramas. If they insist on going into the private health system or going to Queensland just be aware that you will be up for some additional cost. That is the real ramification Mr Speaker. Just like to reiterate that

MS ADAMS If I could follow on from that. That's a very important point that the Minister has made as Members of the community would be aware, we have a Memorandum of Understanding with South East Sydney local health district and it is working very well for Norfolk Island and I'm going to record this into Hansard so that it's quite clear, and there will be a press release in the paper on the weekend, as well about this. South East Sydney local health district covers urban and suburban communities including Norfolk Island and manages eight public hospitals and one public nursing home. Calvary Health Care Sydney, Prince of Wales, Royal Hospital for Women, St George Hospital, Sutherland Hospital, Sydney Eye Hospital, War Memorial Hospital, 3rd Schedule with Uniting Care, Gower Wilson Memorial and Yarrawarra Centre. South East Sydney local health district also operates 28 Child and Family Health Centres, 12 Community Health Centres and 9 Oral Health Clinics, providing prevention, early intervention, community-based treatment, palliative care and rehabilitation services. The Schedule of Fees extends across the whole of New South Wales. Thank you Mr Speaker

MRS WARD Thank you Mr Speaker. I just want to say that I was just happy to support the setting aside of Standing Orders because this is what we did agree yesterday. It's not something that we would ordinarily do because a Bill of this magnitude, but it's just pulling out as we're talking about it, an operational matter which is about starting to limit the benefits of the scheme and part of it has been described is

really that calling for a co payment. More of a co payment than has or is currently available. Now I'm just saying straight up on the record that I've been thrown by something here. It is the point about, and we can deal with this behind the scenes, that is why this Bill please I would ask that it must stay on the table as it's not an urgent Bill. This is too important. You've basically got people delving into what is an insurance business. This is the risk we run. We've got to understand what we are doing around that Medicare Benefit Schedule proposed to the Medicare Scheduled fee and my understanding was that Medicare pays 75% of the Medicare scheduled fee and that that was the purpose of this Bill so I'm just a little bit thrown by the Minister for Finance, Mr Sheridan and perhaps he can clarify that as we walk through. Okay, if it's clear to everybody else then I'm happy that we deal with this behind the scene. So right. That wasn't my understanding but anyway we'll clarify that. I am supporting the progression of this and its an example of how quickly we can move when we want to, but also the very important point that Minister Adams talked about which was the cost benefit analysis, but I think that's ore appropriate to discuss more in the motion that the Minister has given notice of so thank you Mr Speaker

MR SHERIDAN Thank you Mr Speaker I just want to clarify a point for Mrs Ward, the intent is as you referred to late in your speech, it's the bringing in line with what the HMA recipients under the HMA scheme, they get cover up to 100% of the Medicare scheduled item fee. Not 75% but 100%. That is the intent of this change that people accessing the system in Australia. Not 75% but 100%. That is the intent of this change that people accessing the system in Australia the benefit will be applied to 100% of the Medicare scheduled item fee that's allocated under the Medicare Act. So not 75% of it, but 100%. Anything above that, this is where you will attract when you go to Queensland you get treated as an overseas patient, if you go to private hospitals, they add on, that's what you will be responsible for. So if you enter the public system through New South Wales they'll recover that 100% of that Medicare Scheduled item fee which will virtually cover your illness, so it means that you are better off to go through New South Wales

MR SNELL Thank you Mr Speaker I wonder if this time it would be opportune to discuss some of the issues that were brought up by Minister Ward regarding the additional charges for those who don't take care. I guess, and I'm asking the question, if someone could confirm it for me, whether there is anything in the Medicare schedule, of tiers of fees that are extended out, and getting back to what Mrs Ward had to say about delving into insurance type situations, this appears to be very much that we are delving into insurance systems and whether we should be taking into consideration those who don't take care, and whether they pay an additional fee or not.

MR NOBBS I suggest that we just try to stay at this base line. That's it isn't it.

MR SHERIDAN Thank you Mr Speaker I don't think we're dabbling into insurance at all. As Mr Nobbs said, we're establishing a base line for benefits to be payable., If people go outside of that 100% Medicare scheduled item fee I would then need to have private insurance the same as anybody else in Australia. Once they go above that fee, there are charges above that and that's when their private health insurance comes in. there are people here on Norfolk Island who do have private health insurance so that they can access it when they go to Australia. These people on Norfolk Island still want to go to a private health establish, or go to Queensland, they may have looked at that option and want private health insurance. That's how they cover the gap. If they don't have that insurance then it would fall back onto them. It's quite clear. It's their choice.

