



**NORFOLK ISLAND LEGISLATIVE ASSEMBLY  
14<sup>TH</sup> LANI HANSARD – 18 MARCH 2015**

**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.

**SPEAKER** Honourable Members this morning there are no Condolences.

**PETITIONS**

**MR EVANS** Thank you Mr Speaker. Mr Speaker at the February sitting I tabled a Petition signed by 275 members of this community of Norfolk Island. Today Mr Speaker I table a further 79 signatures to that Petition. Standing Orders 86 rules that no discussion is allowed on Petitions but with the Speaker's agreement I would like to read the wording of the Petition.

**MR SPEAKER** Thank you Mr Evans

**MR EVANS** This Petition of certain residents of Norfolk Island draws attention to the House the serious and deep concerns within this small island community that there is an obvious inability for the majority of the Norfolk Island community to pay the proposed levy of rates and charges on land as clearly demonstrated by the Household and Business Income and Expenditure Survey 2014. Introduction of any form of levy of rates and charges on land in the present economic climate will result in the likely loss of people's land and homes. Without retention and ownership of our land we do not have a future or a way forward. Mr Speaker the Petitioners pray that this House will not pass the Land Rates Bill 2014 into law. Members know that the Bill has been withdrawn but Mr Speaker the intent of the Petition is clear, the signatories and the intent is clear and so I table these additional signatories. Thank you Mr Speaker.

**QUESTIONS WITHOUT NOTICE**

**MR PORTER** Thank you Mr Speaker. My question is to the Finance Minister. Given the number of unattained or unattainable milestone payments from the Commonwealth can the Minister advise of the budgetary impacts of this and will it lead

to severe spending cuts in the mid year review, and can the Minister advise where these savings are likely to have to come from.

MR SHERIDAN Thank you Mr Speaker and Mr Porter for the question. Mr Speaker I think it was in the February sitting that I tabled the mid year budget review and it indicated that we needed to, even though our revenue was up slightly our expenditure was forecast to be, we had to find some ways to reduce our expenditure to cover some shortfalls that we foresaw at the mid year budget review. Mr Speaker at the moment we do have sufficient funds in the revenue fund to facilitate most of the expenditure in this financial year but that of course is not our preferred method of operation, expending funds that we have in our accounts you might say. We would like to see that the budget is a balanced one you might say there Mr Speaker. I don't intend to put in a new Appropriation Bill. We will manage our funds throughout the year by identifying savings where possible. It's very difficult to know exactly how much revenue we will get from the \$7.5m that Commonwealth has provided us under a Funding Agreement. That is very dependent upon this House seeing their way to passing legislation which there is some, it's approximately \$2m I believe worth of funds that legislation depends upon. Some of that will come up today and some at the future sittings of the Assembly. So Mr Speaker it is a difficult task. Where the savings will come from. We have pencilled in some areas where we may see some funding being reduced but until you might say at the completion of today's sitting I wouldn't like to alarm any sectors of the community. I think the Minister's know quite well where we have identified where some funds may come from but until then Mr Speaker things will become a lot clearer after today and then we will be able to detail exactly if there is a need to reduce expenditure where those funds will come from, what areas will be reduced. Thank you Mr Speaker.

MR NOBBS One for the Minister for Finance. I've got a couple on fuel. Has an investigation been initiated as to the reasons despite the obvious ongoing restraints related to weather the reasons why the recent fuel crisis occurred and what are the results to date.

MR SHERIDAN Thank you Mr Speaker and thank you Mr Nobbs for the question Mr Speaker and Mr Nobbs for the question. Mr Nobbs I have requested that a report be provided to me on our recent fuel shortage situation which commenced in late January and thankfully it has now passed, but I have requested that the Service provide that to me once all factors are known and that includes the cost of fuel on the tanker, the ultimate cost because as we know we had two tankers come to Norfolk Island which will incur some debt demurrage charges for sitting around idle for a period of time, and until that cost is known I don't expect to receive that report from the Service in regards to the fuel shortage that we experienced Mr Speaker.

MR NOBBS Just a point in relation to that last segment of the response Mr Speaker. Can you advise, when you talk about the cost of demurrage is it purely up to the shipping company to set that figure or has the island an opportunity to question their actual action in not proceeding into Ball Bay. Is it a one way street or do we have a mechanism where we can question them on their actions.

MR SHERIDAN Thank you Mr Speaker and thank you Mr Nobbs for the question. I don't really believe so Mr Nobbs. I think as you say it's a one way street. We're provided the cost of the fuel after the tanker has returned to its home port

so that the shipping company and the people who provide the fuel the company who pays for the fuel, all their costs are known. Those costs are then onforwarded to the Administration and I don't believe that there is a breakdown within the costs of the individual component that make up that final costing.

MR NOBBS Further one on fuel. Would the Minister please update the community on the current status of contractual arrangements, I understand commenced over 6 months ago related to the supply of fuel to Norfolk Island.

MR SHERIDAN Thank you Mr Speaker and Mr Nobbs for the question. Yes Mr Nobbs that has been a drawn out tender process you might say. Back in august last year I think it was commenced but it's envisaged that by the 23<sup>rd</sup> March from the latest paperwork that I've received is that the evaluation of that tender will be provided to the Tenders Committee, that's next Monday the 23<sup>rd</sup> March and then there is a process that if the Tenders Committee sign off on that, then it has to go to the Commonwealth Minister for approval because it's over \$1m and then we can move forward with the intention under the that tender process.

MR NOBBS Supplementary on that. I've got a couple of supplementaries. I'll just ask a couple and then I'll give somebody else a go. Under the proposed arrangements can the Minister please advise has the Norfolk Island Government the ability in any way to regulate pricing of fuel to the community under the proposed arrangements.

MR SHERIDAN Thank Mr Speaker and Mr Nobbs. Under the proposed arrangements it will virtually go back to what the fuel situation was some seven or eight years ago when Mobil used to bring their fuel in and pay for a distributor. It will be up to the private sector to set that price. The government will not have any control over what price they set as in most private sector activities. The only way that the government will have under their current legislation to ensure that the price is there is to our Fair Trading Act or the equivalent and the name eludes me at the moment. Under that there is some ability for us to monitor the fuel and to ensure that people aren't being unfairly gouged with the price of fuel.

MR NOBBS Minister why was the contract not available for an initial ten year period but for five years with what appears as an extremely extendable further five year period.

MR SHERIDAN Thank you Mr Speaker. Mr Nobbs I believe the reasons why that contract was for a shorter period than say ten years is due to the sub leasing of the Ball Bay fuel tanks. Currently the Administration holds that lease and it was a ten years lease. We have three years to run on that lease. As part of the tender process we requested that people sub lease that from the Administration and it's the intent on the completion of three years that then they would approach the Commonwealth hopefully and take that lease up in their own right. So that's why it's not a ten year lease you might say. There will be some further negotiations as the contract goes down the line towards that expiration date of ten years for the Ball Bay tanks for the Administration and there will need to be discussions as to who holds the lease over that facility.

MR PORTER A supplementary on the same thing please Me Speaker. Could the Minister update us if there is any investigations to the prospect of some form of guarantee minimum levels of fuel for the provision of fuel for the public.

MR SHERIDAN Thank you Mr Speaker and Mr Porter for the question. I don't recall in the tender documentation that there is a need to have a guarantee that minimum supply of fuel for the community. The actual tender process that was undertaken was actually a provision of fuel to the Administration for their uses and part of that was the sub leasing of the Ball Bay tanks. So it's intended that the person or the people or the company, whoever is successful in sub leasing those Bally Bay tanks from the Administration will then have the ability to import fuel, and that's to import fuel not only for the Administration but for the community as a whole. But no there had not been any stipulations as to the minimum requirements to be held within those tanks for the security of not only the community but the Government as well.

MRS WARD Thank you Mr Speaker. My question is to the Minister for the Environment. Is it a fact that the argentine programme has stalled due to this years financial funds being exhausted, and if so, what can the Minister do to ensure that this essential biodiversity saving programme is not permanently stalled.

MR WARD Thank you Mr Speaker and Mrs Ward for the question. My understanding is that there has been a shortage of funds for the continuation of the project and that the Service is working on reassigning funds to ensure that that project does continue. So Minister Sheridan may be able to confirm if that is correct but that is my understanding of it.

MRS WARD Thank you Mr Speaker. A question to the Chief Minister. Given the Chief Minister's Media Release in the local paper on the 21<sup>st</sup> of February 2015 which included the quote and I will quote Mr Speaker "Ms Brockman also suggests that there are no unemployment or healthcare benefits etc on Norfolk Island. This display is a total ignorance of the true fact in that persons in that pensions and benefits are afforded to the residents of Norfolk Island by the Norfolk Island Government". Will the Chief Minister provide details of the types of unemployment benefits provided on Norfolk Island, the qualification criteria, and the dollar amount of each of the unemployment benefits.

CHIEF MINISTER Thank you Mr Speaker and Mrs Ward for the question. The unemployment benefits that apply here are hardship benefits and its benefits for those in an emergency situation and they I understand equal very much the same rate as the pension Mr Speaker, but for more information I will of course I will refer that to the responsible department for full detail, but that's the type of unemployment benefits that are available for hardship Mr Speaker.

MRS WARD Thank you Mr Speaker. A question again to the Chief Minister. In relation to the draft Norfolk Island Strategic Vision will the Chief Minister explain the process that is being used to determine which of the community's feedback and views will be included in the final vision and which are to be excluded.

CHIEF MINISTER Thank you Mr Speaker. There is to be a meeting of the Cabinet members in the very near future, next Friday to determine exactly the way

forward for the Strategic Vision and the views that have been expressed by members of the community will be taken into account at that time and report will be forthcoming to the House Mr Speaker.

**MRS WARD** A question to Minister Adams with responsibility for both Health and Education. In relation to health reforms what is the Norfolk Island Government's position in relation to the Smythe report findings that multi jurisdictional discussions take place with a view to Norfolk Island health legislation aligning with NSW legislation.

**MS ADAMS** Thank you Mr Speaker and Mrs Ward for the question. I thought at an earlier sitting maybe the last one I did advise that Legal Counsel LSU is now currently preparing a draft consolidated as proposed under the ???. When we get that it will be made available for consideration and consultation. It is a milestone requirement.

**MRS WARD** A supplementary if I may seek clarity as to whether the intent is to align the Norfolk Island health legislation more closely with NSW legislation.

**MS ADAMS** I'll take that On Notice. I don't want to mislead the House with my response. I'll take that On Notice.

**MR NOBBS** Just a question and comment. Wouldn't it

**MR SPEAKER** It's question time

**MR NOBBS** Minister wouldn't it be appropriate if we were to confine these utilising other States or Territories legislation to one particular State. Surely it would be more appropriate as far as the updating of the legislation etc etc and I would suggest

**MS ADAMS** Thank you Mr Speaker and Mr Nobbs. I couldn't really agree with you on that. The logical position that I would see at this time would be with NSW because of the fact we the MOU with South East Sydney Local Health District and that's the body that we are working closely to provide services to this community.

**MRS WARD** Thank you Mr Speaker and again to Minister with responsibility for Education along similar lines. Given that the Norfolk Island Education Review 2014 tabled in the House in September last year made similar recommendations what is the Norfolk Island Government position in relation to the Education Report Recommendation 1 being that there be multi jurisdictional discussion with NSW and that where appropriately relevant NSW legislation extends.

**MS ADAMS** Thank you Mr Speaker and Mrs Ward. At this point in time there is no clarity around our governance model going forward and everything seems to be a little bit in limbo. You can have all the wonderful aspirations in the world but until such time as we have clarity around our governance model going forward and whether or not Norfolk Island will continue to be aligned with NSW South East Sydney Local Health District, equally with NSW Department of Education and Community all remains to be seen. That's the current position for Norfolk Island and that's the current

position that we will continue to pursue, but it's very difficult at this time to do anything else without the certainty as I'm sure you would appreciate.

MRS WARD Mr Speaker a supplementary if I may link Health and Education together for easy reference. I'm not clear on what the Norfolk Island Government's aspirations are in this areas and that's what I'm asking. What is the Minister or the Government doing to progress these matters in the area of Health and Education for the benefit of the community.

MS ADAMS Thank you Mr Speaker and Mrs Ward for the question. I think the aspirations of the Norfolk Island Government are the same as the aspirations of this Parliament and that's really spelt out in the Norfolk Island Preferred Model of Territory Governance going forward which has very clear parameters under Health and Education for work into the future and I repeat until we have certainty around our governance model going forward we can have all the aspirations in the world but how do we bed them down. There is no pint in my starting multi jurisdictional discussions until we know where we're going.

MRS WARD Just for clarity if I may Mr Speaker. Under the Government's Preferred Territory Model of Governance does the Norfolk Island Government aspire to maintain and deliver the same standard of Education and Health, the delivery of health service on Norfolk Island as are delivered in Mainland Australia and does the Norfolk Island Government intend to mirror another State or Territory's legislation or does it prefer to see the extension of another State or Territories legislation to the island for its use.

MS ADAMS At this point in time I see that question as somewhat hypothetical Mr Speaker. The Norfolk Island Government and I'm sure this Parliament aspires to the very very best health services and education services for Norfolk Island. How that will emerge is dependent on where we end up with our Preferred Model of Governance going forward. I can give you nothing further at this time other than an undertaking that we will be doing everything to ensure the very best outcome for Health services and Education on Norfolk Island into the future. I can give you nothing further at this time.

MRS WARD A supplementary if I may. Is the Minister saying that she and her Government have done nothing to pursue this detail to date with the Commonwealth.

MS ADAMS I'll take that On Notice

MRS WARD A simple question. Have you don't anything or not.

MS ADAMS Mr Speaker I have not entered into discussion, multi jurisdictional discussion on these issues, correct.

MRS WARD Has any discussion taken at this level with the Commonwealth or with the Administrator on the island as a representative of the Commonwealth.

MS ADAMS

At this point in time Mr Speaker no.

MRS WARD

Will the Minister explain why, given the Administrator's invitation to have a discussion on these issues around Education last September when the Education Report was tabled.

MS ADAMS

I'll take that On Notice.

MR NOBBS

I've got a question for the Minister for Heritage. Would the Minister please update the community on an issues within the Kingston area involving the appearance of some five months ago of what appears as Police tape around certain facilities and buildings. It was a very public display and it was claimed to be classified that the buildings and facilities were dangerous. As the Police tape has been suddenly removed can the Minister advise the reasons it was put up. The reasons why it was removed and what the process is from here.

MS ADAMS

Thank you Mr Speaker and Mr Nobbs for the question. I'll respond only very briefly to say that I will take it On Notice and prepare a report for the House for the next sitting but I can say in the meantime my understanding that Engineers have been and prepared a Report. Obviously it has been found to not be the difficulty that the Administrator had though was the difficulty at the time that caused the tape to be put up, and I will respond in depth on that at the next sitting.

MR NOBBS

A supplementary. Has the relevant Commonwealth representatives and Officers been counselled in relation to their action.

MS ADAMS

If your asking by myself the answer must be no Mr Speaker.

Mrs ward

Thank you Mr Speaker. A question to the Minister for Cultural Heritage and Community Services. IS it a fact that the Norfolk Island Government's policy position in relation to benefits, particularly the hardship benefit under the Social Services Act reads or is intended that the hardship benefit is now to been as an unemployment benefit.

MS ADAMS

Thank you Mr Speaker and Mrs Ward for the question. I'm not sure where your getting that information from

MRS WARD

The Chief Minister sitting beside you. He just said it earlier when he referred to unemployment benefits he meant the hardship benefits. I'm seeking clarity from the Minister responsible.

MS ADAMS

Mr Speaker thank you.

MR SPEAKER

i just make this comment as a reminder really. A number of questions have been indicated as being taken On Notice. There is a requirement that the asker of the question actually records that as a question On Notice. It doesn't just rest with the Minister, just a reminder.

MRS WARD

Thank you that's why so many are on there.

MR NOBBS This is for the Minister for Environment. Would the Minister please enlighten the community on any progress made in relation to the Temperate East Marine Region, Commonwealth Marine reserves network as it relates to the 200 mile zone around Norfolk Island, economic exclusive zone around Norfolk Island, particularly related to the community involvement in the process set in place by the Commonwealth.

MR WARD Thank you Mr Speaker and thank you Mr Nobbs for the question. Mr Nobbs on the 15<sup>th</sup> February I attended the Commonwealth Marine Reserves Review for the Temperate East Reserves. There was a working group there shared by Mr Peter Cochrane who many people here will remember from National Parks days and a Professor Colin Butson a long with a support team both administrative and the working group supporting them in that role. Following discussions I had with the NIFA Norfolk Island Fishing Association I made representation to this Temperate East Review about the Norfolk Island in particular that we seek to have the "box", the area around Norfolk 67 by some 40 nautical mile area defined in the Plan of Management and they were very open to that. They immediately referred the question to their administrative staff. They could see no reason why that shouldn't proceed at that point. There was a wide range of discussions took place there and it was very positive and I invited the Temperate East Review team to come to the island because I believe there is a number of stakeholders who would like to have met with them directly, and they certainly took that on board. Whether they are able to get here and do that or not remains to be seen but they have certainly taken that indication on board. The Temperate East Review is open until towards the end of March as I recall and I would urge people to have a look at the website and the material available on it and make submission if they feel like doing. Thank you.

MR NOBBS Just a supplementary. Minister from your meeting can you clarify a particular issue. Prior to the election the current Commonwealth Government is reported to have stated that it would after the election which it won't and in response to community concerns in Australia undertake a review of all the areas contained within Reserves and other restrictions in the areas around the EEZ, around Australia and Norfolk Island and Lord Howe etc. Is this current exercise that's going on, a review as promised pre-election, that's a review of all the exact areas or is it merely a review of a management plans proposed for those areas established by the previous Government.

MR WARD Mr Speaker I think I'll take that one On Notice to be sure I'm not misleading the House. Certainly this process was instigated as a result of an election promise that was made and beyond that I'll take it On Notice because I just don't want to be misleading the House on this without looking up some of the material we've referred to. Thank you.

MR NOBBS This is to the Minister responsible for Commonwealth negotiations I presume that's the Chief Minister. When the Norfolk Island Territory model was first passed by a previous Assembly and I think it was passed, but anyhow it was accepted, not this one, as I understand it. I'm talking about the first one, as I understand it it included acceptance of a Commonwealth taxation arrangements extending to Norfolk Island.

CHIEF MINISTER                      That is correct

MR NOBBS                              Is it correct that the then Norfolk Island Government and Parliament agreed for all Commonwealth taxation arrangements including not only personal tax but also business tax.

CHIEF MINISTER                      Mr Speaker again of fear of misleading the House I will have to take that question On Notice. I don't have the Norfolk Island Territories model of governance in front of me but I'll take that On Notice and report back to Mr Nobbs.

MR NOBBS                              I've got a supplementary that follows on that. In bringing in the proposed new governance arrangements to the Parliament for endorsement did the Norfolk Island Government of the day supply any analysis of the positive or negative impacts of the introduction of tax and particularly business tax to Norfolk Island. Maybe a simple cross benefit analysis.

CHIEF MINISTER                      Thank you Mr Speaker and Mr Nobbs for the question. It is my understanding that that did not happen but again in fear of misrepresenting the House I will seek further clarification of that Mr Speaker.

MR NOBBS                              It's for the Minister of the Environment. I've been asked this one this morning. Has, following the article in the Norfolk Islander on the weekend in relation to how the home owners can attend to the problems that are created at the Waste Management Centre. Are the Waste Management Centre undertaking any exercises in relation to their own advice.

MR WARD                                Thank you Mr Speaker and Mr Nobbs for the question. I happened to be fairly busy last Saturday and didn't get to reading the paper this week, so I'm afraid I haven't seen the article you refer to or what suggestions were in there that leaves me in a position of being unable to answer your question, but if you can enlighten me as to what those recommendations were or what initiatives were suggested.

MR NOBBS                              This is to the Minister responsible for the Public Service. Why is the current suspension of three Public Servants being conducted in such secrecy.

CHIEF MINISTER                      Thank you Mr Speaker and Mr Nobbs for the question. This is an operational matter, it's a matter that is being handled by the Administration and there are certain sensitivities around the matter Mr Speaker and they are conducting it as per the Public Service guidelines.

MR NOBBS                              Supplementary. Minister if there was a need for suspension why are the Officers still being asked

MS ADAMS                                Point of Order Mr Speaker. Standing Order 72A

MR SPEAKER                            I'm aware of Standing Order 72A thank you Minister.



at the time by the Government that we would remove ourselves from the segment that we currently hold in the train of the fuel, that we would remove ourselves totally from the process of having any involvement in the fuel. But no there was not a cost analysis done as to whether or not the price would go up or go down, and just in reference to your last query Mr Nobbs there is a GST is on the wholesale price. There is a GST component.

MRS WARD Thank you. One to the Chief Minister please. It's in relation to the Norfolk Island Returned Services League Sub Branch, the RSL article in the paper on the 14<sup>th</sup> of this month in relation to the commemoration of the ANZAC Centenary. Does the Chief Minister believe that as the head of Government it's his role to influence the RSL one way or the other in terms of or particularly in relation to the singing of the Australian National Anthem.

CHIEF MINISTER Thank you Mr Speaker and Mrs Ward for the question, interesting question. Difficult to answer at this time. My personal opinion is that I don't think the Chief Minister should have any influence over the decision of the RSL given what they conduct on ANZAC Day. It's a day for them. My answer to that is no, I would not have any influence over their decision. Interesting question.

MR PORTER I just wanted to ask a supplementary in terms of the fuel so to the Minister for Finance/ If there is GST applicable to the wholesale price of fuel is there an input tax credit then claimed back or in the retail sale of fuel are we paying GST on GST, a tax on a tax.

MR SHERIDAN Thank you Mr Speaker and Mr Porter for the question. I would presume that there would be an input credit claim by those next down the line.

## QUESTIONS ON NOTICE

60 Mrs Ward to ask the Minister for Cultural Heritage and Community Services –

MS ADAMS Thank you Mr Speaker and Mrs Ward for the question. The question reads. Did the Norfolk Island Government make submission to the draft R&S Muller Health Services Survey Report and Response to the Draft Health Services Plan Report and if not why, and; when will the final R&S Muller reports be released to the Norfolk Island Government. Mr Speaker the Norfolk Island government did not make a formal submission as the purpose of the exercise was to undertake community consultation. I am advised that the Norfolk Island Advisory Board met on two occasions with Sam Muller as part of the consultation process and at the conclusion of that process they again met with Miss Muller to obtain feedback on the consultation process. The final report was received in February and is published on [norfolkisland.gov.nf/hospital/reports](http://norfolkisland.gov.nf/hospital/reports). For the record I table the introduction in the 3 February 2015 R & S Muller Response to the Draft Health Services Plan which explains what the project is about and gives a summary of phase 1 of the exercise. Three core action emerged items emerged from phase 1. They are 1) Benchmark Norfolk Island against Australian data which will allow a comparison to be made in terms of the comparative level of need of Norfolk Island residents to all Australians 2) Establish trends across time by repeating the Health Needs Assessment Survey at regular and

consistent time intervals to test if health services are meeting existing and emerging need and 3) Work with health professionals to interpret the data. This very comprehensive report has been considered by the Board which has concluded that it provides a very sound basis on which to develop the 5 year Health services Plan . I also table Mr Speaker the final response to the Draft Health Services Plan, the response to the Health Survey and the accompanying appendices and I plan to provide a copy of these documents to the local Library for their needs so that those people that don't have access electronically are able to have access to the documentation.

#### **61 Mrs Ward to ask the Minister for Cultural Heritage and Community Services**

MS ADANS Thank you Mr Speaker and thank you Mrs Ward for the question. The question reads Will the Minister provide a definitive timeframe in relation to the development of a five year health services plan for the Norfolk Island community and; will the Minister confirm that both the Norfolk Island Hospital Enterprise Advisory Board and Director have provided written advice in response to the draft Nexus and R&S Muller reports? In response now that the R & S Muller final report has been received the Director will be seeking input from the Government, Advisory Board, Hospital staff and community and assistance from the Governance Unit at South East Sydney Local Health District on the development of the Health Services Plan, and I am aware that that discussion has already commenced. This process will commence shortly. I am advised that the Advisory Board does not support the draft Nexus Report and it was determined that due to the very limited consultation with the community and important stakeholders this report was flawed, and as of course we know this is the reason why we engaged R & S Muller because of the deficiencies in the Draft Nexus Report. Thank you Mr Speaker.

#### **62 Mrs Ward to ask the Minister for Cultural Heritage and Community Services**

MS ADAMS Thank you Mr Speaker and thank you again Mrs Ward for the question. The question reads. Will the Minister explain how the five year health services plan fits into the Norfolk Island Government's Preferred Territory model of Government; which health services have been identified by the Norfolk Island Government as essential; how will these services be delivered and how will they be funded? In response Mr Speaker. The Preferred Model for Territory Self-governance proposes that State type functions such as health will be retained by the Norfolk Island Government but the costs would be shared with the Commonwealth Government as happens with all other States and internal Territories of Australia, as a result of Norfolk Island being part of the Australian taxation system. In terms of essential health services the report by R&S Muller has identified a number of priority health services. These services include dietary advice and obesity management, maternity services, aged care services, and surgical services. Although according to the input from the community sessions Mental Health Services were deemed to be of a low priority, these services have subsequently been identified as a priority and will be treated accordingly. I am advised that discussions are being held with Mr Gerry Marr, Chief Executive Officer of the South East Sydney Local Health District as to what assistance can be provided in the area of mental health. Pending resolution of the model of governance for Norfolk Island, I am advised that funding for these services will be provided from within the annual Hospital Enterprise budget.

**63 Mrs Ward to ask the Minister for Cultural Heritage and Community Services**

MS ADAMS Thank you Mr Speaker and Mrs Ward for the question. The question reads. Given that the Norfolk Island Hospital Enterprise operating theatre has been closed because it does not meet Australian Council on Health Standards (ACHS) standards for elective surgery; what is the Norfolk Island Government's policy position in relation to the ongoing provision of elective surgical procedures at the local hospital and if the policy is to re-open the theatre; how will the policy be funded? In response Mr Speaker. The Norfolk Island government has not altered its policy to provide best practice health care services to the community of Norfolk Island. I am advised that hospital staff are currently working on the development of policies and procedures and undertaking relevant courses in Infection Control and Central Sterile Supplies education. In terms of funding I can provide the following information: The work to bring the operating theatres up to standard has been identified and builders and electricians have provided preliminary costings for this to occur. Funding is being identified from within the Norfolk Island Hospital Enterprises budget to undertake this work. Discussions are also being held with Norfolk Island Service Clubs with a view to seeking agreement to utilize the funds that were allocated to upgrade the Mawson Units, to be used to upgrade the theatres to accreditation standard.

**64 Mrs Ward to ask the Chief Minister and Minister for Tourism**

CHIEF MINISTER Thank you Mr Speaker and Mrs Ward for the question. The question reads. Will the Chief Minister table in tabular form the number of visitors who come to the island annually as a result of marketing and promotion from the following areas. 1) The Annual Norfolk Island Government Tourist Bureau Funding Grant 2) Sporting Clubs 3) Music events 4) Art and Craft events and 5) Other areas not listed above. Mr Speaker I advise as follows. The arrival statistics are collected by the Customs and Immigration Department. Of information from the arrival cards and then formatted and published by the Norfolk Island Government Tourist Bureau. The Norfolk Island Government can currently provide visitor statistics for the following. Period of arrival, arrival method, whether by airline or cruise ship. Additional to this arrival by air can also provide as overall visitor numbers as a comparison of overall all incoming arrivals, by port of departure, by country of origin, by State of origin Australia. Broken down private accommodation versus public accommodation by average bed nights, by gender demographics and by age demographics. There is no current requirement for arriving visitors to provide information that would allow the breakdown of arriving visitors into the areas listed. There is also no requirements from any Clubs, Associations or other organizations to provides reports to Government on results of their own marketing and promotions. The only figures specifically collected for events are those who have received grant funding from the Norfolk Island Government Tourist Bureau Events Funding Policy. These are recorded in the General Manager's six monthly and annual financial year reports. With regards to the funding of the Norfolk Island Government Tourist Bureau it is important for all stakeholders to recognise that the Norfolk Island Government annual grant that the Norfolk Island Government Tourist Bureau receives is to provide a series of outcomes that are outlined in the Norfolk Island tourism Strategic Plan 2013-2023. The Norfolk Island Government Tourist Bureau two year action plan and the annual Norfolk Island Government Tourist Bureau budget submissions. The visitor numbers statistics outcome for which last financial year and the current financial





submission. While the Administrator in a Media Release on the 6<sup>th</sup> August 2014 (copy attached at that time) made reference to the establishment of an Administrator Business Advisory Group. To date the Norfolk Island Government has received no official notification of the establishment of that group. With the engagement of an Economic Development Officer that group, if and when established could feed their views on ongoing and new economic development directly to that Officer. I will look forward to your response and comments to this important decision and direction in securing the economic recovery of Norfolk Island. Mr Speaker for the advancement of those recommendations in a constructive and positive manner the employment of an Economic Development Officer is critical to that Mr Speaker. This issues was also raised previously as I mentioned with the Administrator Neil Pope on the 17<sup>th</sup> April and the current Administrator in a Media Release on the 6<sup>th</sup> August. We had hoped that a collaborative dialogue would have eventuated from those meting of the group by this time. Mr Speaker as I have said on numerous occasions the current uncertainty on governance issues of Norfolk Island which has been created by the Commonwealth and prolonged by their inaction, secrecy and silence has had a significant negative effect on economic activity on Norfolk Island. The Norfolk Island Government remains committed to working jointly with the Commonwealth in securing the economic recovery of Norfolk Island and we remain hopeful the Commonwealth will embrace us in that process. Thank you Mr Speaker.

MRS WARD Thank you Mr Speaker. Given that the Chief Minister has highlighted that one of the recommendations that the Infrastructure and Business Development Committee actually hasn't supported, hasn't supported the creation of an Economic Development Officer, they in fact raise very serious concerns around the creation of an Economic Development function I ask the Chief Minister to come back to the question. Which of the recommendations has been actioned by his Government that have been supported, put up by this group and provide a brief progress report on each of those items.

CHIEF MINISTER Thank you Mr Speaker. We have approached the Minister on the introduction and the inclusion, for example in the South Pacific Commission as recommended. We have looked at some economic development areas of overseas banking units, the exclusive economic zone around Norfolk Island, fishing and so on, but for further details on that Mr Speaker I don't have with me at this time.

MRS WARD Mr Speaker given that this a Question On Notice, it's a very simple question, there is a list of 24 recommendations, which of these recommendations has the Government actioned, and would he please provide some detail, brief detail on those areas.

CHIEF MINISTER Thank you Mr Speaker. I'll take that On Notice. I don't have the answers in front of me. There have been some but I thought the answer to the question would have been sufficient at this time.

#### **67 – Mrs Ward to ask the Chief Minister and Minister for Tourism**

CHIEF MINISTER Thank you Mr Speaker. The question reads given that the Norfolk Island Government Fact Sheets dated January 2015 state that the Norfolk Island community could be exempt from all GST and Customs duty will the chief



those letters. Letter to the Honourable Jamie Briggs on the 21<sup>st</sup> November 2014 it reads – “Dear Minister, we are writing to you seeking your assistance and support for our united way forward to resolve the current Norfolk Island governance debate. As you would agree we need to develop a platform for moving forward that lifts that discussion to a level of trust and co-operation that will enable an outcome for change that is collectively agreed and jointly implemented. Accordingly we propose that the Federal Government and the Norfolk Island Government agree on the following set of principles process and timelines for moving forward. Principles – 1) Agree that the current governance model needs to be modified 2) Both parties agree to design a modified governance model or models and that the models be fully discussed with and costed by the Federal Department of Finance. 3) That the model or models need to a) have a democratic elected representation b) provide the best efficient and cost efficient delivery of service c) identify clearly the division of responsibilities between the Federal Government and the Norfolk Island model. 4) There will be one final model that is recommended for adoption and implementation. The process – 1) Identification of the division of responsibilities between the Federal and Norfolk Island Governments. 2) Evaluation of the most efficient and cost effective delivery of service of those functions identified as Norfolk Island Government and all commonwealth Government responsibilities. 3) Identification and development of governance model or models that support that delivery of service 4) Costing of the model or models by the Federal Department of Finance 5) Identification of an agreed governance model arising from the above process 6) Agreement on the legislative amendments to facilitate the introduction of the agreed model. The timeline – Consideration of the following timeline for the development of the final agreed model and the implementation of change. A) Now through to the 31<sup>st</sup> March 2015 for the identification and costing of the preferred model. B) 1<sup>st</sup> April 2015 to the 30<sup>th</sup> June 2015 implementation and planning of the new governance model. C) 1<sup>st</sup> July 2015 ongoing implementation of the new governance model. We further propose that during the process to identify and agree on a model there will not be a recommendation to Federal Cabinet on a model outside of the above process and timelines. An essential factor in these suggestions is that the discussions on the principals and process are face to face with the relevant decision makers. Signed by myself and yourself Mr Speaker. A copy of this letter was forwarded to the Honourable Tony Abbot MP Prime Minister, the Honourable Warren Truss MP, Minister for Infrastructure and Regional Development, the Honourable Joe Hockey MP, Treasurer, and Senator the Honourable Mathias Cormann, Minister for finance. Mr Speaker the other letter I refer to I wrote on the 13<sup>th</sup> February, 2015 to the Assistant Minister the Honourable Jamie Briggs MP “Dear Assistant Minister Jamie, the Norfolk Island Government has recently conducted community meetings to discuss the matters of governance on Norfolk Island, economic development for Norfolk Island, government business enterprises and transition to the Australian taxation and medicare and Social Welfare systems. Those meeting attended by over 220 residents overwhelmingly identified the necessity for more information to be provided to the Norfolk Island community. It was clear from both meetings by those present for a unanimous desire for both the Norfolk Island and Commonwealth Government’s to work in a collaborative manner on the above issues prior to a decision by the Commonwealth. To facilitate those discussions we will establish a task force to work in conjunction with you and Departmental Officers to enable mutually agreed approaches on those matters. This would then enable both Government’s jointly to present those outcomes to the residents of Norfolk Island as a positive and united way of moving forward. We are available to meet with you to pursue those matters as soon as possible. The uncertainty

surrounding the future governance of Norfolk Island by the Commonwealth lack clarity on governance reform, timing and details is detrimental to both business confidence and the Norfolk Island Government's ability in knowing the ongoing status of any legislation it may be considering to pass within the Funding Agreement requirements. Accordingly if that offer is unable to be taken up by you I would request that the Commonwealth Government determines its position on the Norfolk Island's governance model as a matter of priority and the timing of that process is made available to the Norfolk Island Government and community as soon as possible. I seek your earliest reply. Mr Speaker the sooner the Commonwealth's stops this perceived nonsense of silence and embrace the Norfolk Island Government and the Norfolk Island community on those matters, the better Mr Speaker. On the question of the damage on the rollout of the Australian taxation system could have on this community Mr Speaker, it was encouragement Mr Speaker that Assistant Minister Briggs indicated at a meeting in Adelaide on the 8<sup>th</sup> October last year that the introduction of the Australian taxation system could be decoupled from the introduction of the Social Welfare system. It would be both inconceivable and irresponsible for the Commonwealth not to stage any proposed entry into the Australian taxation system. The Norfolk Island government looks forward to the Commonwealth showing a more participative approach to the issues the member raises Mr Speaker to ensure their action does not cause more hardship to this community than that already has been imposed by their lack of transparency and action. Thank you Mr Speaker.

MR SPEAKER Thank you Chief Minister. I note that you have covered both Questions On Notice 68 and 69. We are moving to No. 70.

#### **70 – Mrs Ward to ask the Minister for the Environment.**

MR WARD Thank you Mr Speaker and thank you Mrs Ward. Question 70 stands in my name from Mrs Ward and reads. Will the Minister table Dawson the Dog Customs and Quarantine Project Plan, including all additional infrastructure plans and funding requirements, and where the expenditure of funds is allocated. The Quarantine dog Dawson was gifted from the Department of Agriculture to Norfolk Island. The dog is a highly trained and effective quarantine detector dog. The dog is only a Quarantine dog and no Customs services and assistance is likely to arise from his duties. His targets are only for quarantine issues. The initiative was undertaken as part of the Norfolk Island Quarantine Survey which had a quarantine capability and capacity building component built into the project. The initiative was developed and organised at officer level, so I as Minister responsible for Quarantine was consulted and supported the concept from the outset. Initially there was consideration given to a jointly funded project to build a small extension to the air passenger arrivals area to offset some concerns that the deployment of the dog might add to the congestion of that limited space. In fact the detector dog seems to be operating very effectively, moving among the crowds before moving to an area behind the conveyor belt, monitoring the incoming luggage. There is a possibility that a small area may need to have a piece of carpet fitted to minimise risk to the dog as it goes about its work, and ideally where the dog related or not, hopefully we may ourselves apply the funds needed to undertake the extensions to make the visitors first impression a little more welcoming and comfortable. Importation costs, initial Veterinary support, handler training, cages and primary feed supplies were provided with detector dog. As well as monitoring incoming aircraft passengers, the dog is monitoring air freight, sea

freight, and cruise ship passengers. The handlers have been well trained and are very competent. We consider the impact to our local produce of unintended passage of some pests and a huge cost associated with trying to eradicate these, a detector dog is a well justified expense. Initially there was a very high detection rate, and noticeable more produce being binned by passengers. There will be a need to budget in future years for the upkeep of the dog and for its ultimate replacement, if the decision is maintained that the dog is an essential aspect of our Quarantine service. May I take this opportunity to place on record my appreciation for the Department of Agriculture for this well considered and generous initiative, and I do have the plan that I can table as requested, although it doesn't cover the financial aspects of that was Commonwealth budgeted and nor from our funding. Thank you Mr Speaker.

MR NOBBS Can the Minister advise how many prosecutions they've had to date with the dog?

MR WARD I would have to take that On Notice. That's an operational matter and I would have to take that On Notice.

MR PORTER My question is along that same vein but a little bit more information required Mr Speaker. I was asking does the plan include infringement activity and if it has commenced as the previous question asked, or when will it commence and does it include a public education programme to advise our community of these laws and the consequences of contravening them.

MR WARD Again just in the light of not misleading the House I would be better to take that On Notice and give detailed answers.

MRS WARD Mr Speaker if I may a slight contradiction in the Minister's response around jointly funded, the extension that was required was jointly funded, however the Minister has just stated that

MR SPEAKER Is there a question

MRS WARD that there wouldn't be any funding, which is it. Who is to fund this project.

MR WARD The extension to the building is really a separate issue to the introduction of the dog. The dog has been introduced here, it's functioning and that project is pretty much completed, although of course it is an ongoing process to have the dog there. The extension to the building was proposed I believe by the OIC of Customs who believed there would be problems around having the dog operating in that area and ideally we would do that extension but it had been proposed that the Commonwealth would fund that project as a part of this dog introduction but in the end those funds were withdrawn and so for the small amount that's involved which is around I believe \$30,000 it's not inconceivable that we could take that extension on if it's deemed necessary. Thank you.

MRS WARD Thank you Mr Speaker. Is the Minister saying that there was a funding commitment given by the Commonwealth's Department for Agriculture to fund the Airport infrastructure, the terminal extension.



Cultural Heritage and Community Services. The Principal, each term, is required to undergo a formal performance evaluation with the Director of Public Schools Hasting, who is responsible for ensuring that the Principal meets all requirements of management of the school and signs off on the Principal's performance and accountability. The Principal must carry out all mandatory requirements of a Principal of a NSW Department of Education and Communities including effective management of the school, the Annual School Report, School Management Plan 2015-2017, National Register for Disabilities, Evaluation and Assessment requirement for K-12 school and is responsible for ensuring that all DEC staff have appropriate Training and Development and mandatory annual training e.g. Code of Conduct and Complaints Handling process, WHS, anaphylactic training.

MR SPEAKER

Thank you Minister Adams.

**74 - Mrs Ward to ask the Minister for Cultural Heritage and Community Services –**

MS ADAMS

Thank you Mr Speaker and thank you Mrs Ward for the question. The question reads. Is it a fact that NSW Department of Education and Communities (DEC) teachers employed at the Norfolk Island Central School are not allowed to engage directly with the responsible Norfolk Island Government Minister in relation to their seconded role, and if so; will the Minister explain the reasoning behind the policy? In response - There is no written policy to prevent a teacher engaged at the Norfolk Island Central School contacting the Minister with responsibility for Education.. However I have put in place a process whereby if a teacher seeks to meet with me I advise them that under normal circumstances I would have the Principal present unless circumstances indicate otherwise. However Teachers are bound by their terms and conditions of engagement set out in the Memorandum of Understanding between the NSW Department of Education and Communities and a copy of the MOU has been provided to those teachers engaged under the MOU. The Memorandum of Understanding clearly provides the framework for the engagement of NSW Department of Education and Communities teachers to the Norfolk Island Central School and terms and conditions of appointment which amongst other things provides: "... the teacher will comply with, and be bound by, the Department policies and procedures applicable to persons within the Teaching Service (all necessary changes being made) including the Department's Code of Conduct." Thank you Mr Speaker.

**75 Mrs Ward to ask the Minister for Cultural Heritage and Community Services –**

MS ADAMS

Thank you Mr Speaker. Mr Speaker if Mrs Ward is agreeable I'll answer both of those together as they relate to the complaint procedure. Question 75 reads. Will the Minister table the formal complaint procedure available to both NSW DEC seconded Teachers and locally recruited Teachers who wish to make a complaint in relation to the conduct of either the Principal or another member of the Teaching staff? Question 76 reads; Will the Minister outline the complaint process that can be used by parents of students at the Norfolk Island Central School in relation to the conduct and performance of Teachers? In response Mr Speaker, I am unable to table the formal complaint procedure for Teachers wishing to complain about each other as I am unable to access the Department's intranet. However, I table the following NSW Department of Education and Communities' documents in relation to complaint policy and procedures:

- Complaint Handling Policy Guidelines
- Complaints Handling Policy
- Schools – guide for parents ,carers and students (a guide for parents, carers and students when making a complaint)
- Complaints, compliments and suggestions Mr Speaker, I will answer the balance of the questions in three parts: 1)The formal complaint procedure for teachers engaged through the NSW Department of Education and Communities is readily available on the Department’s intranet site. The document entitled “Complaints, compliments and suggestions” on the NSW Education and Communities website states: “Education and Communities department employees can find out who to contact on the staff intranet at Employee performance & conduct, How we handle complaints, Making a complaint.” 2) The formal complaint procedure for teachers engaged locally by the Administration of Norfolk Island is currently through the Administration’s complaint process. The method of engagement of locally based teachers is currently being reviewed and the complaint’s process may change. However in the meantime I table the following Administration of Norfolk Island customer complaint forms:
  - Our customer complaints procedure explained
  - Customer Complaint Form
  - How the Administration of Norfolk Island will deal with your complaintMr Speaker, I am advised that Administration is currently updating its Policy and Guidelines on the complaints procedure. Mr Speaker, in terms of question on notice 75 and the complaint process that can be used by parents of students at the Norfolk Island Central School in relation to the conduct and performance of teachers, I have tabled, amongst other documents, the NSW Department of Education and Communities document “Schools -guide for parents, carers and students”. In terms of complaints against locally engaged teachers, the Administration of Norfolk Island’s complaint process just outlined could be followed or under regulation 3(j) of the Education Regulations: “The principal teacher of a public school shall – (j) receive and investigate complaints from parents or other persons regarding matters concerning the school and afford such redress as he thinks fit.” Thank you Mr Speaker.