MR NOBBS Thank you Mr Speaker. Private health schemes are tiered. You can get various options and that's when the tiers comes in or that's my experience anyhow . It's expensive though I can tell you

MR PORTER Thank you Mr Speaker, perhaps the Chief Minister was asking to increase the terms of reference in this motion, if there's an opportunity there to look at culpability or is that a matter that should stand as a separate Bill and be debated as that. I have no opinion I'm just wondering are we to assume that we want to put that in as Item No 4

MR WARD Thank you Mr Speaker. What I was referring to previously was the Healthcare Scheme being expected to cover things such as gross negligence of people who may be guilty of in some way, criminal activities that may be something as simple as gross violation of the Traffic Act, things that have caused irresponsible harm to a person and if that person then a claimant to the Medical Scheme then there should be some way that the person is held accountable to his expenses or the expenses he's caused perhaps even to another, which all needs to be fully explored but that there needs to be some culpability I think is the word Mr Porter used, but if there is negligence, if there is criminal activity, if there is perhaps even high risk sports, then these should be looked at as part of this concept of what do we expect to cover under this basic Healthcare Scheme and that's where I would like to leave that. Thank you Mr Speaker

MS ADAMS Thank you Mr Speaker just to conclude and following on from that discussion, Members I believe all received the same email that I received overnight from a concerned Member of the public on this very point, and I commended him for the suggestions that he put forward around what we should also be looking at as well as just putting up the fee, and he raised that point himself. If a great percentage of medical evacuations that have occurred at recent times have been as a result of motor vehicle accidents and goes on to suggest that there be a need for some responsibility on the part of those people who have through maybe court system has ruled that they were not quite as responsible as they could have been, that's something that we need to look at, and that can be part of this overall process. Thank you Mr Speaker if debate is concluded I'll move, that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of sitting

SPEAKER Thank you. I put that question to you Honourable Members that debate be adjourned and the resumption of debate made an Order of the Day for a subsequent day of sitting

QUESTION PUT
AGREED

The ayes have it, that Bill is so adjourned thank you

PLANNING ACT 2002 – SUBDIVISION ON MARTINS ROAD

SPEAKER Minister Ward you were out of the Chamber when we came to Notice No 3. I will call that on now so that you might attend to that matter

MR WARD Thank you Mr Speaker. Mr Speaker I move that, this House resolve 1. In accordance with subsection 12(4) of the *Planning Act 2002* to approve the draft plan laid before this House being a proposed amendment to Schedule 2 of the Norfolk Island Plan (as amended), and 2. For the purposes of subsection 13(1) of the *Planning Act 2002*, the date of commencement of the approved plan be 28th February 2014.

SPEAKER
agreed to

Thank you Minister. The question is that the motion be

MR WARD
Sharon xx Jodie

Mr Speaker

MRS WARD
Thank you Mr Speaker just to say that I acknowledge the private individuals submission that was sent in as part of the development application and certainly points were raised. I considered those very seriously in making a decision. Certainly the question of precedence. My final decision is one that will support the Minister and this is why we have Schedule 2. This is why this House has the ability to vary a plan and that will have my support thank you

MR SHERIDAN
Thank you Mr Speaker just to make a couple of comments and whilst I am fully supportive of this action in this case, in the past I certainly haven't been. I just want to make the comment that the approval by this forum doesn't grant approval for the subdivision. It only gives the ability – and the Minister may be able to correct me if I'm wrong here – but as I recollect it gives the ability for the Planning Board to consider and recommend the application and then its up to the Minister to ether approve or disapprove. What concerns me to a degree is once this House approves the variation to the plan it virtually places that section, whatever portion is in question, not necessarily the one we are talking about, but any portion under that section 104 or in schedule 2, it places that portion of land with the ability to be subdivided with consent. It places it outside the normal requirements of the Act. So what I'm saying is that if the Minister didn't approve it, it still sits on the books and it could still be revisited in a future time, it wouldn't have to come back to the House to vary the plan, because the plan's already been varied, so it just needs to go to the Board for different Ministers, different Boards, and it may be approved. I haven't discussed it with the Minister I've only really just thought about it, but what really needs to do with these applications to vary the Norfolk Island Plan, is that if they are approved and subsequently the Minister refuses the application, then the actually decision of the House should be denied as well so that the portion of land then goes back to being restricted under the Norfolk Island Plan. It's an anomaly and I think it's something that we need to look at, but in this instance, I know the circumstances and the Minister has provided the information and I fully support it, I think it's a reasonable conclusion to come to with the part of that portion, well it used to be a larger portion and a lot of that was handed back to Ball Bay to be part of the Reserve and it was well before the Norfolk Island Plan was put in place, with restrictions on subdivision and its through no fault of their own that they were left with a portion that could not be subdivided. They handed back some acres to the Crown for public use as a reserve so I think in fairness I think the Minister should make comment about it, I think when I was Minister for the Environment we asked the Administrator, i.e. the Commonwealth whether they would allow a subdivision to allow some of that reserve back into the block of land to enable it to be 8000 sq. metres per block and they refused that. They would not allow that to have any of that reserve back into their portion so this is the fall back Plan B you might say, that they've needed to come to the House to ask for a Variation to the Plan, which I support

MR PORTER
Thank you Mr Speaker following on from the Minister for Finance, Mr Sheridan, and that's why I support it, because I think there's elements of natural justice here and also we are not setting a precedent, there are so many contributing factors in this case, that probably don't exist anywhere else on this Island but also that the benefit to this Island community of the donation of the land that forms part of that reserve far outweighs the lost of amenity in a smaller subdivisions so as I said, I think it's natural justice. It's why we have the ability to vary the Planning Act. These grey areas do come. I understand from a previous life what the Minister for

Finance was speaking of there, that quite often in my experience there were sunset clauses put on these approvals that had a date on them or alternatively were at the pleasure of the Minister. In other words, if they weren't approved they lapsed, so I don't know whether that helps but I certainly support the motion

MR SNELL Thank you Mr Speaker I support the application. I think it's a reasonable request I too think it's natural justice. If I recall a similar variation was approved by this House where a road was involved some years ago, but nevertheless the approval was given and I think all parties were satisfied and I hope the same applies in this case

MR NOBBS Thank you Mr Speaker I don't normally support any changes to the existing plan. I think that's what the plan's there for is to follow it through but there are circumstances and people have spoken about it. They gave the land back and were caught out and I think it's only fair and I will support this one

SPEAKER Thank you. No further debate. I put the question that the Motion be agreed

QUESTION PUT
AGREED

The ayes have it thank you

MOTION BY LEAVE

HEALTHCARE ACT 1989 / HEALTHCARE LEVY ACT 1990 - PROPOSED AMENDMENTS

SPEAKER Minister Adams you have indicated to the Clerk your wish to make a proposal in terms of the Healthcare Act 1989 and the Healthcare Levy Act 1990, a motion about some proposed amendments. If the matter is to be brought forward I would like a motion in a similar sense to that earlier please

MS ADAMS Mr Speaker I move that so much of Standing Orders be suspended as would prevent this Bill from being introduced into the House at this time

SPEAKER And I put the motion of suspension to Honourable Members

QUESTION PUT
AGREED

Ayes have it thank you, leave is granted thank you

MS ADAMS Thank you Mr Speaker, I move that this House requests the responsible Minister to:

1. present as soon as practicable and preferably no later than the May 2014 sitting of the House a Bill to amend the *Healthcare Act 1989* and the *Healthcare Levy Act 1990* to address the following issues:
 - a. equity issues arising from the regressive nature of the healthcare levy and it providing a disproportionate burden on lower income households;
 - b. improvement of current processes for assessing applications for exemption from liability to pay the levy, including if appropriate powers of compelling production of relevant information by third parties;

- c. improvement of current collection processes for the levy, including if appropriate mandatory imposition of interest charges on outstanding levies;
 - d. insert a definition of “respite care” to make it clear that a person accommodated in the hospital for the purpose of respite care is not entitled to medical benefits in respect of that accommodation and care but will be entitled to reimbursement of other medical services
 - e. include “respite care” in the list of services that are excluded from the meaning of “free medical services”;
 - f. expand the definition of ‘evacuation costs’ in the Definitions Schedule of the Healthcare Act 1989 so that a member can be evacuated for urgent medical treatment not available on Norfolk Island and/or whose life is at risk if not so evacuated;
 - g. amend Section 19A of the Healthcare Act 1989 in relation to hospitalisation costs for long term care patients
 - h. amend the Healthcare Levy Act 1990 to exclude persons from cover who have not applied to become members of the Healthcare Scheme;
2. actively pursue the possibility of reintroducing reinsurance for the Healthcare Scheme; and
 3. follow up recommendations of the Milliman Inc. Review of the Healthcare Scheme and the Workers Compensation Scheme for the Administration of Norfolk Island.