## **PRESENTATION OF PAPERS**

MR SHERIDAN Thank you Mr Speaker. As required under Section 14 of the Bookmakers and Betting Exchange Act 1988 I table the following licences. Sports Fantasy Pro Company Limited and Punters Paradise Company Limited and also Mr Speaker as required under Section 13 of the Gaming Act 1988 I table the following licence – Sports Fantasy Pro Company Limited. Mr Speaker I also table in accordance with Section 46 (1) and 48 (1) of the Bookmakers and Betting Exchange Act I table their quarterly report for the period ending 31<sup>st</sup> of December. I also table a state of play March 2015 report together with a report by the Director of Norfolk Island Gaming and if possible Mr Speaker if I could read that report into Hansard. This is a report by the Norfolk Island Gaming Authority. The Norfolk Island Gaming Authority is experiencing unprecedented recent growth in licence applications. For the current financial year seven applications have been approved with four already operational. There are three more applications being completed and they will go before the authority by the

end of march 2015. Budget revenue forecast will be exceeded and it is expected that licence application fees alone will cover the authorities budgeted expenditure. It should be noted that the Gaming of operators approved by the Norfolk Island Gaming Authority are highly regarded within the industry. At the Annual Gaming Awards held in Sydney just recently two won their categories and one was highly commended for operator of the year. This followed similar results for the previous year. The growth and inquiry of applications from Norfolk Island is a reflection of the effort put into this jurisdiction at the forefront in the Australasian racing and gaming arena. Sound networks have been developed and the authority is held in high regard by many in the industry. Interested parties continue to make contact in a number of United Kingdom operators have firm interest in making applications. Contribution to Norfolk Island is not only on the revenue side but is positive in terms of economic benefit and the dedication of the members of the Authority Jack Irvine, Tony Messner, Reece Walden should be applauded in achieving this healthy situation along with Director Rod McAlpine.

MR SPEAKER                      Thank you Mr Sheridan. Any further

MR SHERIDAN                      Mr Speaker, section 2B(2) of the Customs Act 1913 makes provision for the Minister to exempt goods from duty where the duty payable is less than \$200.00. Section 2b(5) of the Act provides that where the Minister has exercised this power he shall "lay a copy of the exemption on the Table of the Legislative Assembly". I so table those exemptions and those being 1) \$196-21 – importation of medals for the 2015 International Clay Target Championships by the Norfolk Island Clay Target Association 2) \$62-64 on the importation of prizes for 2015 International Clay Target Championships by the Norfolk Island Clay Target Association 3) \$90-00 on the importation of Bowel Scan kits by the Norfolk Island Rotary Club and 4) \$23-36 on the importation of confectionary sold for charity fundraising by the Lions Club of Norfolk Island. Also Mr Speaker if I may under Section 32 (b) of the Public Monies Act 1979 I'm required to table directions in regards to the transfer of expenditure between divisions. I therefore table the virements for the period 9 February through to 11 March 2015 and also Mr Speaker I also table the Financial Indicators for the Administration of Norfolk Island for the month of January as well as the financial statements for the entities of the Norfolk Island Hospital Enterprise and the Norfolk Island Government Tourist Bureau for the month of January and also February 2015 and I table those reports.

## STATEMENTS

MS ADAMS                      Thank you Mr Speaker I have two. Paragraph 34(2) of the Immigration Act 1980 requires that the Minister report to the Legislative Assembly, not later than 31 March, the number of Declarations of Residency granted during the year ended on the previous 31 December.

I now accordingly report that there were 53 declarations of Residency granted during the year ended 31 December 2014. This is made up of 21 Declarations of Residency citizenship in accordance with section 28A of the Act that's relating to unrestricted Entry permit Holders and 32 Declarations of Residency under Section 29 of the Act,

that refers to General Entry Permit holders who had been ordinarily resident in Norfolk Island for five out of the last seven years. There were a further nine certificates of Residency issued under Section 37 (1) of the Act to children who are residents by operation of Section 28 being children being born or deemed to have been born in Norfolk Island. Thank you.

MR SPEAKER

Thank you. Further.

MS ADAMS

Thank you this one is quite lengthy. It's an update on matters around Norfolk Island Central School commonly referred to as NICS. Mr Speaker I'd like to extend a thank you to all of the parents and the community who supported the work of Miss Judith Byrnes our fly in fly out School Counsellor who left the island last week after four weeks undertaking consultations at the School. During her stay Ms Byrnes met with parents and their children, conducted tests and ? reports, developed strategies for families, students and Teachers and collaborated with other Norfolk Island children's service providers to facilitate improved student learning outcomes for our children. Miss Byrnes will return to the island during Term 2 for another four weeks. This initiative is funded by the Norfolk Island Government who will of course be considering the ongoing role of the School Counsellor as part of its budget considerations for the 2015/2016 financial year. Next Mr Speaker Lyn Rogers, our visiting Speech Pathologist who sponsored by NISEDU has extended her work on the island during her visit this month to include the screening of all of our Kindergarten students. Again I offer our sincere thanks to the Norfolk Island Rotary Club for their sponsorship of this screening. Miss Rogers co-ordinated her visit to coincide with the visit of School Counsellor Judith Byrnes and timing of Miss Byrnes, Miss Rogers and Paediatricians Michael McDowell and Jane Lesley allowed for the development of a great collaborative approach between all of these professionals to the overall benefit being to our young people. Mr Speaker a call has gone out from the School seeking Expressions of Interest for community Teacher's for Norfolk Studies to engage with NICS staff and students and to assist with the programming of contextually and culturally relevant programmes. NICS is looking for community members who can assist the School to build the capacity of the School around the language, history, art and culture component of learning by our students, and I add to that call out to the Norfolk Island community for willing members to assist with Norfolk Studies and Norfolk School. And finally I now put on the hats of Minister with responsibility for the Museums, for Education, and for Cultural Heritage and refer Members to the blog posting by Norfolk Museums this week on the 225<sup>th</sup> Anniversary of the wrecking HM Sirius at Norfolk Island on the activities taking place this week to mark this anniversary and the part that our students at NICS are playing to make this week of activities memorable. It is important that we record this weeks events into Hansard for posterity and so I will read from the Museum's blog posting to enable that to happen. Close to 200 visitors are arriving on Norfolk Island over this weekend, that's the past weekend to join in the events planned to commemorate the 225<sup>th</sup> Anniversary of the wrecking of HMS Sirius at Slaughter Bay on the 19<sup>th</sup> March 1790. As the flagship of the First Fleet the Sirius is arguably Australia's most important shipwreck and her artefacts the only cultural heritage material we have of the First Fleet. At the Museum we are very excited in particular to be welcoming back to the island as special guest speakers Graham Henderson and Mira Standbury both from Western Australia. Graham led all the 1980's expeditions to recover the Sirius artefacts and Mira was the Registrar

for these in the 2002 expedition. Now retired Graham was the founding Director of the Western Australia Maritime Museum where Mira still works. In addition to the presentations an official public event to be held at the Sirius monument site on the morning of Thursday the 19<sup>th</sup> March by the Office of the Administrator, that's tomorrow. Our Norfolk Island Central School NICS children are involved in marking this important historical event in a number of ways. A video conference will be occurring on the 19<sup>th</sup> between year 7 NICS kids and Mosman Primary School children, and that I believe is going to be taken part downstairs in the Court House by video conference. Mosman is located on the lower North Shore in Sydney and shares a special relationship with Norfolk Island centred on our shared Sirius histories which was formalised in 1989 with the signing of a sister community relationship agreement. Since then there have been a number of exchanges between our two locations. In 1990 on the occasion of the 200<sup>th</sup> Anniversary of the Sirius wrecking Norfolk Island received a beautiful gift from the people of Mosman of a bas released sculpture of the Sirius made by Dr Alex Sander Kolosky that stands in the Compound at the back of the Sirius Museum. A handsomely inscribed certificate confirming the friendship agreement signed by the then Mayor of Mosman Mr Barry O'Keefe and the then President of the legislative Assembly of Norfolk Island Mr David Buffett, hangs in the Legislative Assembly offices, and for the record I'm going to read what that says. Whereas Mosman and Norfolk Island share a strand of the early history of Australia through their association with His Majesty's ship Sirius which following its return from the Cape of Good Hope with food supplies for the fledgling colony of NSW was careened for repairs and refit between 19 June and 7 November 1789 in a "convenient retired cove" on the North side of the harbour which became known as Careening Cove and is now Mosman Bay and which ran aground on the reef in Sydney bay Norfolk Island on 19<sup>th</sup> march 1790 and was wrecked while carrying personnel and provisions to the island and whereas the Legislative Assembly of Norfolk Island and the Mayor and Alderman of the municipality of Mosman have expressed the desire to strengthen the links between people of the two communities and whereas the Mayor and Alderman of the municipality of Mosman in council assembled on the 8<sup>th</sup> day of August in the year of our Lord one thousand nine hundred and eighty nine resolved to enter into a sister community relationship with the people of Norfolk Island and whereas the President and Members of the Legislative Assembly of Norfolk Island have also agreed to enter into such a relationship now these presents confirm the establishment of a sister community relationship between the municipality of Mosman and Norfolk Island to promote greater awareness of our links and to foster understanding, goodwill and exchanges in diverse fields, including culture, education, sport and tourism between Mosman and Norfolk Island. Our NICS students have been busy preparing the stories they want to share with Mosman Primary including the wrecking event and what is happening on the island for the commemoration, and by using the video link up the kids from Mosman and Norfolk Island can engage directly with each other fostering the sort of understanding and goodwill that the agreement envisaged. Other NICS students have also been busy taking footage of themselves around the island to be sent to the ABC TV show BTN – Behind The News and made into a rooky reporter segment bringing the news of the wrecking anniversary and also life generally on Norfolk Island to all Mainland Schools across Australia. BTN is watched daily by students in schools around the country. This is a fantastic opportunity to educate many many children across Australia of the importance of the Sirius to the nation. It also is a wonderful opportunity for our students to proudly



threshold of 0.08 and not to be adjusted until historical information demonstrates the need to do so. Recommendation 3) Random drug testing to be introduced in the Traffic Act 2010 with the commencement date deferred for up to six months to enable the Norfolk Island Police to make the necessary compliance arrangements. Recommendation 4) The Road Safety Committee prioritise bringing together all relevant information about road safety matters in the island and make this and future information available, including online to raise the profile and the public awareness as part of a package of public education initiatives in respect of road safety. Recommendation 5) A comprehensive public education programme in respect of RBT operations be undertaken prior to introduction to inform the community on new enforcement measures including processes and penalties. Recommendation 6) The Administration, the Norfolk Island Police, the Road Safety Committee, and the Liquor Licencing Committee undertake a review of their individual statutory obligations in respect of Liquor and Traffic Acts and make a concerted effort to improve service delivery. Recommendation 7) Norfolk Island Government review its Road Safety Policy including the Falks Report and adopt an integrated policy position to support enforcements and Administration Officers and inform planning and budgetary processes. Recommendation 8) The Minister for Finance undertake a public review of the pricing structures and policies in respect of liquor sales to Licences premises in Norfolk Island with a review to introducing reforms that support the commercial industry and streamline the Government's involvement. They are the eight recommendations as a result from the body of the report and the body of the report has been circulated to all Members. Honourable Members I additionally report that there is a dissenting conclusion presented in this report authored by Mr Ron Nobbs and again in summary I will mention the recommendations from his. Recommendation 1) that I have just read by Mr Nobbs is dissenting is not supported in its entirety and Recommendation 3) about random testing and delay and the introduction of such tests as proposed for illicit drugs cannot be supported. In respect of Recommendation 5) this too as a consequence of those two is not supported because it would be irrelevant in that context. However the balance of the report that is Recommendation 2) is supported, Recommendation 4) is supported, Recommendation 6) is supported, recommendation 7) is supported and recommendation 8 is supported. That's an overview of what all of that is Mr Deputy Speaker and that report is obviously presented to that Members may take that into account when they give further consideration to the legislation that is on the table. I acknowledge the Officers who supported the Committee in its task of assessment and I also on behalf of the Committee thank those who came forward with submissions. Again I have tabled the report Mr Deputy Speaker and I have already moved that it be noted which will then give others an opportunity to have their say. Notwithstanding that this is the first time they would have seen this report today except for members of the Committee of course. Thank you Mr Deputy Speaker.

CHIEF MINISTER                      Thank you Mr Deputy Speaker. It goes without saying that I compliment the members of the Impact of Bills and Subordinate Legislation Committee on performing an onerous task, one that is sensitive to the community and listening to the recommendations as described by Mr Buffett this morning I'm sure that the community will also be interested in learning more of the report, but I compliment the members of the Committee on producing this report to the House.

DEPUTY SPEAKER Mr Buffett what do you propose. Do you wish it be made an Order of the Day for another sitting.

MR BUFFETT I have moved a Motion that the Report be noted so that it may give an opportunity to all Members have a further say upon it if they so wish. I am happy to adjourn that so that Members may give it some further consideration and make it an Order of the Day for a subsequent day of sitting but others may at this early stage may wish to say something and there is an opportunity for them to do that and I thank the Chief Minister for his comments. I'm happy to move a Motion of adjournment.

MR WARD Thank you Mr Deputy Speaker. I'd just like to echo the sentiments expressed by the Chief Minister and I thank the Committee they've put in to pulling this report together and the thought that they've put into it. It's going to take a bit of time to work through it and work through some competing issues there but I thank you for it and look forward to going through that process. Thank you.

MR BUFFETT I move that this matter be adjourned and made an Order of the Day for a subsequent day of sitting Mr Deputy Speaker.

QUESTION PUT  
QUESTION AGREED

#### **NOTICES – CUSTOMS ACT 1913 EXEMPTION FROM PAYMENT OF CUSTOMS DUTY**

MR SHERIDAN Thank you Mr Deputy Speaker. I move that under Subsection 2 b (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 persons specified in column 2 and on the conditions mentioned in column 2 of the schedule to be exempted from duty. Mr Speaker reads such. In column1 is the goods, column 2 is the importer, and conditions and the first item is 1)Emergency locator beacons, the amount of duty applicable \$1,404-30 and imported by the Norfolk Island Fishing Association with nil conditions. The second item is life vests, amount of duty applicable \$916-20 imported by the Lions Club of Norfolk Island and the conditions are, community use Norfolk Island Waha Outrigger Club Inc. The third item is Christmas cakes, imported by the Lions Club of Norfolk Island, amount of duty applicable was \$215-56, and the last item is coffee machines, amount of duty applicable \$544-00 and imported by the Lions Club of Norfolk Island and it says nil conditions.

MR SPEAKER Anything futher. Any debate Honourable Members. I put the question that this Motion be agreed.

QUESTION PUT  
QUESTION AGREED

#### **NOTICE NO 2 – NORFOLK ISLAND HOSPITAL ACT 1985**

MS ADAMS Thank you Mr Speaker. I move that this House in accordance with Sections 12 and 13 of the Norfolk Island Hospital Act 1985 resolve that Brett John Sanderson who is not the Director, an employee of the enterprise, or a Minister be re-appointed by the Minister as a member of the Norfolk Island Hospital Advisory Board for the term of 12 months commencing on the date of gazettal of his appointment.

MR SPEAKER Thank you . The question is that this Motion be agreed to.

MS ADAMS Thank you Mr Speaker. I have little to say. The Motions speaks for itself. Mr Sanderson has been serving on the Board now for some time. He certainly brings good skills to the workings of the Board. I thank him for being prepared to continue on the Board and commend the Motion to the House.

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

QUESTION PUT  
QUESTION AGREED

### **NOTICE NO 3 – IMMIGRATION ACT 1980 – AUTHORIZATION OF APPLICATION FOR A GENERAL ENTRY PERMIT**

MS ADAMS Thank you Mr Speaker. I move that for purpose of paragraph 17 a (1) e of the Immigration Act 1980 this Legislative Assembly resolves that Deidre Margaret Krostofaro and Lynne Katherine Duncanson be authorized to make an application for a General Entry Permit under the Act.

MR SPEAKER Thank you Minister. The question is that this Motion be agreed to.

MS ADAMS Thank you Mr Speaker. This is a matter that is before Members at our weekly meeting. Members were supportive of it proceeding to this stage. These applicants are two sisters who currently live in Scotland in the UK British citizens, one of whom visited Norfolk Island last November to look at the possibility of moving to Norfolk Island, and they bring with them good skills. The only thing that flows out of us agreeing this Motion today is it gives these applicants the right to apply immediately for a General Entry permit to come and live here under that status and I commend the Motion to the House.

MR SPEAKER Thank you Mr Speaker The question is that the Motion be agreed to.

QUESTION PUT  
QUESTION AGREED

### **NOTICE NO 4 – NORFOLK ISLAND BROADCASTING ACT 2001**

MR SHERIDAN Thank you Mr Speaker. I move that in accordance with the provisions of 10 (6) of the Norfolk Island Broadcasting Act 2001 I give notice of

my intention to issue a Broadcasting licence as follows. The proposed Licensee is Seventh Day Adventist Church (Greater Sydney Conference Ltd). The reason for issuing this licence is to permit the Licensee to conduct the Television Broadcasting facility called TVNI from premises at New Cascade Road. The proposed licence will present a service providing inter alia documentary programmes, public benefit advertising, and movies to residents of, and visitors to Norfolk Island, as well as making available to audiences in Norfolk Island television programmes offering entertainment, education and information in accordance with the objects of the Act. The terms and conditions of the licence in addition to the statutory conditions applicable to all licensees will include a requirement that the broadcast be confined to the immediate Norfolk Island community at a strength sufficient for the reception only by residents of Norfolk Island that must not interfere with the reception of any radio or television or telecommunication signals from other sources, and; that the Legislative Assembly resolve to approve the issue by the Minister for Finance for a Broadcasting licence to Seventh Day Adventist Church (Greater Sydney Conference Ltd) for the purpose of conducting a television broadcasting station under the description TVNI Station for the benefit of residents of and visitors to Norfolk Island and subject to the conditions that the broadcast be only within the specified VHF Channel 10 broadcast frequency of 212 decimal 5 megahertz at a strength sufficient for reception only within the territorial boundaries of Norfolk Island that it must not interfere with the reception of any radio or television or telecommunication signals from other sources.

MR SPEAKER

Thank you Minister. The question is that that Motion be agreed to.

MR SHERIDAN

Thank you Mr Speaker. As the Motion indicates this application for a TV licence has been submitted by the Norfolk Island branch of the SDA Church but the owner and the broadcaster will be the Seventh Day Adventist Church (Greater Sydney Conference Ltd) with Gary Summerscales as a local representative. The intent of the Norfolk Island SDA Church will be that they will purchase the current TV business known as TVNI and provide a greater coverage of Norfolk Island information and ? religious programmes. Norfolk Island advertisements, activities, history and culture will be covered on one of the channels together with general music, nature and historic features. It is planned to expand the existing material to a channel with full 24 hours availability. The SDA church believes that there is much historic material available as well as material available from the Norfolk Island Government tourist Bureau and they believe that the elderly population of traditional Norfolk Islanders will appreciate these programmes. A second channel will be the direct relay of the existing Hope television international channel which is the SDA's official TV channel. This is a 24 hour TV service and provides coverage of topics such as religious, lifestyle, health, nature, music, relationships, cooking, etc, and as the SDA Church hopes will provide answers to many of the tough questions asked by the general population in today's world. Mr Speaker I see this as good news of the current TVNI service and I wish the Norfolk Island SDA Church well in their endeavours to bring different choices to TV viewers in Norfolk Island. I ask for the support of Members in my issuing this licence. Thank you.

MR SPEAKER Thank you. Debate Honourable Members. I put the question. The question is that the Motion be agreed to.

QUESTION PUT  
QUESTION AGREED

**NOTICE NO 5 – REFERENDUM ACT 1964 – REQUEST TO SPEAKER TO DIRECT A REFERENDUM**

CHIEF MINISTER Thank you Mr Speaker. I move that this House pursuant to Section 5 of the Referendum Act 1964 1) resolves to ascertain the opinion of the electors on the following specified question relation to the peace, order and good government of Norfolk Island namely; “Should the people of Norfolk Island have the right to freely determine their political status, their economic, social, and cultural development and be consulted at Referendum or plebiscite on the future model of governance for Norfolk Island before such changes are acted on by the Australian parliament?” Yes or No. I request the Speaker to direct a Referendum on the above question.

MR SPEAKER Thank you. The question is that the Motion be agreed to.

CHIEF MINISTER Thank you Mr Speaker. This is not a new issue and I refer to a number of things. Firstly a Media Release indicating Minister Briggs that a Cabinet Paper was with the Prime Minister as a prelude to a full Cabinet decision which would not include our recommendations. It is clear that the Federal Government intends to remove the current Norfolk Island self governance and take away the voting rights of Norfolk Islander’s in that process. They apparently intend to do this Mr Speaker without any meaningful consultation with the Norfolk Island Legislative Assembly and the Norfolk Island community. The Federal Government’s new model as indicated by Assistant Minister Briggs some months ago clearly does not include State level responsibilities such as Education and health functions which is currently the case on Norfolk Island, and result in more power to the Administrator and Canberra Departmental staff. I believe the Federal Government intends to impose on Norfolk Island a slightly modified Christmas Island’s model which has proven to be dysfunctional inoperable and does not allow for community representation and input above that of local government status as clearly identified by the recent Administrator of Christmas Island. Mr Speaker there are many questions. Some have been asked and answered but Mr Speaker there has been a Petition sent to the Honourable Speaker and Members of the House of Representatives. This Petition of Norfolk Island residents and descendants of the original settlers of Pitcairn Island draws to the attention of the House the pending proposal to Cabinet to change governance arrangements on Norfolk Island. The Norfolk Island Chief Minister and the Minister for Finance left the meeting with the Assistant Minister the Honourable Jamie Briggs MP on the 8<sup>th</sup> October 2014 with the view that the new model will not be subject of community consultation before or after the Cabinet’s and Parliament’s decision on such changes. The Petition reads “We therefore ask the House to before voting on any Bill to change governance arrangements for Norfolk Island establish by the Norfolk Island Act 1979 of the Commonwealth that the residents of Norfolk Island have the right to be provided the

facts and consulted at Referendum or Plebiscite and have a democratic say on the future model of governance for Norfolk Island before any proposed changes are voted on by the House". That Petition resulted in responses of over 700 Mr Speaker and it was delivered as you are well aware by yourself and myself in Canberra. Mr Speaker there are other questions resulting with this and some relate to matters of policy here on Norfolk Island and dangers that could occur. The Norfolk Island relationship with the Commonwealth, we believe they have attained this at a very cheap rate in the last four decades, for example infrastructure responsibilities have been ignored. A transition to an Indian Ocean Territory style governance model would assuredly cost them more than the 34 to \$43m a year which has been suggested in the ACEL Tasman Report by Professor Fogarty. There have also been comments that there would need to be some very careful detail of how asset testing would be applied to pensions and benefits, especially in relation to land holdings which might generate little income but are of cultural and family significance. I am still doubtful Mr Speaker that the assumed net increase of \$4.9m in on island GDB wil actually occur as has been mooted by the Administrator on several occasions and this of course does not appear to me to be adequately balanced against the cost of new taxes and compliance measures. The Centre of International Economics has only partially costed those and has assumed a very limited range of Commonwealth taxes will be extended to Norfolk Island. We believe this a brave but foolish assumption. Questions also asked by my colleague Minister Adams in a statement, questions such as "Would our existing laws persist, are we to lose control over planning and land use. Would our public assets be safe from arbitrary sell offs, would KAVHA, other Reserves and Crown land be safe from privatization. Would we be having some distant State authority doing development deals that we get little or no say in. Does our significant contribution to KAVHA get cast aside only to be taken over by a multitude of externally appointed Public Servants who would serve out their assigned terms here and leave behind their mistakes for us to live with". I believe existing Australian tax payers would also like to know why their Government is choosing to play God using their money, pushing massive reforms when a more prudent approach would be preferred here and cost them way less. Mr Speaker a previous Motion along these lines have also been before this Parliament. The Motion passed on the 20<sup>th</sup> March 2013 by the Fourteenth Legislative Assembly that this House1)acknowledges that the Norfolk Island Roadmap was developed in partnership between the Commonwealth and Norfolk Island Government's subject to budget outcomes from both Government's and was signed on the 2<sup>nd</sup> March 2011 between the Honourable Simon Crean MP, Minister for Regional Development and Local Government and the then Chief Minister of the Norfolk Island Government the Honourable David E. Buffett AM, MLA . 2) Reaffirms the purpose of the Roadmap to describe the reforms needed to strengthen;

- The island's economic diversity to provide a sustainable and growing economy.
- The island's social cohesion and resilience
- The island's unique heritage and environment

3) Resolves that; 1) As a priority the 14<sup>th</sup> Legislative Assembly commits to ongoing and urgent discussions with the Commonwealth on detail and refinement of the purpose and reforms of the Roadmap to work together in a spirit of co-operation and willingness to find joint solutions to the communities needs and 2) To discuss Norfolk Island's current financial circumstances with a view to progressing arrangements to meet the shared intent of both Government's for a sustainable future for Norfolk Island. Mr Speaker as we sit today in this session of the 14<sup>th</sup> Assembly so is the Australian Parliament sitting in



just, for the record, I'm going to take you back briefly to 1978, because what we're doing here today is no different to what Bob Ellicott determined at that time and I refer you once again as I have done in previous occasions to the Cabinet documentation which is available by FOI the submission and I will read to you the exact words, in which Bob Ellicott says "Cabinet will need to consider whether a Referendum should be held. If a decision is made to adopt my recommendations I would not recommend a Referendum, but if the major Nimmo recommendations are adopted I would, and the major Nimmo recommendation is/was that the island should be treated as part of Australia, not only territorially but by extending to it our tax laws, social service and medical benefits and accept in special circumstances other Australian rules". They were the major Nimmo recommendations. Bob Ellicott at the time said "If a decision is made to adopt his recommendations, a Referendum is not required. If the major Nimmo recommendation, which I just read, which is taxation, social welfare, all Australian laws a Referendum should be held. What is happening here today is we are offering to this community the opportunity at Referendum to do just what would have happened in 1978 if the Nimmo recommendations were to proceed. Thank you Mr Speaker.

MRS WARD Thank you Mr Speaker. I won't be supporting the Motion today and I think that the previous speaker's have made it very clear as to why, that is the question that currently stands is a no brainer, and so the response I could say would be overwhelmingly "yes". "Do the people of Norfolk Island want to have a democratic right and a say in their future"? Of course they do. Exactly what they've been doing for the last 35 years, and most recently as we've worked through a very difficult period in our history. So that's why I will say No. To me the question may be what comes next, and a question around that whether people in fact want a new design, a model which is already agreed between the two governments and I'm picking up very closely on the words of the letters that the Chief Minister just out earlier in the sitting which was co-signed by yourself Mr Speaker and it was to the Assistant Minister Briggs on the 21<sup>st</sup> November 2014 where there was set out a principles and process and then a timeline and I work backwards. The timeline was that we have an, well it wasn't exactly an announcement but some sort of indication from the Federal Government by the 31<sup>st</sup> March on what that new model would be and the that a new model be designed, that there be elected representatives, there be an efficient and cost effective delivery of services, and that the responsibilities, that the division of those responsibilities was made very clear. That there be one final model agreed and amended, so collectively agreed and then to be jointly implemented. Now at that stage there is to be a Referendum about whether that collectively agreed model is what the community wants or not I don't have a problem with that question being put. Going back to 78 as Minister Adams just did and for everybody's information you do not need to go through Freedom of Information. This is a publically available document within the National Archive of Australia and you only need to download the digital copy. And in the recommendation it is exactly as the Minister has said, Point 15 attachment A of the what were confidential documents was that the Cabinet will need to consider whether a Referendum should be held, and as we all know Mr Speaker in the end a Referendum, it was decided that it wouldn't happen actually in the final minute. There is no mention of a Referendum. So it fell off the table and it probably fell off the table in part because as Mr Ellicott went on to say if a decision is to be made to adopt my recommendations, I would not recommend a Referendum. If the major Nimmo recommendations were adopted, I would. So in other words, if we don't like somebody else's idea it should go to the people, but if it goes my way, then it shouldn't. So I don't' where this master and

servant business is coming from. What I think it is is a Government's call, it's a leadership call to be determined between the Governments, as it was back then. And if the decision is then to put a Referendum to the question asking do you want this new design of model which has elected representatives, efficient and effective cost delivery of services and clear delineation of responsibilities, then fair enough, let the community answer that question if that is what we move forward to. But I find that this question in itself, to have a Referendum which takes about six weeks for the Service to get together, clearing the Electoral Role and all those sorts of things, and \$3,000, to me what is just an obvious question, although the words "freely determine their political status" puts up alarm bells for me, because we moved away from this ?? state in 2010 when we signed the Roadmap and were open, open to assessing our integration into the Australian taxation and Social Services. So I'd highly recommend that all Members and anybody in the listening community who actually wants to go back to 1978 and understand the decisions that were made back then and how they were made, and it's a battle between what I could call Ellicott and Nimmo and what eventuated in the end. The recommendations which of course came forward from extensive community consultation at that time. I don't have great recollection Mr Speaker I was 11 years old at the time. I would certainly hope that we're not going to be continued to be punished for the things that our fathers which is just a very old expressions and I mean it metaphorically, but it is time to put the community first, their needs, and really for this Government to step up and provide some leadership, to stop throwing questions, I won't say silly. What else can you pull from this. A question that has no real meaning or basis at this stage in time. I know it's borne of fear. The Chief Minister has said "I fear the unknown", he uses the word "danger, secrecy, silence". We do have a trust issue going on here, and the previous Administrator Mr Neil Pope made that very clear in his final submission to the JSC, and I can see that you know, as long as we don't have that Federal Government decision which the letter you co-signed Mr Speaker asks for by the end of 31<sup>st</sup> March, then we are going to have these ongoing concerns, and of course they spread across into the budget period, and on as everybody already knows. So I don't need to repeat any of that, but at this stage I do not intend to support this Motion. Thank you Mr Speaker.

MR NOBBS Thank you Mr Speaker. The ability to hold a Referendum has been in the past a major, major major issue in the Norfolk Island arrangement. Unlike elsewhere where I find that a lot of the people in political life actually fear Referendums but here we have them, and I don't believe that we have enough of them. There are some countries in the world who regularly are governed by Referenda to a large degree, and even some around not currently here around this table have been openly against Referenda because they claim that the Government should run the show and that's it. I don't agree with that at all. I've always been for a community involvement. It's most important and some of our facilities here which require community involvement in them are not receiving that at the present time and I'm very concerned of it, and I'm sitting in one right now. But the situation really is that we've been told, and you know the cows are really copping it in the last 6 or 8 months. I mean they've been told to get out of down here, and they've been told to go home because they are not going to get a Referendum and all these sorts of things. The issue really is that there are people on the island who have openly said that the majority of people will just accept whatever is put before them, and I find that really offensive. I nearly find it as offensive as the previous statement just now that this island is in the most difficult in it's history. You have got to be kidding. That's all I can say. If you think that we're in the

most difficult period of our history and I'm all in favour of Referenda as I say. I'm in favour of this. It's a simple question – it's either a Yes or a No. There is not a lot of free wheeling and putting up different propositions, it's a simple proposition. In a Referendum we're talking about actually doing things, the yes and No proposals should accompany each one. This one here will be quite simple. If we go on to the next stage it could be quite complex, but at least what happens, or should happen is that all the facts are spelled out. It's not hearsay or that, a proper Referendum, you vote in what's actual facts. We haven't got any facts as far as the future governance arrangements for Norfolk Island are, that I know of. People have said we've got this and we've got that. Until we get it all laid out on the line it is extremely difficult, but we need, what normally happens is that you get to that stage, it's so complex that people think oh gosh what are we going to do about it? What we require at that time is a proper referendum and this sets it up. This is it. I know that the Commonwealth Government representatives have said that we won't get a referendum and that's it, well we have got the power here at the moment to look at a referendum ourselves, but we haven't got the other stages of it, what we need to give the Government, I believe, in this, is a simple yes or a no thing, do you want the rights to go to a referendum or don't you. Then you can hold it up to the Commonwealth and say that we have got a no or a yes result. I believe we will get a result, well I hope we will get a yes result, because if we don't get a yes result I will be extremely surprised at the community itself. However, in my opinion, as Mrs Ward said, it's a no brainer, it's a no brainer not to do it, that's the way I look at it, and we should follow it, we should give the Government support to proceed with this thing, and that is all I have to say at this stage Mr Speaker.

SPEAKER

Thank you Mr Nobbs, further? Mr Evans.

MR EVANS

Thank you Mr Speaker, I am certainly going to support the motion for a referendum, I think it is what our people need at the moment, we are desperately looking for a voice, and I suppose the funny thing is, you wonder what the Commonwealth's agenda is really with us, why there has been no contact with our Chief Minister or other members of the Assembly. As champions, Australia I suppose are champions of democratic rights and freedoms, why aren't they giving that to us sort of thing, so I think the people are pretty, unfortunately a little while ago, the people were willing to go down a track, but I think now people want to have their voice and I think this referendum is a way to give them something to say and voice their opinion, so I am going to support the referendum Mr Speaker, thank you.

MR PORTER

Thank you Mr Speaker, perhaps I should just repeat my comments from the previous time that this proposal came to this House, I will state from the outset that I support the democratic process, if we did not, there would be little point of us being here. However, having said that, I still wonder at the motive for this course of action, as I stated last time, this is asking for approval to have a referendum about a referendum, and with scant resources and funds available at this time, I wonder about the priority here. It is good to the seek the advice of the wishes of the electors, however in most things it is a big referendum held each three years that can decide this. What troubles me most at this point in time, that there seems to be no more information to base an alternative decision to integration with the Commonwealth, the Government have not to my knowledge, provided to us, a fully funded alternative governance arrangement, and as I said the last time, this Governance arrangement must be equal to the Commonwealth model as applies in mainland Australia, whereby appropriate safety net supply in regards to the vulnerable in our society in terms of welfare and health services amongst others. Also, this model must demonstrate that the revenue raising effort is progressive and affordable and not predicated on the old chestnuts that have been proposed and rejected such as offshore banking and emerging or fringe industries that carry too much commercial risk for a small community. Until we can be sure that it is possible to have fully funded internal government for this island I would have to wonder if this is wishful thinking, or even worse, political posturing. Thank you Mr Deputy Speaker.

DEPUTY SPEAKER

Minister for the Environment.

MR WARD

Thank you Mr Deputy Speaker. Mr Deputy Speaker democracy is never more important than at times of structural change, I would hope that not only the people of this island who are the primary group affected will welcome this referendum, but also those on the other side of the equation will also welcome it as a tool to understand what this island wants and what it is about. Referendums are very very appropriate for a community of this size. Community acceptance of an appropriate system would quickly deteriorate as the realities of new reforms are realised. After what we have been through here, it is crucial to give the community a voice and for all decision makers to take heed of that democratic voice. Thank you.

MR NOBBS

Thank you. Further debate? Mr Buffett.

MR BUFFETT

Yes, if others are not further participating. Yes, thank you Mr Deputy Speaker, I have a brief contribution, brief, because really this motion really doesn't require big explanation. I think we all realise that the next essential step for Norfolk Islands forward moving arrangement is to settle our governance model, that is next on the list to be solved, as so many things hinge upon it, dwell upon it, depend upon it. That is the next big step. We need to know that this motion isn't doing that. That is not determining the next thing, this motion really is not a vote about the governance model itself, it's what flows from this that may well be that, and that will probably be a subsequent referendum. The real reason as I understand this motion for a referendum coming forward is this, that there is no consultation at this moment between the Norfolk Island Government and the Australian Government to be able to settle that governance model, the Norfolk Island Government has not been able to achieve that communication, the Australian Government certainly hasn't facilitated it. There is no communication. That leads to all sorts of grave accusations, interpretations, a whole host of difficult things. We equally have on the table the Joint Standing Committee Report, number one says get rid of that mob in Norfolk Island who are elected. That raises a whole host of difficulties between the two Governments. There is therefore, in that climate, no explanation of what is in the Commonwealth's mind, no explanation of what is in the Commonwealth's mind, we can conjure up things, we can conjure up things from the Joint Standing Committee Report for example, but we don't really know what is in the Commonwealth's mind, and by the Commonwealth's mind, I mean the decision takers, the decision takers in that process. We have not been able to bring the decision takers to the conference table. And equally in all of that situation, there is no opportunity for detail of our model, that is the territory governance model, there is no opportunity for detail of that to be explained to the extent that we know it, or to be explored and expanded which can only be done by a consultative process with the Commonwealth. All of that raises the difficulty and in that climate, in that climate there is a great fear that the Commonwealth will just go ahead and go bang and do something, which obviously has the prospect of not being in line with the communities thinking. And with that I can well see that a referendum to say, hey if you are going to do something consult with us, and that's what this motion is about and I applaud that. I applaud that. But I only applaud it knowing that it is not the answer and there will need to be another subsequent, and that will be the big step, it will be the next one that will be the big step. But we do need to have a consultative process to get to that stage. Again I say that that next stage is to settle our governance model, and if this assists us to get there then I am in favour of it. But it is only an endeavour, as I see, to be some endeavour, it is a protective measure for the Norfolk Island community in that it to clearly say on its own behalf that we must be consulted if there are to be significant changes, we do accept that there must be significant changes. But we have also signalled that they need to be in accord with what the Norfolk Island community can develop and benefit from in the longer term. One of the things that we have said on day one of this process, we will undertake changes, we will undertake taxation changes, we will undertake social welfare changes, but it also must be demonstrated that there will be a net benefit to the Norfolk Island community and all of that

needs to be in the mix. All of that is in the mix. This motion encourages that that mix be put on the table so that all may see it and discuss it, and having said that, I think I did say brief, and I hope that was reasonably brief, having said that, I would support this motion, but I do sign post that this is not the big decision, the big decision will come later. Thank you Mr Deputy Speaker.

DEPUTY SPEAKER

Thank you Mr Buffett. Any further? Minister Sheridan.

MR SHERIDAN

Thank you Mr Deputy Speaker. I would just like to make a few words. I fully support the comments of the previous speaker Mr Buffett, because I think he put it succinctly exactly how the position stands and whilst this motion on the table may facilitate an opinion from the community that they would want their voices heard, and I don't think there is any doubt that they do, the real question is is the model of governance, now I would like to see a motion in regards to that come up, but as somebody said to me the other day, I would have difficulty in voting, and I have just written down something like, do you support the retention of the Legislative Assembly operating under the Norfolk Island Act or do you support the introduction of a regional council model of representation as foreshadowed by the Commonwealth in their information sheets. It will be very difficult to either vote for one of those two, because you would not be aware of what is exactly contained within those models, so it would be premature to ask that question, even though I think we need to ask that question, we need to know the facts before we do, we could not put up a yes case or a no case, and say this is how the intended revamped Norfolk Island Legislative Assembly model would look, our put up model we have at the moment, we see some responsibilities being transferred to the Commonwealth and the Norfolk Island Government retaining state and local affairs, or some state, maybe not all. This is the problem, which ones are they, which ones aren't they, how much do we get in transfer and reciprocal payments, equalisation payments, we don't know, so you can't make a firm decision, or a substantiated decision on which way you would vote. And the same with the Regional Council, you wouldn't know how that would operate, it hasn't been clearly defined. So that question is too early to ask, so as the previous speaker said, this motion assists in moving that next motion or next way forward, if we can move forward with some clarity then I would support it, but as it stands now, it is just to gain the opinion of the residents on whether or not they want to have a voice, I think that goes without saying and I would support Mrs Ward there and saying it's hardly worth the trouble, we all know in our minds what the community would wish, it would be very difficult to vote no in this case unless you really were, like I think Mr Nobbs said, unless you obviously didn't care which way it went. So it may be a loaded question, but if it will assist in moving forward to the next question of the model, then I will support it.

DEPUTY SPEAKER

Further debate. I look to you Chief Minister.

MR SNELL

Thank you Mr Deputy Speaker. Mr Deputy Speaker there has been reference made to the time of Minister Ellicott and the formation of the Norfolk Island Act and as some Members wouldn't appreciate, I was a member of the Norfolk Island Advisory Council from 1974 to 1979 and it was Mr Deputy Speaker without doubt at that time, that Australia adopted an enlightened position when in 1979 it passed the Norfolk Island Act, few other nations have solved similar problems in such an imaginative and creative way, and that 1979 solution was widely respected both in Australia in that time and certainly here on Norfolk Island to this day. That's not the only imaginative way that Australia has dealt with certain issues, for example, Australia has also dealt imaginatively and sympathetically with another small and remote island community which they had responsibility for and that is Nauru, and in doing so it created one of the worlds smallest sovereign states, and it has earned international credit and respect for that act of statesmanship. Mr Deputy Speaker I believe that Australia should again be prepared to show sympathy, creativity and imagination with its relations to Norfolk Island. Mr Deputy Speaker, allowing Norfolk Island residents to concentrate on their own affairs, which most of them want to do, and which we want to do, is of most importance to us. Finally, we must assert our personal belief that Norfolk Island is a special place which deserves

careful and sensitive treatment by the Commonwealth, not only for the sake of the inhabitants here, but in the interests of preserving for all Australians a valuable and indeed unique heritage. Thank you Mr Deputy Speaker, I so move the motion Mr Deputy Speaker.

DEPUTY SPEAKER

Thank you.  
QUESTION PUT

MR SNELL  
the House.

Mr Deputy Speaker would you please ask the Clerk to call the House.

DEPUTY SPEAKER

Would you call the House please Madam Clerk.