SPEAKER
agreed to

Thank you Minister. The question is that the motion be

MS ADAMS

Thank you Mr Speaker I'll speak briefly in respect of some of the issues here. Issue a. equity issues arising from the regressive nature of the healthcare levy. Members will be aware that both the McCalvert Connolly Review of Child Welfare and in the NEXUS Report, criticism is levelled at the fact that the Healthcare Levy applies at a flat rate and low income families on the Island pay significantly more, in portions and in total terms for their healthcare and that issue creates great concern for me. I don't know how we are going to deal with it but it creates great concern for me in the short term until such time as its on a percentage basis of income. In respect of d. insert a definition of “respite care”. This was in an earlier Bill that came before the House back in 2011 but never did proceed to finality and just died off the Notice Paper in the 13th Assembly, so I'll read from the Explanatory Memorandum at that time. The second object is to make it clear that a person accommodated in the hospital for the purpose of respite care is not entitled to medical benefits in respect of that care. In other words, the cost of accommodation and normal supervision as a care patient, is not considered to be a medical matter. The care is provided primarily to give short term or temporary relief to the carer of the person in a place where the carer can be secure in the knowledge that the person cared for will be well looked after. It is common and needed practice for provision to be made for planned short term and time limited breaks for families and other unpaid care givers, of the elderly, the handicapped and others in order to support and maintain the primary care giving relationship. There is no intention to deny the provision of or reimbursement for medical costs that are required by respite patients by way of the provision of medicine, medical attention and treatment, pharmaceuticals and the like, but applies only to the provision of the cost of accommodation and care provided by the hospital in the place of a normal carer. In respect of g. Long term care. Currently members of the healthcare scheme who are approved as long term care patients at the Norfolk Island Hospital are entitled to full payment of the hospital accommodation costs, once they have passed their healthcare limit for the relevant financial year. This is in contrast to long term care social service recipients who are required to contribute 80% of their pension to wards hospital costs. The current rate for non geriatric long term care is \$185 per night and over a twelve month period would cost the healthcare fund over \$60,000. A more equitable system needs to be found to ease pressure on the healthcare scheme and not to put

unreasonable financial pressure on the healthcare member. H. is put in there because as a consequence of the introduction of the unrestricted entry permit following the passage of the Immigration Amendment No 2 Act last year, there is an element of risk attached to that and it has been recommended that we fix that up. Now in paragraph 3. follow up recommendations of the Millman Review of the Healthcare Scheme, I have as I said earlier, provided to you this document which spells out the basic Millman recommendations so this can now be looked at in conjunction with paragraph 3. I don't think that this is exhaustive. I think the more we look the more we are going to find and I'm looking for willingness on the part of the membership that whilst this motion, were it to get up today, may not be exhaustive and that there will be further consultation with you as we move along over the next month or so to include other provisions in there that we know need tidying up. For example the conversation we had just recently in Minister Ward's debate. I recommend the motion.

MRS WARD Thank you Mr Speaker just to say that I will support the motion today. It's basically picking up part of the original motion and tacking on a couple of more pressing issues, issues that need to be addressed and I'm certainly of the view that if all things come on board such as the question of personal liability responsibility and aged care, anything else that may raise its head around that would have my support to be pursued as well. I'm sorry to harp back to that 2011 Report from the officers but they are certainly talking there about a cost benefit analysis being needed around the question of a tiered system and stop loss insurance and plains management and the extend of the benefits payable so all those issues need to be addressed. I think Minister Sheridan has made a really big honest admission where he said that the non action was due to a belief or an expectation that Medicare would have been extended by now. I understand the reason for this after the recent visit of the Minister. We are not giving up on it, we will never give up on it, but the understanding that we have to look inward and again, this is what I was pushing for two years ago so I'm very pleased to see this come onto the table and I will support it, thank you

MR NOBBS Thank you Mr Speaker this is excellent in what it covers. I'm sure there'll be more and hopefully you can come back before May, this year with at least something, and then we can go from there so I move that the question be put, as everybody's had a say