CLERK

Mr Buffett	Aye
Mr Porter	Aye
Mr Ward	Aye
Ms Adams	Aye
Mr Snell	Aye
Mr Nobbs	Aye
Mrs Ward	No
Mr Evans	Aye
Mr Sheridan	Aye

DEPUTY SPEAKER

I will check, but I think the results are 8 – 1. Thank you. Now, the time has arrived for lunch I understand. How long would you like, back at 1.30pm or would you like? 2pm? This House now stands suspended until 2pm.

### RESUMPTION OF SITTING

SPEAKER

We are at Notices still, Notice 6, Standard Time Bill, Minister Finance, Minister Sheridan that matter stands in your name.

### NOTICE 6 - STANDARD TIME BILL 2015

MR SHERIDAN

Thank you Mr Speaker. Mr Speaker I present the Standard Time Bill 2015 and move that the Bill be agreed to in principle.

SPEAKER

Thank you, Explanatory Memorandums and the like tabled?

MR SHERIDAN

Yes Mr Speaker, I would like to table the Explanatory Memorandum and make some introductory remarks please.

SPEAKER

Good, thank you. The question is that the Bill be agreed to in Principle, Minister Sheridan.

MR SHERIDAN

Thank you Mr Speaker. Mr Speaker as mentioned I now table the Standard Time Bill 2015 and the Explanatory Memo which is attached to the Bill, as it is a fairly short explanatory memo I would like to read it into Hansard for records sake but also so that the community will know what is the intent. The Explanatory Memo reads such Mr Speaker - This Bill proposes to change the Standard Time for Norfolk Island. At present Norfolk Standard Time is 11.5 hours ahead of Greenwich Mean Time (GMT) , a time zone that is not recognised in any other place. This has become inconvenient in recent years with the growth of the internet and use of computers that do not allow for a change to Norfolk Time. The Bill proposes to repeal the existing legislation and establish Norfolk standard time as that at the 165<sup>0</sup> meridian of longitude which is GMT +11 hours (or UTC +11 hours). This will make Norfolk

standard time the same as New Caledonia and the Solomon Islands. It is noted that UTC, or Universal Time Coordinated, has been adopted in Australia and worldwide as standard time although it is substantially the same as GMT. It is proposed that, if the Bill is approved in time, the change will take place at 0300 hours on Sunday 5 April next which will mean that Norfolk Island will then be 1 hour ahead of all the Eastern States of Australia. However during the period when daylight saving commences in the Eastern States (other than Queensland that does not at present use daylight saving), Norfolk time will be the same. In case the Bill does not receive assent in time, the Bill provides that the Administrator may give notice of a different commencement date by notice in the Gazette. Mr Speaker the Bill has 6 clauses. Clause 1 sets out the short title of the Bill. Clause 2 repeals the existing legislation. Clause 3 provides for commencement at 0300 hours on Sunday 5 April 2015 (the day when the eastern states of Australia put their clocks back one hour) or such later time as the Administrator may determine by notice in the Gazette. Clause 4 defines the prescribed meridian as 165<sup>o</sup> east of Greenwich, England. A Note clarifies that this means UTC + 11 hours. Clause 5 establishes the time of the new prescribed meridian to be the standard time throughout Norfolk Island. Clause 6 makes it clear that the time as established by the Bill will apply to expressions of time in legislation and contracts and agreements unless specifically stated otherwise. Mr Speaker during the November 2014 sitting I indicated that Bill to adjust the time zone of Norfolk Island would be brought to the House at a later date and I am pleased that I am now able to do so. A regulatory impact statement was provided to all Members back in November of last year and press release was provided to the community on the 2<sup>nd</sup> of March 2015, this press release was also placed upon the Norfolk Island Government facebook page to allow for an avenue to have the community provide feedback. Mr Speaker I must apologise to the community because in the press release I indicated that with this change Norfolk Island would be within three minutes of its true solar time zone. This was incorrect and the true solar time zone for Norfolk Island is UTC+11 hours 11 minutes and 52 seconds, so with this change, Norfolk Island would be within 12 minutes of its true solar time. It was interesting to research the history of the time kept on Norfolk Island over the years and in the 20<sup>th</sup> Century Norfolk Island observed Local Mean Time of UTC+11 hours 11 minutes and 52 seconds. In 1901 Norfolk Island changed its time to UTC+11 and 12 minutes, the mean solar time of the 168 degrees east meridian immediately east of the island. And in 1951 it converted to UTC+11.5. Notwithstanding with this, I must say that the majority of feedback has been positive with some four responses opposed to the change. These responses did not provide valid reasons not to go ahead with the change, but were instead reasons indicating that the Government had better things to concern themselves with, more than enough time and money spent on incidental matters, can not see any benefits and have not experienced any inconvenience of using the current time zone. The positive responses which there were some 15 provided provided very positive feedback and provided valid reasons for this Bill to go ahead. Reasons such as it would be of great benefit to the island and our time zone was mathematically incorrect, anyone who works in the Airline industry will tell you that this adjustment will be very welcome, fantastic initiative, very positive and long overdue. As the Telecom Manager has indicated this change to + 11 hours GMT will bring Norfolk Island within 12 minutes of its true time zone instead of being out by approximately the 18 minutes as it currently is now. Change to the Norfolk Island time will bring Norfolk Island into the recognised zone and cancel all of the set up problems that we are current with modern electronic terminal devices, when Australia moves to daylight saving it will be the same as Norfolk Island and therefore this will be very good for tv programme guides for Norfolk viewers as it will be the same as onscreen electronic programme guides. Communication messages will be delivered with the correct time to end users, and in particular there is no cost to move the Norfolk Island time zone other than the advertising to the community of the change. This change is also fully supported by the Tourism Manager as he believes it supports the Norfolk Island Tourism Strategic Plan whereby having a standard time zone provides a better environment for those looking at the possibility of tourism support services such as call centres etc. Mr Speaker the regulatory impact statement provides advice that this change will need to be advised to the ITU and also the Australian Meteorologic who is responsible for maintaining all or causing to be maintained UTC as determined under section 8AA of the National Weights

and Measures Act 1960 (Commonwealth). For this reason of the next executive meeting on Norfolk Island being on the 31<sup>st</sup> of March 2015, will mean that the intended commencement date of 5 April 2015 will not be able to be achieved, as this Bill has to go to the Commonwealth for the Governor-Generals assent and this process will not be completed prior to the 5<sup>th</sup> of April. This time date was proposed as this was the end of daylight saving in Australia and would have provided very little impact when Norfolk Islands clocks are retarded by 30 minutes. My intent now is at the Detail Stage process of the Bill, and that will be next month Mr Speaker, I intend to amend the commencement date to that of the day of commencement of daylight saving in Australia on Sunday 4<sup>th</sup> October 2015 at 2am in the morning, this will mean that on this day when Australia moves it clocks forward 60 minutes, and Norfolk retards it's clock by 30 minutes, the actual time in both places will be identical. This will provide the time for those to be advised to be so advised and give time for anybody or organisations who this affects to undertake the adjustments necessary, such as the meteorological industry for tide time tables, sunsets, sunrise tables, and those who produce calendars etc. Mr Speaker as we all know, the time of sunset is defined in Astronomy as the moment when the trailing edge of the sun's disc disappears below the horizon, an example of the actual impact of this time zone change is say for the winter solstice day of 22<sup>nd</sup> of June 2015, when the current time of sun set is 5.29pm, with this change of 30 minutes the time will be adjusted to 4.59pm and the sunrise time will be retarded to 6.41am instead of 7.11am, but the astronomical period of daylight remains the same. Mr Speaker, so in lay mans terms the change will mean that we lose 30 minutes of day light at the end of the day with the time adjusted and that 30 minutes of additional sunlight will be had in the mornings with the time adjusted. So it will get lighter earlier in the morning. Mr Speaker one response even solicited the idea of actually moving the time zone forward to UTC+12 hours, and another the idea that at the same time as undertaking this change that the Norfolk Island Government reconsider the issue of daylight saving for the island. But Mr Speaker I take heed of the referendum done some years ago and will leave this issue alone for the moment, but it may be timely that once this new time zone or new time change is in effect and the issues or changes that affect the community with the change are understood then it may be an issue that the community may wish to consider at a date later down the track. Mr Speaker, I leave this matter in the hands of the House.

SPEAKER Further debate Honourable Members? No further debate at this stage? Minister Sheridan.

MR SHERIDAN Dem ka talk dem se full! Mr Speaker I move that debate be adjourned and resumption of debate be made an order of the day for subsequent day of sitting.

SPEAKER I put the question Honourable Members.

QUESTION PUT

QUESTION AGREED

We have completed notices, we are now commencing orders of the day Honourable Members.

## **ORDERS OF THE DAY**

### **COMMUNITY TITLE BILL 2015 KOMYUUNETI TAITL BIL 2015**

SPEAKER The first, is the Community Title Bill 2015, resuming debate on the question that the Bill be agreed to in principle and Mr Ward you have the call to resume.

MR WARD Thank you Mr Speaker. Mr Speaker we have before us the Community Title Bill 2015, the purpose of this Bill is to introduce an additional system for property holding for Norfolk Island. The Bill follows on from the White Paper "Strata Title on Norfolk Island" commissioned by the Administration and issued on March 2012 and the Norfolk Island Government Position Paper issued in response in October 2013. The Community Title

Bill 2015 provides for the establishment, registration and administration of community title schemes. There are two different types of community title schemes possible under the Bill (1) Community Schemes (dealing with vertical division of land); and (2) Community Strata Schemes (dealing with horizontal division of a multi-storey structure). Both types of schemes divide land to create lots and common property. Community Schemes - community scheme allows for the vertical division of land while allowing for shared facilities, management structures and dispute resolution processes. In a community scheme lot boundaries are determined by surveyed land measurements and are unlimited in height and depth, unless otherwise specified on the plan. In contrast to a strata scheme the owner of a lot is responsible for the maintenance and insurance of any structures on that lot, and has no obligation for maintenance of other lot owner's buildings. Community Strata Schemes - In a community strata scheme lots are defined by upper and lower boundaries as well as lateral boundaries within a building erected on the community parcel. A lot must be defined by reference to parts of the building. There must be at least one lot that exists above another. The structure itself is common property and it is therefore the responsibility of the body corporate to maintain and insure it. Restrictions on Community Title Schemes - Land Title: Only land titles held in fee simple and registered without qualification under the Land Titles Act 1996 can be the subject of a community titles scheme. Land held under Crown lease, qualified title or common law is excluded; Planning & related controls: A community title scheme will be subject to all relevant planning, building and other regulatory controls. In a process similar to the scheme applying to subdivisions under the Subdivision Act 2002 a community title scheme will need to obtain development approval under the Planning Act 2002 as a threshold requirement. All development standards and controls set out in the Norfolk Island Plan and the Building Act 2002 will apply. Future development of the community parcel - the Bill allows for the future development of a scheme in two ways: (a) Staging - The Bill provides a simplified approach to developing a community scheme in stages. The Bill allows for delineation of a "development lot" on a plan. This lot, although not part of the scheme, is set aside for future development. Staging involves the inclusion of a development lot that is to be divided at a later time to create extra lots within that scheme. A plan may contain more than one development lot. This explanatory memorandum then has diagrams of how those various concepts work. And then (b) Tiering - Tiering allows for the management of large or mixed land use developments. It allows a lot in a community or community strata scheme to be further divided to create a subservient scheme and managerial structures ('tiered' management). The first community plan lodged over an allotment is a Primary Plan of Community Division, which creates primary lots, primary common property and a primary community body corporate. A lot in a primary scheme can be divided by a secondary scheme to create lots and common property and a community body corporate at a secondary level. A lot in a secondary scheme can further be divided by a tertiary scheme to create lots and common property and a community body corporate at a tertiary level. Body corporates in the lower tiers will be members of the body corporate of the tier above. Primary lots do not have to be further divided into secondary lots, and most divisions would not go beyond the primary level. Most residential schemes, consisting only of a moderate number of residential lots, will be a primary community body corporate and have only one level of management. Complex schemes involving residential, commercial and even recreational uses should form secondary or tertiary community body corporates. For example, a development with a large retail section and fifteen smaller residential lots would most likely have one primary body corporate covering the entire development and two secondary body corporates, one for the residential lots and one for the retail lots. A tiered management structure may also be set up where there is a large number of lots in a community parcel, even if each of the lots is used for the same purpose. Again this explanatory memorandum goes on with flow charts which are a little bit hard to translate into Hansard here I'm afraid Mr Speaker. It then goes onto documents associated with a community scheme. Community plans are accompanied by documents that must, or may, be associated with such developments. These documents – describe and set the standard of the scheme; set out the rules under which the scheme will operate; give the body corporate a completion guarantee; provide up-front disclosure to a prospective purchaser or mortgagee as too the nature of the scheme. The documents are – Scheme Description; Rules; and Development

Contract. The level of the scheme being entered into should be noted. The Scheme Description, Rules and Development Contract of any scheme above, also apply to that scheme. The Scheme Description - This is an optional document for schemes that contain six lots or less that are used predominantly for residential purposes. It gives the prospective purchaser an overall view of how the scheme is to be developed and the end result. This document must be lodged for commercial schemes, irrespective of the number of lots, or if the plan contains a development lot, or if the common property or a lot within the scheme is to be developed in a specific way. The Scheme Description is designed to give up-front notice to prospective owners/mortgagees of a Community Lot, Strata Lot and Development Lot of the nature of a scheme, any binding provision or requirement to develop a lot and to remind the body corporate of the nature of the scheme. A scheme description must identify the community parcel and the lots and common property into which the parcel is to be divided, the purpose or purposes for which the lots and common property may be used and specify the standard of buildings and other improvements made or to be made to the lots or common property. This will include details of any proposed staged developments to give owners an indication as to the final size of the scheme, time frames in which it will be completed and details of the nature and scope of a lot owners obligation to develop a lot in a particular manner. The Rules - this is a compulsory document for all schemes. It sets out the obligations of the body corporate in administering the scheme and the rules by which the scheme is to be run. The rules must provide for: the administration, management and control of the common property; regulation of the use and enjoyment of the common property; the use and enjoyment of the lots to the extent necessary to give effect to the Scheme Description. E.g. the purpose or purposes for which community lots may be used; the design, construction and appearance of buildings on the common property, community lots; and landscaping of community lots. If it is desired that the rules be varied, the variation must be lodged with the Registrar within 14 days of passing the resolution to vary the rules. The body corporate can impose a penalty of up to \$500 for breaches of a rule which must be paid to the body corporate. The fines may be imposed on members of the body corporate or any other person, including visitors or outsiders. The Development Contract - This is a contract entered into by the developer and is a binding obligation on the developer to complete the scheme in accordance with the scheme description. Community Body Corporate - A community body corporate must be set up [s.11, s.73] to administer the scheme's rules and manage the common property and any fixtures erected on it [s.77]. Owners of community lots automatically have membership of the body corporate [s.11(2), 76]. Owners of development lots are not members of the body corporate unless they also own community lots [s.11(2), 76]. Lot owners are guarantors of their community body corporate's liabilities, which means the body corporate's debts are enforceable against each of the lot holders directly [s.79]. A community body corporate must have a presiding officer, treasurer and secretary [s.78], and may establish a committee [s.90(1)] to carry out the functions and perform the duties of the body corporate within the limits of the committee's powers [s.92(1)]. A community body corporate may also delegate some of its functions to a person outside the body corporate (such as a body corporate manager) to assist in the running of the body corporate [s.82]. The body corporate must have a common seal [s.75]. The rules are the rules of the body corporate. As indicated above the body corporate can make rules which are binding on the body corporate, unit owners, tenants and visitors [s.45] about the management and use of common property and the use of community lots [s.38]. The first rules of a body corporate are those filed when the community plan is deposited with the Lands Titles Registration Office. A body corporate can vary the rules [s.39]. Powers of the body corporate - Some of the powers of the body corporate are to: administer, manage and control the common property for the benefit of the owners of the community lots [s.77(1)(a)]; maintain the common property and the property of the body corporate in good order and condition [s.77(1)(b)]; where practicable, to establish and maintain lawns or gardens on those parts of the common property not required or used for any other purpose [s.77(1)(c)]; enforce the rules and the development contracts (if any) [s.77(1)(d)]; to enforce an owner's duty to maintain and repair their lot [s.100]; borrow money or obtain other forms of financial accommodation and, subject to the Act or the regulations, give such security for that purpose as it thinks fit [s 117]; and carry out the other functions assigned to it by this Act or conferred on it by the rules [s.77(1)(e)]. Contributions -

The body corporate raises funds by levying contributions against all lot owners, in accordance with an ordinary resolution passed at a general meeting [s.113(1)]. The committee may not set the contribution amount [s.113(2)]. The amount that each owner contributes to funds is normally calculated according to the 'lot entitlement' set out in the community plan [s.113(3)]. Put simply, a lot entitlement is the portion, or ratio, of the capital value of a lot as against the sum of the capital values of all the lots [s.26]. The body corporate may, by unanimous resolution, determine that contributions are paid on some other basis [s.113(3)]. The body corporate may, by an ordinary resolution at a general meeting, allow contributions to be paid in instalments [s.113(4)(a)]. If contributions are not paid, they are recoverable as a debt [s.113(8)]; the body corporate can sue the lot owner and any subsequent owner (if more than one owner, any or all of them) for the money [s.113(7)]. Interest may be charged by the body corporate on contributions or instalments owing, this is done by ordinary resolution [s.113(4)(b)]. The amount of interest charged may not be more than the prescribed amount and interest cannot be charged on unpaid interest [regs].

Maintenance and repair of common property, lots - entry to premises - The Bill imposes on the body corporate responsibility, subject to specific exceptions, to maintain and repair common property, personal property vested in the body corporate and fixtures and fittings included in the common property [s.77(2)]. The Bill imposes a responsibility on a lot owner to maintain and repair their lot [s.133(1)], unless the body corporate's rules have transferred this responsibility to the body corporate [s.133(2)]. If the responsibility to maintain and repair lies with lot owners, and a lot owner does not fulfil this responsibility, the body corporate may give a lot owner written notice requiring them to carry out specific work by a certain time [s.100(1)(a)]. Similarly, the body corporate may require and enforce work on a lot to remedy a breach of the Act or the body corporate's rules, even if the breach was by a former lot owner, an occupier (tenant) or former occupier [s.100(1)(b)(i)]. The body corporate can also pre-empt problems and require an owner to do work to remedy a situation that is likely to result in a breach of the Act or the rules [s.100(1)(b)(ii)]. If the work is not done in the set time, the body corporate may authorise workers to enter the lot to do the work [s.100(2)]. This can only happen after the body corporate has given at least two days notice in writing to both the lot owner and the occupier (for example, any tenant) [s.100(3)]. Force cannot be used to enter the lot without an order from the Community Title Tribunal [s.100(4)], unless an officer of the body corporate or a person authorized by the body corporate (such as a body corporate manager) is satisfied that urgent action is necessary to prevent a risk of death, injury or significant damage to property [s.100(5)]. In such a case, the officer or authorized person can, after giving whatever notice (if any) to the lot owner and occupier they consider reasonable in the circumstances, authorize entry to a lot for the performance of work reasonably necessary to deal with the risk. To enter the lot in urgent circumstances, such force as reasonably necessary may be used. The individual lot owner is liable to the body corporate for the reasonable cost of work done [s.100(7)]. If the need for the work arose because of someone else, for example a tenant or previous owner, the lot owner can recover the cost as a debt from that person [s.].

Maintenance and repair of service infrastructure, entry to premises - The body corporate may need to enter a lot in order to set up, maintain or repair service infrastructure. If so, the body corporate must give notice to the owner of the lot to be entered [s.155(1)(a)]. The amount of notice required is whatever is reasonable in the circumstances [s.155(3)]. If the situation is an emergency and there is no time to give notice, then notice need not be given [s.155(2)(a)]. A lot owner may agree that their lot can be entered without notice [s.155(2)(b)]. If a person acting on the body corporate's behalf cannot enter the lot without using force, such force as is reasonable in the circumstances may be used [s.155(4)]. Any damage caused by the use of force must be made good as soon as practicable by the body corporate, unless the need for force was the result of an unreasonable act or omission on the part of the owner of the lot that was entered [s.155(5)].

Return of property - A body corporate may require anyone in possession of any record, key, or other property of the body corporate to return it to an officer of the body corporate by a specified time. The person in possession of the property must be given written notice to return the property, and the person it must be given to must be stated in the notice. Failure to comply with such a notice is an offence with a maximum penalty of \$2000. [s.156].

Officers of the body corporate - A community body corporate must have a presiding officer, a

secretary and a treasurer, who are appointed by ordinary resolution [s.78(1)]. Normally, these officers must be lot owners [s.78(2)]. If the scheme has ten or less lots, one person may hold two or more of these positions, and if the scheme has more than ten lots, one person may hold up to two of these positions [s.78(3)]. A community body corporate may appoint or engage a person to assist the presiding officer, treasurer or secretary [s.78(9)]. An officer can be appointed for up to a year, with all positions becoming vacant no later than the next annual general meeting of the body corporate [s.78(6)]. If a vacancy arises in any of the positions, the position can either be filled at a general meeting, or, if the body corporate has a committee, the committee may, by ordinary resolution, appoint a lot owner to fill the vacancy [s.92]. A vacancy will arise before the annual general meeting if the officer: resigns in writing to the secretary, or, in the case of the secretary, to the presiding officer [s.78(7)(e)]; dies or sells their lot [s.78(7)(a), (c)]; becomes bankrupt or applies to take the benefit of a law for the relief of insolvent debtors [s.78(7)(f)]; or is convicted of an indictable offence (an offence that may be heard before a jury) or is imprisoned for any offence [s.78(7)(g)]. We are getting there Mr Speaker. An officer may be removed by special resolution of the body corporate (not the committee) on the grounds of misconduct, or neglect of duty, or incapacity or failure to carry out satisfactorily the duties of the office [s.78(7)(h), (8)].

The secretary of a community body corporate has the following prescribed functions [regs]: to prepare and distribute minutes of meetings of the body corporate and submit a motion for confirmation of the minutes of any meeting of the body corporate at the next such meeting; to give, on behalf of the members of the body corporate and the committee, the notices required to be given under the Act; to answer communications addressed to the body corporate; to convene meetings of the committee; and to attend to matters of an administrative or secretarial nature in connection with the exercise, by the body corporate or the committee, of its functions. General meetings and committee meetings can also be convened by members of the body corporate and other officers (see Committee and General Meetings below).

Treasurer - The treasurer of a community body corporate has the following prescribed functions [regs]: to notify owners of community lots of any contributions to be raised from them in accordance with the Act; to receive, acknowledge, bank and account for any money paid to the body corporate; and to keep accounting records and prepare financial statements.

Records - The body corporate normally has a prescribed responsibility to maintain proper records, and to keep them in an orderly manner so they can be found easily for the purposes of inspection or copying [required by regulations]. A community body corporate must maintain a register of the names of the lot owners, showing the owner's last contact address, telephone number and email address known to the body corporate, and the owner's lot entitlement [s.134] and must keep any information in the register for 7 years or as prescribed [by regs]. The rules of body corporates with only two or three lots may exempt the body corporate from the need to maintain a register of names of lot owners [s.41]. The body corporate must make accounting records of its receipts and expenditure [s.135] and keep the records, along with: receipts for the expenditure of money; passbooks, deposit books and all other documents providing evidence of the deposit or investment of money; ADI statements and all other documents providing evidence of dealing with money invested or on deposit for 7 years or as prescribed [regs]. The body corporate must make a record of notices and orders served on the body corporate and keep the notices and orders for 7 years or as prescribed [again by regs]. Minutes of meetings must be kept for 30 years or as prescribed [regs]. Copies of correspondence received or sent by the body corporate and notices of meetings of the body corporate and its committee must be kept for 7 years or as prescribed [by regs]. A body corporate must ensure that a statement of accounts is prepared for each accounting period, and must keep each statements of account for 7 years or as prescribed.

Access To Information - Insurance policies: A lot owner, a mortgagee of a lot, or a prospective owner or mortgagee of a lot may request, through the body corporate's secretary or a member of the committee, to see any or all of the insurance policies currently held by the body corporate [s.107]. No fee is applicable. If the applicant wishes to have copies of the current insurance policies under s138(1)(b) a fee applies. If the applicant is the owner of a unit, a prescribed fee will apply [by regs]. If the applicant is a mortgagee of a unit, or a prospective purchaser or mortgagee of a unit, a prescribed fee will also apply [by regs]. The body corporate must make the information available within five business days after the request

[s.107, 138]. Failure to do so is an offence with a maximum penalty of \$500. Bank statements: On the request of a lot owner made through the secretary or a member of the committee, a body corporate that does not have a body corporate manager must provide the lot owner with quarterly bank statements for all accounts maintained by the body corporate, and must continue to provide the statements until the person ceases to be an owner or revokes their application [s.138(2)]. Failure to do so is an offence with a maximum penalty of \$500. If a body corporate has a manager, application can be made to the manager for quarterly financial statements (see Body corporate managers). Rules - The body corporate must make available up-to-date copies of the rules that owners and occupiers of lots, prospective purchasers of a lot or someone considering entering into any other transaction in relation to a lot may inspect or purchase [s.47(1)]. No fee may be charged for inspection of the rules [s.47(2)]. The maximum fee a body corporate may charge for buying a copy of the rules will be set. Copies of rules can be obtained from the Lands Titles Office for a fee. Other information in relation to a lot or the body corporate - A lot owner, a mortgagee of a lot, or a prospective owner or mortgagee of a lot (or someone on their behalf) may apply to the body corporate, through the secretary or a member of the committee, for access to the following information or documents [s.138(1)]. The information or documents must be provided within five business days after the request [s.138(1)]. Failure to do so is an offence with a maximum penalty of \$500. The body corporate may under the Regulations reduce or waive any of the specified fees [regs]. Information to be provided [s.138(1)(a)]: particulars of any contribution payable in relation to the lot, including details of any arrears of contribution related to the lot; particulars of the assets and liabilities of the body corporate; particulars of any expenditure that the body corporate has incurred, or has resolved to incur, and to which the lot owner must contribute, or is likely to be required to contribute. If the applicant is a lot owner, under the Regulations no fee applies. If the applicant is a mortgagee of a lot, or a prospective owner or mortgagee of a lot, a prescribed fee applies. Copies of documents to be provided [s.138(1)(b)]: the minutes of general meetings of the body corporate and meetings of its committee for such period, not exceeding two years, specified in the application; the statement of accounts of the body corporate last prepared by the body corporate. If the applicant is a lot owner, a prescribed fee applies. If the applicant is a mortgagee of a lot, or a prospective owner or mortgagee of a lot, a prescribed fee applies. Documents to be made available for inspection: a copy of the accounting records of the body corporate; the minute books of the body corporate; a copy of any contract with a manager; and the register of lot owners. No fee applies to inspecting a copy of the contract with a manager or the register of lot owners. If the applicant is a lot owner, under the Regulations no fee will apply to inspect accounting records or minutes [under the regs]. If the applicant is a mortgagee of a lot, or a prospective owner or mortgagee of a lot, a prescribed fee will apply in relation to accounting records and minutes. What is common property? This goes on forever, I think we get the general gist. I hope Members haven't been put to sleep, but it is a certainly very thoroughly covered bit of legislation and I recommend the Bill to the House. I do also need to move a detail stage amendment.

SPEAKER When we get to the detail stage Minister Ward. Any further debate from Members on the question that the Bill be agreed to in principle?

MS ADAMS Thank you Mr Speaker. I have just been sitting here reading through the RIS. I am comforted by the fact of the commencement clause allows on assent to commencements of section 1 and section 2 and then the remaining provisions of the Act come into operation on a day fixed by the Administrator. Just reading through the RIS the first question in my mind at the moment is, under the current Norfolk Island Plan how widely across the island can community title be applied?

MR WARD Ultimately it can be across any part of the island.

MS ADAMS And so in effect it's subdivision across the island anyway? Is that the ultimate effect of community title?

MR WARD It's still on combination with the Plan, it still has to go through full planning processes.

MS ADAMS Cost factor of this, there will be a need to upgrade the land titles program system so that it has the capacity to register community title, planning and legal services unit will likely have increased involvement in the Administration of the proposed legislation, there may be greater use of the Court systems regarding disputes arising under community title development. Costings for database changes to the land registry system have yet to be prepared. Major issues identified in the consultation process included the absence of general property law reform legislation, the need to mitigate disputes and the need to establish a local strata title tribunal and the Norfolk Island Plan will need to be amended or development control plans introduced to establish appropriate standards and conditions for community scheme development approval. It does say here that the legislative proposal is expected to cost less than \$50,000 to be implemented but I think those things that I just read out are not necessarily just implementation, they are ongoing costs, has there been an impact study done on the ongoing costs to the Norfolk Island Administration and to the community, not the implementation, the ongoing use of the community title.

MR WARD Are you posing that as a question?

MS ADAMS Yes. I am just looking for the answers to the issues that were raised in the RIS.

SPEAKER Unclear on tape.

MS ADAMS They were questions I was directing to the Minister, I will say that today I will be abstaining from this Bill, as a legislator I have to say, and to be quite honest that I have not been able to give the Bill the time that it deserves, and I will abstain on that basis.

SPEAKER Minister Ward did you want the call to maybe respond to those questions?

MR WARD I can't really add a lot to them at this point, the only assessment that has been done is reflected in the RIS that I am aware of, obviously I can't refer to the Service at this point to confirm that detail, but it's just what has been identified in the RIS, which is the purpose of the RIS, Regulatory Impact Statement. That is the only assessment that I am aware of.

SPEAKER Further debate. Minister Sheridan.

MR SHERIDAN Thank you Mr Speaker. Mr Speaker I fully support the concept of community title into the system of property holdings on Norfolk Island, as I see it has a huge potential to enable part of the economic revival to the commercial sector within Norfolk Island. I appreciate Minister Ward finally being able to bring this to the House as this particular Bill was commenced back in the 13<sup>th</sup> Assembly when they commissioned a white paper to be written on the feasibility of introducing strata title reforms into our land titles system. Mr Speaker this system of property holdings back then was seen as a way forward to some in the commercial sector to invest in projects within Norfolk Island and in an effort to stimulate the economy. This has the potential for land owners who own clusters of shops within the Burnt Pine shopping district to convert to a community strata title holding which would mean that individual shop owners would be able to purchase their own space. Which would then allow them to expand and improve their facilities without having to rely on a landlord to provide for these improvements. This would also assist those persons who wish to have their business

held against a bank loan as a security for loan. Strata title will also be particularly appropriate for developments such as mini estates for private use such as the development of retirement villages, etc. With Norfolk Island having an ageing population these types of developments will appeal to those who are no longer able to maintain a larger property and wish for a type of housing where most of the difficult tasks are undertaken by a corporate manager. There is also a potential for the accommodation industry to adjust how they do business, and this would be to invest in a strata title system, this has the benefit of freeing up cash, that is contained within the capital infrastructure of the business, and when this cash is realised then these persons would be able to reinvest in other opportunities and therefore improve the economics of Norfolk Island. I see this as a huge benefit for the trades industry on Norfolk Island and we all know that if Norfolk Island's trades persons are active that this flows into the benefits to the community by ways of jobs and security for their families. As mentioned, this has the ability to unlock cash held in infrastructure costs and enable these persons to invest or reinvest in their business, or maybe even contemplate investing in new activities that they may have been restricted to prior due to the lack of cash flow. Mr Speaker as indicated I fully support this initiative, but for the community's information, I would like the Minister to fully explain how this Community Title Bill 2015 would operate. I am aware that the Minister read from the explanatory memo in regards to reference to community schemes, but also to community strata schemes, and I would just like the Minister to explain what's the difference between the two schemes, and who is responsible for the maintenance of the two schemes. I also note that the term contiguous is used in conjunction to land and would also like to note for what purpose is this being used in the Community Title Bill 2015. Mr Speaker, also at clause 34, where it describes the scheme description, there is a requirement to lodge a scheme description with the Registrar if the plan of community division creates more than six community lots. Mr Speaker I would therefore presume that a scheme with two to five community lots would not require a scheme description to be lodged with the Registrar and therefore I ask the Minister how will they then comply with regulations and ensure protection is provided to each lot owner. Mr Speaker in the white paper there was a warning in regards to proxy votes and how these are to be distributed, how votes cast at general meetings are determined, especially if members are absent, or have persons acting as their proxy, does the rules within the Bill protect the rights of the persons involved in the community lots? Mr Speaker there is also concerns raised in the white paper in regard to what portions of land should be considered for these community schemes, and I am again asking the Minister what land zones are considered under this legislation to be eligible for these schemes and also to whether or not crown leases may be registered as a community title scheme. Mr Speaker there is also feeling amongst some in the community that this type of land tenure is subdivision by stealth, I do not hold this thought, but it may interest the community if the Minister can explain the interaction between the Subdivision Act 2002 and Community Title Bill 2015 and whether or not the requirements of the Subdivision Act 2002 applies when considering a community titles scheme. Mr Speaker notwithstanding these queries of the Minister, as I am quite comfortable what's provided in the Bill, because it is a quite extensive bill, but I believe the community needs to know some of these answers and they would like to hear it from the Minister's own mouth you might say. But Mr Speaker I believe that this bill will have positive impact on the island and the economy and I fully support this bill being passed today.

MR NOBBS

Thank you Mr Speaker. May I say that the Bill has been a long time coming, I think it was 14 years ago I think it was, that it was first muted, this type of arrangement, on what did they call it – on a fair dinkum stage, but unfortunately it was not progressed and was not subsequently progressed until now actually, although the white paper that Minister Sheridan speaks about was done a couple of years ago, there hasn't been a lot involved in it. The Infrastructure and Business Development Committee made a recommendation in relation to this, a year or so ago, maybe two years now. And the issue really was felt at the time I think with the Members that it was a brand new concept, the white paper was a huge document and that the community would have difficulties understanding it, understanding the actual concept involved. And I don't think it's improved today. I think there are still a lot of questions in the community as to how it works and some of them don't know a

darn thing about it. It worries me a bit that a Minister has got a series of questions, and I thank him for bringing them out on the subject and I am just wondering where we are going, is there an attempt to deal with it today, or will it be held over? And a proper explanation of some description be given to the community so that we can take them along with us. It is long overdue, the thought was that maybe what should happen in the first place is that one site is selected, and the obvious one, is a previous one, that sort of had approval, well it had approval, but it never had a rubber stamp with it, or any sort of a stamp really, it was just an approval by the Assembly in, I forget now 2003 I think, that this project would be supported. It went ahead. I thought myself personally, that that would be a good one to start on, to show the people and explain to them exactly what the story is about this type of development. If we are going into it now two things should happen. The first one is that the community gets a reasonable explanation on it other than the community title which is in itself a lengthy document, and that where it will actually be located, is the next and second point I should imagine. As it said, will we be looking at the Norfolk Island Plan to fit in with that, does it fit in with it, I'm not too sure, I thought that maybe in the centre of town was a really good area to start it, but I don't know, it's up to the Assembly, but I do support the concept, I have always supported the concept, but I'm also wary of what has happened with sub-division use, with new sub-division arrangements in the past, where we made some fairly difficult decisions I guess and they turned out difficult in the long term, I think that this is based on the Australian scheme, the Professor that produced the paper has wonderful experience and all that sort of thing, so we should be able to explain fairly easily to the community what the immediate future of this scheme is and I think that is what they really want to know, if we bring it in, is it just going to be holus bolus and all of a sudden you get all of these places up for sale and the whole business or what effect will it have on the tourism industry. Minister Sheridan says it will be positive, that's fine, if the stock of beds remain as such, open to the tourism industry great, but if they all become shut down and we start running short of beds and the like, I guess somebody will pick it up, but those sort of things should be looked at. That's my view on it, I agree with the concept, I agree with the proposal, the way it is set up will be quite fair and controllable, and that is an issue that we should ensure the community will want to know, is it going to be controllable or are we going to have all these different things all over the island, and part completed and all that sort of thing. Those are the issues that I think are needed to be put to the community and then we should be able to deal with it. Thank you Mr Speaker.

MR WARD

Thank you Mr Speaker. My shorthand isn't such that I was able to take down all of Minister Sheridan's questions or Mr Nobbs' for that matter. But a few key ones that I will address. Firstly, the difference between community and strata schemes – in very simple terms – the community scheme deals with the vertical division of land and to make a simple description it is almost like a subdivision within a portion, but you still have to have common lots within it. For instance, if a property set up like this Assembly Chamber here with one major building in the middle and smaller buildings around was going into that sort of system, people under a community scheme could buy the rights to the small buildings around it, around this Chamber, under a community scheme. If this multi story Chamber was available for some sort of development under these systems, you would be using a strata system where you could have one owner on one story and another within, and there could be divisions within those levels as well. So one deals with multi-story buildings basically and the other one deals with the division of land within a scheme if that helps. What else, I think Minister Sheridan raised a question about whether Crown Lease would be, Crown Lease is specifically excluded from the concept. If you look at the concept as being an alternative to subdivision or subdivision by stealth, one of the reasons I went through reading so much of this explanatory memorandum today is to spell out that it is an extremely complex system, it's not going to appeal to the average person wanting to divide a bit of land up to put two houses on their block of land or whatever. It has a specific purpose, it's application will be fairly limited where it gets used, and that in itself is quite a safeguard for the island I believe. It does open some potential, particularly in town, the commercial sector, there is certainly areas there where this concept will be of great use. It will allow, as I mentioned last month, when this was introduced, the ability for

some of the bigger buildings there to be divided and people to own an individual shop or premises within that building without having to buy a whole property. That for many, rather than renting, would be quite an advantage. It is also an advantage to those owners seeking to divide those properties in that way, and make some return on their capital. I hope that helps Mr Speaker. The questions one could ask around this are endless, I certainly agree with Mr Nobbs on that, the bill has been on display now for several months, people have had ample opportunity to acquaint themselves with it, but it is complex, I just urge people to get out there and read it, seek advice on it, and see if it suits their purpose.

MR PORTER Thank you Mr Speaker. Community and strata title legislation, as I have commented in this House previously, is contemporary land use and management, we are not reinventing the wheel, much research and development from other locations has been made use of by the authors of this legislation, hence the complexity of it, also the community title legislation is subservient to the planning act in every extent and any matters that present themselves can be dealt with by updating the planning legislation. In any event, items in contravention of the planning act would not gain approval and we can then determine whether we were to change the act or not have those types of developments occur. So I see that we have a very complex piece of contemporary legislation here that I wholeheartedly support and believe the island is in desperate need of.

MS ADAMS Just a question Mr Speaker, of either Minister Sheridan or Minister Ward what are the actual terms of the actual funding agreement around the community title bill?

MR WARD Sorry, I don't have the Funding Agreement with me.

MR SHERIDAN I don't think there is any money attached to the passing of this legislation.

UNIDENTIFIED Around \$350,000.

MS ADAMS Yes, I just want to know what their wording is.

MR SHERIDAN I correct myself Mr Speaker, there's no funds allocated to the introduction to the community title scheme, but there is some \$350,000 once it is fully operational.

MS ADAMS Are those the words? Fully operational?

MR SHERIDAN Pass agreed community title legislation, consequential amendments and assented to and provide evidence that it is fully operational. So it is a long time coming before that would become in effect I would say.

MS ADAMS Simply because, there is a lot, when you read the position paper, and you read the RIS, there is a lot of work to be done.

MR SHERIDAN That's what we are tasked with, that's what we do.

MS ADAMS I'm just making sure that we can work within the parameters of the Funding Agreement, just a question.

MR WARD With respect Minister Adams, a huge amount of work has been done by the legal services unit on it.

MS ADAMS Hear hear. No no, I'm not disputing that at all.

MR WARD  
consequential amendments here.

There probably will be some consequentials, I do have

MS ADAMS

Ok good. If you are comfortable that is good.

MR SNELL

Thank you Mr Speaker, just as a little background, and I might be pre-empting what Mrs Ward may have to say on the position paper, but just as a little background for the interest of those listening. In September 2011 the Administration of Norfolk Island published a request for the expressions of interest for the preparation and submission of a white paper on the proposed introduction of strata community title to Norfolk Island. The University of NSW was contracted to undertake the work, the University engaged Cathy Sherry, Senior Lecturer in Law and Emeritus Professor Peter Butt to carry out the research and prepare the white paper. Professor Peter Butt conducted an extensive public and stakeholder consultations in Norfolk Island during the 30<sup>th</sup> of January to 2<sup>nd</sup> of February 2012. The white paper was delivered on the 26<sup>th</sup> of March 2012 and contained 24 recommendations. The white paper was tabled in the Legislative Assembly on the 11<sup>th</sup> of April 2012. There appears to have been only limited debate in the House regarding the contents on the white paper. On the 6<sup>th</sup> of June 2012 the 13<sup>th</sup> Legislative Assembly passed the following the resolution – This House: 1. Supports the concept of Strata Title on Norfolk Island contained in the white paper dated 26<sup>th</sup> of March 2012 entitled “Strata Title on Norfolk Island” prepared by Ms Cathy Sherry and Prof Peter Butt; and 2. Resolve that the responsible Minister prepare a. amendments to the planning package of legislation to accommodate strata title in Norfolk Island and b. a draft bill to enable strata title on Norfolk Island. The Norfolk Island economic development report prepared by ACIL Tasman under commission to the Department of Regional Australia, Regional Development and Local Government was provided to the Norfolk Island Government on the 10<sup>th</sup> of March 2012 and subsequently released on the Departments website on the 13<sup>th</sup> of March 2012. The report cited the absence of strata title as an example of a constraint on business development in Norfolk Island. And it has reference to the extent that Norfolk Island legislation has not developed at the same pace as legislation on the mainland, this acts as a constraint to development. A specific example of this problem that was raised during the consultation process was the lack of strata title legislation and the way that this has constrained the development of businesses servicing elderly Norfolk Island. Norfolk Island EDR, ACIL Tasman 2012, page 78. A general election was held on the 13<sup>th</sup> of March 2010 to elect the 14<sup>th</sup> Assembly. This document sets out the current Norfolk Island Government’s position regarding the introduction of strata community title in Norfolk Island, the Governments position is expressed by reference to the 24 recommendations set in the March 2012 white paper ‘Strata Title in Norfolk Island’, the term community title will be used throughout the document. This document will be subject to further review and comments from the community will be welcomed. A final version of the document will be provided as part of an exposure draft legislation package to be distributed by the Norfolk Island Government at a later date and Mr Speaker, the white paper recommendations, recommendation 1 through to 24 have all been accepted by the Government, with the exception of recommendation 23, and it reads, the Registrar of Titles should be provided with training from experience strata surveyors and given any necessary financial assistance to enable his office to deal with any surveying and registration issues that might arise. The Government considers the resourcing requirements referred to in recommendation 23 are matters for the internal management of the Public Service, the need for increased resources may be more apparent than real. However Mr Speaker that is a consideration that has been placed before us and is highly important that we do not burden the community with increased taxes to cover the introduction of a community title system that may only benefit a few. And that is one of the conditions. And Mr Speaker in addition to all of that, with the 24 recommendations, and as Mr Nobbs quite rightly pointed out, the introduction of strata title was considered by the Infrastructure and Business Development Committee as a potential means of providing an alternate title option which should not impact negatively on the environment, was one of their main concerns, or the tourism potential of this island, which is

also a major concern. Consideration of the issue occurred without the benefit of relevant Norfolk Island legislation, that is now before us. Being a new form of land title for Norfolk Island the Committee stresses that based on earlier subdivision experiences, that the introduction of this new title carries with it significant issues which require to be addressed, not the least of these issues being potential environmental concerns, but the Committee also stressed the importance of community education and acceptance, as a consequence the Committee whilst supporting the introduction of strata title recommends a bridle approach as follows: a. Norfolk Island legislation applicable to the introduction of strata title be developed and b. a potential area for its introduction and for a specific purpose where the title will be initially demonstrated be identified and c. following provisions of points 6a and 6b a thorough process of community education and consultation be undertaken and general agreement ascertained prior to initiating a demonstration as per 6b. And further extension of strata title be considered following 6c on the basis of consideration of any identified issues from the initial demonstration and community acceptance of the new land title. A more commercial approach be introduced in key areas of Administration infrastructure as certain areas are falling behind in provision of services due primarily to current governance arrangements. It is imperative that such failings are addressed by introducing commercial practices as this infrastructure is critical to the island's ability to provide for business development. Mr Speaker as mentioned previously by speakers, this has been around for a long time, it is a complex bill, as explained also by Minister Ward, but it is a bill that has certainly potential for business development as has been explained and I would support the community title bill going forward with the proviso hopefully that it will not become a financial burden on the community in far as the administrative costs are concerned.