MR SNELL Thank you Mr Speaker I wish to speak

SPEAKER Mr Nobbs are you comfortable to hold off with your question

MR NOBBS Thank you Mr Speaker certainly. I thought everybody had finished

MR SNELL Thank you Mr Speaker I don't intend to support the motion today. I wish it to sit on the table for at least 30 days. I do declare an interest, particularly in Sections D and E and I have concerns regarding G, the long term hospitalization. I would prefer Mr Speaker for an expanded definition of what is respite care. I know the Minister has just referred to the Healthcare Amendment Bill 2013 and the Explanatory Memorandum and it also covers a little on Page 2 about respite care. Respite care I think needs more clarification regarding the hospitalization and not considered to be a medical matter. I think we've been through one instance where a person was admitted to hospital for what was termed then respite care but Doctors indicated that there was a medical condition that bided the person to be there. So there are some issues in this and I'd like to expand a little on some of the recommendations as put forward earlier by Minister Ward in regards other such things. So I'm not in a position to support the Motion as it is today.

MR NOBBS Can I just say something. It was brought to my attention about two or three weeks ago that a guy and his mother, she'd been living here for 60 years, she wasn't a Norfolk Islander, put her in the hospital, to put her in the hospital was going to cost them \$72,000 per year which you know, nothing happened obviously because they just couldn't afford it. So I mean that particular issue needs some attention and it needs it big time, and I thought that this is what we were looking at in this D and E line. I thought that was what it's about, is to reduce the cost not increase it.

MR SNELL We'd have to get a better definition of what it respite care. There has to be tags towards it with the respite care, who determines what is respite care. Does the Doctor determine it or the Hospital Director or so forth.

MS ADAMS If I could just say Mr Speaker the words that were read out have just come out of another earlier Bill. We'll put in there what we want in there you know, how we see it should work. It's just a matter of making that decision about how respite treatment is to work and then we craft it accordingly.

MR SHERIDAN Thank you Mr Speaker. I wasn't going to really say too much about this Motion because I saw it as a Motion really for the Minister to assess these areas, not necessarily debate them as to what they would be. Just going on about respite care because I have been down this road. Respite care is when a person is placed into the hospital to give a break from their Carers, not necessarily a medical problem, it's to give their Carer's a break and that is why it's deemed not to be a medical issue and you know in other jurisdictions they have facilities where you can place some person into a facility for respite care and it mostly wouldn't be as costly as this but unfortunately we don't have those facilities here so the hospital gets utilized because it is our aged care place for people who are in at long term care. Mr Nobbs mentioned that to place somebody in care there for 12 months would cost \$72,000, that's a load of rubbish, that's if your on a daily rate but after a certain period of time the Doctor declares them a long term patient and then they only pay a portion of that rate. It's only until they are declared a long term patient that they have to pay the daily rate for the hospital accommodation. So if your there for 12 months in care, no, it would cost you nothing like that, a load of rubbish.

MR NOBBS Well that was given to me by a fairly intelligent guy that was the quote they got \$72k and I've already asked the Hospital Director, I wrote to her about 2 or 3 weeks ago about it to see if it was correct. I haven't had a response so I just thought well it must be right. So I don't know what the pricing arrangements are but that was what happened.

MR SPEAKER Honourable Members how are we to progress. You were talking about being on the table. If this matter is to be adjourned I would need to have a Motion proposing that.

MR SHERIDAN Put the question I believe Mr Speaker.

MR SPEAKER Well I think I've given you ample opportunity for you to consider that, how you want to travel. If there is no further debate on this matter I will put the question Honourable Members. The question is that the Motion be agreed to.

QUESTION PUT

MR SPEAKER Abstention Chief Minister. The Ayes have it Honourable Members.

MR SPEAKER Honourable Members we have completed Notices. We are now at Orders of the Day.

Order of the Day No 1 – Kingston Arthurs Vale Historic Area Review.

MR SPEAKER We are resuming debate on the question that the Motion be agreed to. Mr Nobbs you have the call to resume.

MR NOBBS Mr Speaker there's been a little bit of action on this and I move that it be made an Order of the Day for the next day of Sitting.

MR SPEAKER The question is that this matter be adjourned and made an Order of the Day for a subsequent day of sitting.

QUESTION PUT
AGREED

MR SPEAKER That matter is so adjourned.

Order of the Day No 2 – Absentee Landowners Levy Amendment Act 2013

MR SPEAKER We are resuming debate on the question that the Bill be agreed to in principle.