MRS WARD

Thank you Mr Speaker if I may firstly congratulate Minister Ward for the effort that has gone into bringing this bill to the stage that it is at. I am sorry that people think that no work or little work has been done on this and I think the Chief Minister has aptly described the process to date, it has been long, it has been drawn out, but it has had a mammoth amount of work put into it particularly by the Legal Services Unit, who came across and visited with Members, made themselves available to any Member who wished to raise questions and concern at that time. I can see from a response to a letter from the Commonwealth Department, the Regional Infrastructure Department, that they raise concerns, and what I can see from the Minister and reading out the explanatory memorandum, all of those were addressed as they have been in the Consequential Provisions Bill and the community title bill that appears to me to have dealt with concerns. There is no doubt that there will be more, there will be teething problems, there will be hiccups, and that's just the way it's going to be, we need to accept that up front with what is a complex piece of legislation for Norfolk and how it is going to sit and relate to the plan. As other Members have already urged the Minister to do, I would like him to put forward what is simply called next steps around this legislation into the paper should it proceed today, it will have my support. And I have already mentioned, and I won't repeat what Minister Sheridan has always said, it is about a new property management scheme, it was about supporting business development, it was seen as an issue raised by this community again and again and again. This is not something that the Commonwealth decided was a good idea for us, this was something that we have progressed through the wants and the needs and the desires and the aspirations of this community, so we have done that, and again I thank the Minister for bringing it to this point today. Thank you Mr Speaker.

SPEAKER

Further debate, Mr Evans.

MR EVANS

Just very quickly Mr Buffett, I will certainly be supporting this bill and as other Members have said too, a very complex piece of legislation. But I'm sure we can work with those problems as we come through it, I'm sure when you do read the Bill, there's not much that you could probably get away with! And as Mr Porter said the planning sort of looks after that sort of thing. And a great opportunity for this island to go forward and help the economics, so certainly support it Mr Speaker, thank you.

SPEAKER Any further debate? Okay, the question before us is the Bill be agreed to in principle. Are we ready to proceed there? I put that question Honourable Members. The question is that the Bill be agreed to in principle.

QUESTION PUT

QUESTON AGREED

Minister Adams is an abstention, the motion is agreed with that abstention. We move to the detail stage Honourable Members, I'm proceeding on the basis that you would be comfortable to handle the amendment that is proposed and that we handle the balance of the Bill as one block. Are you comfortable about that process? I think we are nodding yes, okay then, thank you. We are at the detail stage then Honourable Members and I turn to Minister Ward in terms of your specific amendment and we will tackle that and see what results there and tackle the balance of the Bill. Minister Ward.

MR WARD Mr Speaker I did omit one detail there which I perhaps put in before I move onto this. To also acknowledge Mr Jodie Brown our Planning Officer who is also made an immense effort on this project. And I now just like to record that. Mr Speaker to move onto the DSA. I seek leave to move the detail stage amendment just circulated to Members this morning, which replaces the detail stage amendment circulated to Members earlier this week.

SPEAKER Leave granted?

MEMBERS Aye.

SPEAKER Leave granted.

MR WARD Mr Speaker the explanatory memorandum for the detail stage amendment.

SPEAKER Would you move the actual amendment please Minister?

MR WARD Mr Speaker I move that the Bill be amended as follows and item subclause 5(1) definition of special resolution requires the text of the proposed special resolution to be served on owners of community lots with any other information of a kind prescribed by regulation this change is intended to enable similar requirements to those contained in paragraph (a) of the definition of unanimous resolution. And then items 2 – 6 these correct certain cross reference errors in the Bill. Do you wish me to read them?

SPEAKER What I want to get on the record Minister is the formal amendment. I am comfortable that you read it, it is clause 1 – 6, but if Members all have a copy I am equally comfortable that we take it as read, but I wanted to get it on the record. All of the Members have copy in front of them?

MEMBERS Yes.

SPEAKER So if we say as read, you know what we are talking about, done. Okay then Minister you might follow that cause please.

MR WARD Thank you Mr Speaker. So they are taken as read.

SPEAKER I'd like you to move them so they are taken as read.

MR WARD I so move.

SPEAKER Fine, thank you. I now have the motion in front of us. Please proceed. Anything further to be said as you earlier read the explanatory memorandum. No okay then. Any debate in respect of that proposed amendment. No further debate. Then I will put that motion to the vote. The question is that that amendment be agreed to.

QUESTION PUT

QUESTION AGREED

The ayes have it.

MS ADAMS

Please record my abstention throughout the Bill.

SPEAKER Yes, thank you, okay. Minister Adams abstains in that motion it is otherwise agreed, thank you. Honourable Members we have agreed the amendment. I will now put the motion to you that the clauses as amended be agreed to. Any debate before I put that question to you? No further debate?

QUESTION PUT

QUESTION AGREED

Any abstentions, Minister Adams. That is agreed, thank you. I'm now addressing the remainder of the Bill, and the question therefore in this context is that the remainder of the Bill be agreed to, any debate in respect of that matter before I proceed to the vote?

QUESTION PUT

QUESTION AGREED

Any abstentions, Minister Adams, that is agreed with that abstention. That being the case, I now seek a final motion from you Minister Ward and that motion is that the Bill as amended be agreed to.

MR WARD

Mr Speaker I move that the Bill as amended be agreed to.

SPEAKER  
be agreed to.

Any final debate? I put that question, the Bill as amended

QUESTION PUT

QUESTION AGREED

Minister Adams abstains. The motion that the Bill, as amended, be agreed to, is agreed. We have finalised that matter Honourable Members.

### **COMMUNITY TITLE (CONSEQUENTIAL PROVISIONS) BILL 2015 KOMYUUNETI TAITL (KONSEKWENCHL CHIENJ) BIL 2015**

And we therefore move to the next, which is order of the day number four, Community Title Consequential Provisions Bill 2015 and we're again resuming debate on the question that this Bill be agreed to in principle, Minister Ward you have the call to resume on this associated matter.

MR WARD

Thank you Mr Speaker, I present the Community Title (Consequential Provisions) Bill 2015. This Bill makes some consequential amendments to the Absentee Landowners Levy Act 1976, the Land Titles Act 1996 and the Planning Act 2002 arising from the introduction of the proposed Community Title Act 2015 the Bill has three clauses and a schedule. Clauses 1 to 2 provide the usual short title and commencement provisions. Clause 3 provides for the Acts specified in the schedule to be amended by the applicable items in the schedule. The schedule contains 11 items. Item 1 amends the Absentee Landowners Levy Act 1976, Item 1 inserts the definition of parcel of land in subsection 3(1) the Absentee Landowners Levy Act 1976 to reflect the creation of lots under the proposed Community Title Act 2015. Items 2 – 9 amend the Land Titles Act 1996. Item 2 inserts definitions of community plan, community scheme development approval and plan of community division into subsection 3(1) of the Land Titles Act 1996 to have the same meaning

as in the proposed Community Title Act 2015. Item 3 amends the definition of parcel in subsection 3(1) of the Land Titles Act 1996 to include the creation of title by registration of a community plan under the proposed Community Title Act 2015. Item 4 amends section 51 of the Land Titles Act 1996 to include a reference to community plans as well as subdivision proposals that are lodged, withdrawn and re-lodged. Item 5 inserts a new division 6A into Land Titles Act 1996 to include a new section 51A regarding notations to the register to reflect lodgement of an application for community division. Items 6 and 7 amends paragraphs 78(1)(b) and 80(1)(a) of the Land Titles Act 1996 to include references to community plans as well as subdivision proposals. Item 8 amends paragraph 80(1)(a) of the Land Titles Act 1996 to include references to community division survey plans as well as subdivision survey plans. Item 9 amends subsection 118(7) of the Land Titles Act 1996 to include references to community plans as well as subdivision proposals. Items 10 and 11 amend the Planning Act 2002. Item 10 inserts a definition of community division into section 6 of the Planning Act 2002 to have the same meaning as in the proposed Community Title Act 2015. Item 11 amends the definition of development of land in section 6 of the Planning Act 2002 to include references to community divisions as well as subdivisions. Thank you Mr Speaker.

**SPEAKER** The question before us is that the Bill be agreed to in principle. Further debate? No further debate? Okay then I'll put that question. Sorry, have I missed someone? Did you wish to contribute?

**MR SHERIDAN** Only a small item there Mr Speaker. Mr Speaker I appreciate that this is amendments to other Acts which are required for the introduction of the Community Title Act. And I see that the Absentee Land Owners, Land Title Act and the Planning Act. I just ask the Minister is there a requirement for the Norfolk Island Plan to be amended to incorporate this community title legislation and if so, do you intend to do it prior to the review of the Act, or are you going to do it as a stand alone issue and bring it to the House shortly?

**MR WARD** Thank you Mr Speaker. There is not a direct requirement to change the Act, however the Planning Act is due for a review, and if there is found to be any benefit of working any factors in and in fact and I am sure there will be a necessity to work the community title legislation into it and factor it into the plan and that will happen at that time.

**MR SHERIDAN** Mr Speaker if I may. I wasn't referring to the Planning Act that you referred to just then Minister, I'm talking about the Norfolk Island Plan.

**MR WARD** No, there shouldn't be a need to change that. You're still working within the requirements of the Plan...

**MR SHERIDAN** Okay then that's fine, that's fine.

**SPEAKER** Mr Nobbs.

**MR NOBBS** Thank you Mr Speaker. Does it mean, so within the rural area you can't have a community title that's under 10 acres is it? 10 acres in the rural area? Yes. You can't have one that's less than 10 acres. I'm just reading here the community subdivision within the subdivisions and I don't have the actually Planning Act with us, but I was just wondering in rural area can you have a subdivision or one of these community title subdivisions in a?

**MR WARD** Thank you Mr Speaker. The Plan provides for each zone what can and can't occur within a particular parcel of land, size is one of the factors that determines what can occur on a particular portion. That doesn't change on community title. It is

only the titling that changes within that land. It doesn't change what development can occur within the portion, the original portion.

MS ADAMS Thank you Mr Speaker. That was one of the issues I raised in the RIS which states the Norfolk Island Plan will need to be amended or development control plans introduced to establish appropriate standards and conditions for community scheme development approval. Is that not what you were asking?

SPEAKER Further debate? The question in front of us now Honourable Members to come back to the motion is that the Bill be agreed to in principle. If there is no further debate I am going to put that question.

QUESTION PUT

QUESTION AGREED

Minister Adams abstains. The motion is agreed, that the Bill be agreed to in principle. Do you wish to dispense with the detail stage in this matter? Yes, we dispense with the detail stage, therefore I seek a final motion please.

MR WARD Mr Speaker I move that the Bill be agreed to.

SPEAKER The question is that the Bill be agreed to, any final debate? I put that final question that the Bill be agreed to in principle.

QUESTION PUT

QUESTION AGREED

The Bill is agreed, with an abstention Minister Adams. Thank you.

## **MUNICIPAL RATES BILL 2015 MYUUNESIPL RIET BIL 2015**

SPEAKER Orders of the Day continuing, Order of the Day 5 Municipal Rates Bill. Resuming debate on the question that this Bill be agreed to in principle. Minister Sheridan you have the call to resume on this matter.

MR SHERIDAN Thank you Mr Speaker. Mr Speaker I continue the debate on the Municipal Rates Bill 2015 which was first presented to this House back in October 2014 as the Land Rates Bill 2014. I provided further debate on this issue last month when I replaced the Land Rates Bill 2014 with the Municipal Rates Bill 2015 and talked to the Bill at length. As indicated this Bill is the enabling Bill to facilitate the ability to provide for the levy of rates and charges on land and for related purposes. To further progress the municipal rates policy the Assembly must by resolution agree to a rates and charges determination which lays out the principles for general rates on land, special rates and charges, separate rates and charges and utility charges. It is intended depending on the outcome of this Bill today to bring to this House next month this rates and charges determination for debate prior to any municipal rates notices being issued. This determination will also detail the exemptions and concessions policy as well as the provisions for the notices, payments and discounts. We all know why it is necessary to have to implement further revenue raising from the Norfolk Island community and this is to complement the revenue already raised in an attempt to close the current deficit that the Norfolk Island Government has had to manage over the past four to five years. With a decision from the Commonwealth becoming closer by the day on the extension of taxation and in the introduction of their welfare and medicare systems, the decision will also mean that the Norfolk Island Government should have knowledge of the financial assistance that will come as of right for the provision of services that the Norfolk Island Government provide and this will then enable the Norfolk Island Government to plan with some certainty what the shortfall is and then be able to implement the municipal rates bill policies as they are intended to be. These rates should provide for community services that are not provided for from other avenues. As has been

indicated in previous debate, it is the intent that the monies raised this year will go somewhat towards funding the areas of public places, cemetery, tourism, environment and planning as well as contributing to the museums. Over the coming years when the policy has been fully implemented there will be the opportunity if the Government of the day is in agreement to remove the absentee landowners levy, charge for the waste management costs instead of the levy on imported goods, implement a roads levy instead of the levy on fuel plus other initiatives so that the reliance on funds from the Government Business Activities to fund the revenue fund can cease and see these business activities to be more fully self supporting in their activities which will allow them to invest in infrastructure upgrades and improve their businesses. This is the way that it should be and we need to get our own house in order in regards to finances prior to this. Mr Speaker during the past month I have had the service update the Regulatory Impact Statement for municipal rates and in particular the area of costs of implementation has been reviewed to put in place known costs. With the implementation costs of supporting this policy the revenue raised in year one will be a negative \$347,000. But with the costs levelling out over the later years will see additional funds of some \$766,000 being raised by the financial year 2018/19. This will greatly assist the revenue fund. Mr Deputy Speaker just February past I wrote to Minister Briggs explaining to him the difficulties that the Norfolk Island Government had encountered in attempting to put in place valuers to commence this rating policy and raise the funds that are expected to be raised and discussed that in the first year there would be a negative impact on the revenue fund. At that time it was to be only some \$10,000, but with the review of the Regulatory Impact Statement it was demonstrated that the first year deficit would be more like \$347,000 but with the knowledge that the introduction of municipal rating would see us eligible of some \$1.1million under the Funding Agreement. Mr Deputy Speaker this will be difficult to be achieved by the end of June 30, but the service has indicated that they will attempt to do so if the Bill is passed. I also wrote in the letter to Minister Briggs the comments to the community from the Administrator in that the Norfolk Island Government had constructed too complex a rate system and we only needed to charge \$20 per land portion. I requested urgent advice from the Minister as to whether this would be acceptable (prior to the valuation based system being in place) but to date I have not had a response to my letter. I also requested advice from the Minister that if we were unable to achieve all of the milestones under the Funding Agreement as to whether the Norfolk Island Government could use any essential service funding remaining from the \$7.5million to be allocated to infrastructure projects within Norfolk Island. This suggestion was muted by the Official Secretary that we should approach Minister Briggs and as yet I have not had a response to this request either. We are all fully aware of the Funding Agreement that was signed in October last year for the Norfolk Island Government and the implications of implementing a rating scheme by the end of June. There is \$1million in funding awaiting collection upon the implementation of the scheme. Mr Deputy Speaker last month I alluded that the ACT Government does not charge municipal rates and this information was provided by the Commonwealth Grants Commission updated in December 2011, this report also implies that the ACT charges land tax, which includes charges for services delivered. The Commonwealth Grants Commission Report also showed that the Northern Territory does not charge a land tax, but does charge municipal rates. So it can be seen that all states and territories have a combination of types of land tax and municipal rates but invariably all based upon the unimproved capital value of property as it has been demonstrated, this is a very difficult tax to avoid. The Commonwealth Grants Commission report indicates that throughout the states and territories the per capita charge for these two taxes is \$795 per capita with the Norfolk Island Government only currently receiving \$94 per capita via the Absentee Land Owners Levy. Based upon this average and if applied to Norfolk Island it would be expected that the Norfolk Island Government would recover some \$1.4million. This is not to be as the Norfolk Island Government at this time has only committed to raising \$1million in municipal rates after a phase in period of four years. But as I indicated last month I will be willing to leave the amount raised at \$250,000 until the model of governance is assured and that the Australian safety net is extended to Norfolk Island. Mr Deputy Speaker the big part of this debate has been on the ability for the community to pay new tax and this is the very reason as to why it will be phased in over a four year period so that these difficulties can be more fully

examined as the policy is implemented. I can assure the community that the intent of this policy is not to have land owners sell or move off their land due to their inability to pay the rates. Each and every year this Assembly will be charged with agreeing to a determination that can facilitate a lot of movement in how these rates are to be paid and it is forecasted over these four years that the wrinkles can be ironed out and the policy will become a lot clearer especially after we have the ability to value the land to ascertain the net worth of Norfolk Island as a whole. As I mentioned last month, nobody likes change, we all resist it, rally against it, but everybody must realise that change is essential to rebuilding our economy, there may be bits of this change that are untasteful and may create some difficulties in the short term but it is the role of Government to look past these difficulties and ensure that the changes lead to a better sound economic future for the community of Norfolk Island. This is what the Norfolk Island Government has been charged with and it is our responsibility to ensure that funds are available to provide for the services of which the community demands. This Government needs to show leadership with a positive attitude to ensure that we keep on providing services and not have to remove or reduce service delivery due to our inability to support change. These changes present obstacles and we should be endeavouring to overcome these and not let them prevent us from achieving our goals. Mr Deputy Speaker I will advise now that I intend to move a small detail amendment and this is because only last night we received a letter from the Department of Infrastructure and Regional Development in regards to their support for the Bill but they have advised that they would like one change to ensure that the Commonwealth does not have any obligation for payment for Commonwealth portions under the Bill. I was sure this provision was already amply covered in the Bill under clause 5, but to ensure that it is clear a detail stage amendment will be moved to clarify this position. Mr Deputy Speaker I leave this matter in the hands of the House and what will be will be.

DEPUTY SPEAKER

Thank you Minister Sheridan, any debate?

MR BUFFETT

I'll make the start, everybody's reluctant by the look of things! I've got to say that my contribution will probably be brief. Yes I know I said that last time! We all know Mr Deputy Speaker that imposts upon land is one of the most controversial factors that we do face today and we've faced it now for some little time. None of us want imposts on our land but it does need to be recognised that this day and age as we move forward that there is a reasonable element of inevitability about some means of rating upon land. It mightn't necessarily mean municipal rates, it's been exemplified by Minister Sheridan that the ACT don't have municipal rates but they have some other measure. It's indicated that in the Northern Territory, they don't have municipal rates but they have land rates if I remember that detail correctly, so there is some level of application towards imposts upon land which really points towards some element of inevitability in this part of the hemisphere in which we live. But having said that, I've equally said, and I say it again, that rates, if they are to come, must be affordable, affordable. At present we find it hard to find anything affordable in the climate of today, therefore there might be an expectation that rates can only anticipated to be low. But this is the real crunch, but we don't yet know whether they will be high or whether they will be low, we don't know that. The examples that have been exhibited to us to date they're not formally in this Bill, this Bill doesn't mention the amounts that will be imposed. But nevertheless we have had papers prepared and circulated on possible rates, and those that we have seen have projected rates over a four year period. And these projections have shown that for the first year, maybe they are affordable, I would estimate that those that are mentioned in the first year are probably affordable. But when you come to the fourth year, equally it is my estimate, that many of them would be unaffordable, and if we use that particular paper and those benchmarks, we will see that people eventually would lose their property and certainly we could make that assumption under the present economic climate that that might have the prospect of that happening. We have equally seen in terms of Minister Sheridan's just recent over night indicator to us that the community in Norfolk Island will be asked to pay where they hold land, and of course we are the least able at this very minute, but the Commonwealth won't be asked to pay land rates, the Commonwealth won't be, and they're probably the ones that can most

afford it at this particular time. There are some inequities in that process. So having said that, and having said it briefly, I've got to say now this, I wouldn't support this Bill if it comes to a vote today. I would only give it support when a level of rates are demonstrated to the Norfolk Island community to be affordable, when that is equally put on display, I would then give it another thought. Further imposts can only be made upon this community after the economic climate improves, we all know that that's a hard road, it's a long road, and I have said earlier today that a governance model needs to be settled before our economic recovery can happen or contemplated, so, we need to have, and again I say, a governance model settled and then we have a playing field in which people know the rules and we can look forward to economic recovery and hopefully development. Then we can introduce additional taxing measures, municipal rates or the like, which will then be affordable, but I think today you can't get blood out of a stone. That's what I want to say briefly.