MR SHERIDAN Thank you Mr Speaker. This Bill is very simple as I mentioned back in December. It's been a couple of months since then so I just refresh everyone's memory that the intent of this Bill is virtually for fly in fly out workers you might say. The people who have to work offshore but still maintain a family home with either their spouse or family members within their house that they have the ability to be upon application to be exempt from the absentee landowners levy. So just those few words there Mr Speaker. I'll leave it in the House's hands.

MR SPEAKER Any further debate. No further debate. Then I put the question that the Bill be agreed to ...

MR SHERIDAN Just before you do if I could just say one more comment. At the December meeting there was one query and it was in regards to the ability if a person who worked offshore had their family back on island and they owned numerous portions of land etc whether or not the Bill would apply to all of those portions. No it will not. It will only apply to the portion that their family, further definitions under the Amendment are residing in. So it doesn't apply to all portions, only the portion that their family member or spouse whatever are living in at that time. I just provide that for clarity Mr Speaker.

MR SPEAKER Thank you Minister.. Honourable Members the question is that the Bill be agreed to in principle.

QUESTION PUT
AGREED

MR SPEAKER Thank you the Bill is agreed to in principle. Do you wish to dispense with the detail stage

Aye

MR SHERIDAN Mr Speaker I move that the Bill be agreed to,

MR SPEAKER I put that final question Honourable Members.

QUESTION PUT
AGREED

MR SPEAKER We have concluded the business of the day Honourable Members.

Fixing of the Next Sitting Day

MR NOBBS Mr Speaker I move that his House at its rising adjourn until Wednesday 19th March 2014 at 10.00 am

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

QUESTION PUT
AGREED

Adjournment

MR PORTER Thank you Mr Speaker. I move that the house do now adjourn.

MR SPEAKER The question is that the House do now adjourn. Is there any adjournment debate.

MS ADAMS Thank you Mr Speaker. Mr Nobbs was too quick off the mark for me with the KAVHA Motion. I had deliberately left this till that time to read to the House and the listening public the letter that I have today received from the honourable Jamie Briggs in respect of KAVHA. Before I read it Members will recall that I had reached agreed outcomes with the Honourable Greg Hunt last October in respect of issues relating to going forward with KAVHA. I have followed that up recently with Minister Hunt and he had said to me that he would be getting back to me shortly and I presume that this is the vehicle that he has used to do so. "Dear Minister Adams, thank you for your letter, this is from the Honourable Jamie Briggs. Thank you for your letter of 8th November 2013 to the Honourable Greg Hunt MP, Minister for the Environment concerning governance issues for the Kingston and Arthurs Vale Historic Area, KAVHA. As the Minister responsible for Commonwealth owned heritage property on Norfolk Island including KAVHA your letter has been forwarded to me for reply. The KAVHA site is of particular significance to all Australians and this is recognised in its National and Commonwealth Heritage Registers listings and most importantly World Heritage listing. While its significance as a convict site predates Pitcairn settlement I am conscious of its uniqueness as a living site with deep local significance for both the original Polynesian and Pitcairn inhabitants of Norfolk Island and their descendants. I am pleased that the Australian Government through its representation on the KAVHA Board, and as the major funding partner for KAVHA has been able to work with the Norfolk Island Government on the preservation and interpretation of this significant national asset. Your letter to Minister Hunt raises a number of issues around the composition of the Board and the management of the site. I do not believe that additional membership with the KAVHA Board is necessary at this time, however I do agree that the Memorandum of Understanding which was agreed prior to the current Commonwealth Heritage regime

and the World Heritage listing should be replaced. The draft Funding Agreement currently under discussion provides in my view a more appropriate mechanism to advance our shared interests, and to give clarity and surety around our respective roles and responsibilities. I would ask that any outstanding issues with the Funding Agreement be resolved as quickly as possible with a view to us making a joint announcement in the near future. I also understand that a new Conservation Management Plan for KAVHA is currently under development and I look forward to receiving a draft copy of the Plan for my endorsement in due course. In the interim can you please extend my appreciation to the KAVHA staff for the important work they are doing on behalf of all Australians. Yours sincerely, Jamie Briggs, and that letter is dated 12th February 2014 and I table a copy of that letter.

MR SPEAKER Thank you. Any further adjournment debate Honourable Members. Then I will put the question that the House do now adjourn.

QUESTION PUT
AGREED

MR SPEAKER Honourable Members this House therefore stands adjourned until Wednesday the 19th March 2014 at 10.00 am.