MEMBER(S)

Hear hear.

DEPUTY SPEAKER

Thank you Mr Buffett. Mr Evans.

MR EVANS

Thank you Mr Deputy Speaker. Today I suppose we added another 79 names that came up to 356 on the petition from locals that state that they are finding it very difficult. We look down at the courts, even at this time, and we see people that can't even pay their healthcare levy. Unfortunately I can't support it, I suppose when we stand for Government we stand for the people and I suppose if I revert to a story going way back to when my Grandfather told of when our people were evicted out of the Quality Row down here in Kingston, even as a young boy I promised to myself I would never do anything within my career or my whole being that I would ever do something to displace the people of Norfolk Island off their land or their houses or whatever. This is one of those things that will wreak as something that if we introduce it, could see that very little thing happen. Just recently, the last couple of years, or since this Assembly, I suppose previous Assemblies, the Government has tried certain things, initiatives to improve our economy and we've been smacked around the head every time we try and introduce one, medicinal cannabis is one, maybe is there an agenda that no one wants to see Norfolk Island do really well in certain areas. Just the valuations are going to cost us a quarter of a million dollars to evaluate the land. Tell the local people that and then try and tell them that we are going to make them pay for it and it's going to come out of their land. It's just something unfortunately that I can't support at this time. I'm very sorry for all of the work that's gone into it, and I can see that Norfolk needs to pay for services that we do supply to the people, but whether we just call it a levy for a service that already is given to them, whether we do that, rather than call it a land tax, it just grates against the grain of people on this island and I can't support it in anyway. Thank you Mr Deputy Speaker.

MRS WARD

Thank you Mr Deputy Speaker. It is very unfortunate to see it get to the eleventh hour, but I do understand the concerns raised by the Speaker as he has come down onto the floor because something I am accused of being is too trusting sometimes. Because to me this is very much about us broadening our revenue stream and if you go back to the discussion paper which the previous Assembly, and I would imagine this Government, I would assume this Government was aware of and Members around revenue raising measure options for Norfolk Island. And local Government revenue measures were raised and there was municipal rates and user charges and so we all had to search our souls and go through well do we just do more of the same, do we increase the current revenue raising measures, you know GST, and I think I said this at the last sitting, but I will just repeat it in case I haven't. And those were the things we did and for me rates, municipal rates was a very stable and secure way of raising revenue so it didn't matter if your visitor numbers fluctuated, and there were some principles which I wanted to see put in place which have ended up in the Bill and so there is section on concessions and hardship and there are things around people who use their land to promote environmental causes and all those things which are very common in other states and territories and local governments. So I didn't have a great difficulty with that. I

understood that the majority of the people in the community understood that, and to be fair it is going back to when we were wanting to strive to maintain a form of modified self-government, it was all about us proving and demonstrating that we could pay our way and we wanted to pay our way and we were willing to pay our way. I think over the last month and year and certainly since we have had the income and expenditure review on the households and businesses it's becoming more and more evident that we do not have the capacity to fund anything other than local government. So I can look at that and say well if that is really the way people want to go and they don't want to change the system and they just want to say okay it's over, we give up, that's fine that's a choice. The Minister will be left to cut expenditure or find savings. That's one point Mr Speaker. The other one is going back through that document and saying okay, we take that position and we are going to implement municipal rates and that's what the previous Government did, that's what Minister Sheridan did and he set on that path with support of Members of the time, or the majority. Then there was a change in Government and the 14<sup>th</sup> Government came in and it has had two years to say don't like this form of taxation we want to do something else and Minister Ward will know that I said to him that there are a couple of gentlemen on the island who are prepared to assist you with that if you want something different that's fine say it now and go and create another system. There's no problem with that. But two years later and we sit here today and the Norfolk Island Government, the other Minister's as far as I am aware have done absolutely nothing, oh I'm sorry there was an increase of 54 per cent in the healthcare levy, I could I forget that one, we are all slugged now as a result of that. So what this was about was trying to broaden the revenue base to in a sense keep a revenue stream that was going to be stable for ongoing expenditure. What that was supposed to do was to dovetail with the relief mechanisms around the Australian taxation system extending to Norfolk. And that's where the trust issue comes in and that's where people on the street will say to me you are too trusting. I hear that, I hear that message loud and clear. Because maybe they are right. I hope not, the signals that are coming to me, and through all the correspondence that I see going on between the Government and the Australian Government and Assistant Minister Briggs straight to the residents tells me that there is not silence, so this sort of assumption that nobody is talking to each other around here quite bizarre and quite inaccurate, I have never seen so much Government Minister correspondence between here and the Commonwealth, never seen so much. So I don't swallow that one. But the truth is, and it boils down to the fact that we don't have that governance model and this is coming back to what Mr Speaker came down on the floor and said. So do we go ahead with this today and prepare ourselves, because this is an enabling piece of legislation, that's all it is as Minister Sheridan has said, that's all this is today. This is not flicking the switch and rates commence tomorrow, that's the next step. So do we ready ourselves and understand that the correspondence that has come to date from Assistant Minister Briggs is all leading towards that yes the Australian Government honouring their election commitment and extending the tax and social security system to Norfolk, I am still prepared to take that risk if you want to call it that. All the signals that I see demonstrate that that commitment will be upheld and I have a couple of bottles of wine bet on that Mr Speaker, I might lose a couple but I don't think so. So I do see where Mr Speaker you have come down and it's like you have got to do it properly or not at all, you have got to have all of those pieces of the jigsaw puzzle and that dovetails with the Australian taxation and welfare system so that the relief mechanisms are put in place to safeguard the most vulnerable before we put this next layer of burden on the community. So after throwing all of these things around, I will come back to one more, and it's just in the final one in the discussion paper, around how we came, it was a discussion around user charges, and it's on page 15 and it was that we all know that we currently have a higher rate of GST on Norfolk, we have a higher rate of customs duty, we know that we use our GBEs if you think our utility services as revenue raisers in a sense and so the consumer is hit harder than other areas and they don't have the relief mechanisms as families or low income earners. So we know that we are already paying a lot more through our services through those three things, the GST, and the duty and the user charges and where the Commonwealth Grants Commission has come over they have made assumptions and we call it the back of the envelope figure, but where they made that comparison with King Island and they have sort of got this oh well you raise your

revenue source of \$425 per capita, I won't go into the details here now Mr Speaker, but you know I would like everybody to go back and have a look at this. It wasn't that we were, my reading of this wasn't that we were every supposed to go and put \$1million over, on top and above of the user charges, there was a gap of \$275,000 and that is all that should have been factored in. That was a push, that was a big ask in itself of this community, and when I read the signatures on the petition that Mr Evans tabled, you know some of these people are my friends too and I know they are struggling and I know they are low income earners and I know some people who are businesses who are this 70 per cent of businesses who are breaking even or going down the gurgler, that's who they are, so that comes back to that you can't get blood out of a stone, so I weigh all of those things up, but what brings me back to today, being very true to this Bill is that it is an enabling piece of legislation and you either agree with a rates system, so a property based rating revenue stream or you don't. And I still believe that it is a stable and secure method of raising revenue for local government services, so I will support it if it goes through if it's not adjourned or the House doesn't decide to do something else with it I will support it. But what I have also raised, and every Member is now aware, that I will not support the dodgy interim model, because this was always supposed to be on valuation and that's what is in the Bill, this special rates and charges interim model I will say forced by the Assistant Minister because it was all about balancing a budget, it wasn't actually taking a step back and saying hang on a minute lets go back to square one, this is supposed to dovetail to our commitment to extend the Federal taxation system and all the relief mechanisms that go with that. So that's where I stand today, I will not be supporting anything other than a value based system, that is just giving the Minister a heads up because he has already indicated that is the next step and that's what's coming forward. But until we see that commitment, that election promise, that Federal Government election commitment to Norfolk Island and I shouldn't need, and until we see that happen, I'm prepared to support the Minister today, but the chances are I'm not going to go any further and I shouldn't need to remind Members or the Assistant Minister himself of his speech, his statement on Norfolk Island on the 27<sup>th</sup> of March 2014 when he tabled the Australian National Audit Office Financial Statements and I won't go through the details of what he said, because they are not nice, they don't paint a pretty picture and it's nobody's interest right at this time. But I would suggest that he has a look at that. He is saying that while I am fully aware of the problems outlined here are not new, and many promises to introduce reforms have been made in the past I would like to assure Norfolk Island residents that this Government intends to put Norfolk Island on a more sustainable footing. They were some of the Assistant Minister Briggs' words at the time. He alludes to things just continuing to deteriorate. My point is that that was 12 months ago. You are pushing the community and the Members to the point to introduce a revenue raising piece of legislation which has a petition as Mr Evans brought into the House, I say that, I've said that before, people are generally fearful of losing their land, genuinely fearful and if there aren't the relief mechanisms in place some may very well. Another Member is indicating, but anyway, this is all very much on the public record Mr Speaker, I encourage Members and the community to go back through it and perhaps write directly to the Assistant Minister and remind him of his words, he made it very clear that he understood things around our hospital and our roads and our broadband and our electricity network, and what has he done about it? Thank you Mr Speaker.

MS ADAMS

Thank you Mr Speaker, I'm just going to respond first up to Mrs Ward talking about, and since I was the Minister who quote 'slugged' the community in healthcare. I'm going to take Mrs Ward back a little bit and talking about the Government doing nothing. The coalition Government had a pre-election statement in which it was very clearly spelled out that they would continue in a stated timeline to progress the Road Map and acknowledged that the time for the introduction of social welfare would proceed taxation, quite clearly the dates are 12 months for the first, 18 months for the second. My memory maybe wrong, but I don't believe it is. And so on that basis in 2013, I think it was October, I wrote to Minister Briggs and Minister Dutton and proposed to them how the decoupling could proceed so that Norfolk Island could be given the relief around social welfare so that we would be in the social welfare system, we would be in the medicare system and the community would be paying

according to its means, you sat here in this Chamber, with the rest of us, I think it was Saturday the 15<sup>th</sup> of February, when I raised this with Minister Briggs and he said in no uncertain terms that there would be no decoupling of social welfare and taxation. And so here we are, I don't know how many years is it now, four years, coming up to five years in November, from when we signed the Memorandum of Understanding to go into the taxation system and the social welfare system, we are continuing to wait, and now the latest all of a sudden we have had another change of thinking in the Commonwealth, it would seem that they are prepared to de-couple and we are going to have social welfare and maybe transition into taxation. You talked about trust. How you can trust a process whereby a pre-election speech says something, then you write on that basis and you get back a response and it says oh no we didn't say that, you can't de-couple, and now all of a sudden we can de-couple, in the mean time I had to slug the community because of the failure on the part of the Commonwealth to honour its commitments Mrs Ward, let's call a spade a spade. So, I will now turn to municipal rates now that I've answered that comment. Now it's not going to be anything new to you that I say today, since the bill has been introduced to the House I have made my position quite clear that I will not be supporting the bill, as long as municipal rates is a debt upon land and people can lose their land for non-payment of municipal rates, that was my platform on which I stood, that I would not support land tax/land rates, yes to the JSC whenever it was in 2013, I agreed municipal rates and I have no problem with agreeing municipal rates, but nobody said anything about attaching it to land, no way do you attach to land on Norfolk Island in a way that people can lose their land. And you can't deny the bill all the way it's attached to land and then spells out how you can lose your land in certain circumstances. For me I see no justice in the bill, no justice at all because not only is the debt attaching to the land for municipal rates to be imposed, but those municipal rates are not even going to provide a service to the land that you are proposing to rate. I have no difficulty and I am sure most people in the community, if they are honest, would agree with me that it's not a free lunch, it's not something for nothing, we want the services therefore we have got to be prepared to pay for them, it's the methodology that you pay, and the methodology for me can never be attached to land. Sorry Mr Speaker I was just pausing. Personally for me, and I can only speak for me in this, but the time for accepting being bullied and coerced into any further Funding Agreements is over for me, enough is enough, enough is enough. Nobody is ungrateful to the Commonwealth of Australia for the funding that it has provided to its external territory in its time of need, it's the conditions that flow with it, and when you see that, what is her name, Minister for Foreign Affairs, Julie Bishop, thank you, when you see her defending her position in the House that the Commonwealth's contribution to Vanuatu, nothing to do with their disaster that they have got now, but their annual contribution to Vanuatu has diminished from \$64 million a year to \$60 million, one has to beg the question, where does Norfolk Island really fit into this scheme with the Commonwealth of Australia? For me Mr Speaker it is up to this Government, this Assembly and this community to collaborate on our future, and it is time we got together and worked out how we can do that, because what is happening now isn't working, there has to be a way forward that we can build our economy together, and maybe, just maybe, this conversation that has begun within the community, whether it be a co-operative, or whatever you want to call it going forward may just be the answer, maybe the community is starting to realise that it is not just Government, it is all of us together to take us forward. That is enough for me Mr Speaker.

MR PORTER

Thank you Mr Speaker. At the risk of going over ploughed ground I won't repeat what I said at the last sitting when we were first debating this matter. Suffice to say that this is enabling legislation only as has been mentioned before, and unless we put that in place there is no point trying to work any further, even in a value based system the amount of rates, or the sum that is to be raised from the community is set by the Government of the day as a part of their budgeting process, so to say that we are not quite sure that it might be an insurmountable debt would be tyranny on the part of the elected Government, you need to set your budget within the constraints of the money you can raise from your community and that that revenue raising effort is a part of the way that you would establish that, that ability to fund items. In the matter of the Commonwealth not paying rates, I don't believe this Government has

ever been to the Commonwealth and said where's the gain for the pain, where's the quid pro quo in this in terms of this, if we are going to have a rates system and we are going to go into the Australian taxation system, what is the value of the fiscal equalisation payments? What are the value of the fiscal equalisation payments that are attracted by us entering into a local rates based system, my experience, having been living in that world for many years as an elected representative, the value of fiscal equalisation payments would be quite substantial in relation to our overall budget, so the pain that we would go through in terms of raising a rate has definite gains from the Commonwealth, they don't need to pay rates because they are already going to give us money if you investigate how much that fiscal equalisation is, don't believe anybody has been to see what gain we get for our pain. If there is no fiscal equalisation payment attached to us having a rating system I wouldn't support it either, at face value, having said that, I still refer back to my previous comments at the last meeting, that this is the most equitable way to raise funds from the community for community based services, and these are not services that are a fee for service, like in sewage or water or garbage collection, this is those other items which we all appreciate in a modern community, but don't necessarily want to pay a subscription towards, and this is universal radio, universal television coverage, nicely manicured lawns, parks and gardens, an attractive main street, and contemporary facilities available for locals and tourists alike if you want to go and enjoy a picnic at the cost somewhere or at the beach. So there is a lot more to this than just saying that we want to come up with some sort of a money grab from our people, it's one of the most equitable ways to raise funds to provide for community services as I have said before, and remember at the end of the day, the level in any year will be set by the elected representatives, so it's not that somebody will all of a sudden say oh that legislation you brought in means that we are now going to charge you \$10,000 per year for your property, it doesn't work that way. So have a look at how the legislation works and look at the benefit that it will give us over our current system of regressive taxes, which are quite often hidden, as I said, and do impact most heavily on the most vulnerable in our community. Thank you Mr Speaker.

MR SNELL

Thank you Mr Speaker. Mr Speaker I raised most of my concerns at the discussion at the last meeting, however I disagree with the previous speaker in that some Councils that won't impose rates that are just not fair, they will impose rates if they need the money. Mr Speaker there have been some interesting comments made around the table this afternoon. But the crux of the matter is one of trust. And one of where the Norfolk Island Government is going, if we were to enact this legislation this afternoon, it is enacted by the Legislative Assembly of Norfolk Island and this could be one of our last acts the way things are going, and the question is, is the uncertainty of our situation here. This bill is well crafted, the intent however though to me is not acceptable, and it is certainly not acceptable to the community and we have had more representations by petition and also if you walk the street and you talk to people they certainly don't want their land to be tied to a municipal rates system, on that basis alone, if we are dealing with the people, that basis alone is enough to reject this proposal. This bill was initially to satisfy the requirements of a Funding Agreement, the Funding Agreement was tacked onto the approval to upgrade Cascade Jetty. When we know for a fact that the upgrade of Cascade Jetty was access to the Infrastructure Australia competitive grants scheme, Simon Crean in his Ministerial capacity was able to extend to Norfolk Island an entry into the grant system for a one of competitive grant. In short we were successful in achieving the grant funding for Norfolk Island Government and public service expended time, resource and money to meet the competitive grant requirements associated with conditionality of that. The Australian Federal Minister flew to Norfolk Island to announce that the Norfolk Island Government had been successful in gaining this grant funding. It is important to highlight that the Norfolk Island Government and Public Service again put great effort into winning that grant funding to repair the Cascade Pier. The Pier is a Commonwealth asset, not an asset held by Norfolk Island although Norfolk Island won the funding over two years ago and there has been extreme need for that project infrastructure improvement, repair, capital works and funding to be commenced, Minister Briggs' Department have withheld the funding and instead, and I use this strong word, extorted the Norfolk Island Government and community to make taxing charges that will impact irreparably on our culture and connection with our family land. The Hon. Jamie

Briggs wrote to the Hon. Tim Sheridan Minister on the 24<sup>th</sup> of June last year and the Minister said 'Dear Tim, thank you for your letter dated 2<sup>nd</sup> June 2014 about the municipal rating implementation strategy 2014/15 to 2017/18. I have considered the strategy that you are recommending for Norfolk Island. I consider that the proposed rating regime will increase the Norfolk Island Government's own source revenue to the level required by the 2013 Funding Agreement, I acknowledge that the Norfolk Island Government has had difficulty appointing a Valuer-General but has still made progress towards the implementation of a municipal rates regime for Norfolk Island.' Minister Briggs goes on to say 'I agree that the Norfolk Island Government has satisfied my requirements for a municipal rates regime to enable the Funding Agreement negotiations for the Cascade Jetty extension project to progress subject to the following conditions. The Norfolk Island Government commence the rating regime in the first half of 2014/15, the Norfolk Island Government collect at least \$250,000 in municipal rates in 2014/15, all privately owned land portions including vacant land are charged rates, multiplying factors for tourist accommodation properties be phased in to minimise adverse impacts on the industry (protecting the tourism industry), and the proposed rating regime be reviewed in 12 months to allow for land valuations to be undertaken and a value based component to be added to the rating method. My department will contact the Administration of Norfolk Island to negotiate the Funding Agreement for the Cascade Jetty extension project.' I understand that hasn't occurred. Mr Speaker we now know from the Joint Standing Committee recommendations, and recommendation number three reads, the Committee recommends that the Commonwealth Government assume responsibility for the Cascade and Kingston Pier upgrades and that the Commonwealth Government expedite the works in line with Australian standards and occupational health and safety requirements as soon as practicable. It is their pier, it is their asset and yet they still want us to go with the municipal rates which was tied to the funding of that project. I refer to the trust, Mr Speaker, the Norfolk Island Government submitted a preferred for territory self-governance in July 2011. Currently Norfolk Island is responsible for local, state and Commonwealth responsibility. Norfolk Island has funded Commonwealth responsibility since 1979 including customs, immigration, quarantine and social services. Assistant Minister Briggs to consult the Norfolk Island Government on the options being considered by the Commonwealth to the Norfolk Island Government before presenting them to Federal Cabinet. The Norfolk Island Government welcomes the opportunity to have input, but is still awaiting those options. Norfolk Island signed a Memorandum of Understanding with the then Commonwealth Government in 2010 agreeing in broad terms to participate in the Australian taxation and social security systems. A Road Map for reform was also entered into between the two Governments in March 2011 setting out the time frames to be met by both Governments, the timeframes for the extension of taxation, medicare and social services have lapsed, four years later, the Australian taxation and social security system have not been extended. The preferred model for territory self-government would see the Federal functions being transferred back to the Commonwealth, Norfolk Island would pay Australian GST to enable funding for Norfolk Island Government's delivery of public infrastructure and state and local Government type functions shared with the Commonwealth similar to other self-governing jurisdictions within the Federal taxation system, no mention of municipal rates at that time. Mr Speaker we go onto other forms that have been disappointing to this Government. We wanted to establish a shopfront in collaborative arrangement with the Commonwealth in Burnt Pine to explain municipal rates, taxation, medicare, capital gains tax and how it impacts on the community. The shopfront was declined by the Commonwealth. We sought approval for the appointment of an Economic Development Officer, it was refused by the Commonwealth because we signed away any rights when we agreed to the Territory Law Reform Bill, they refused us, the Economic Development Officer appointment. We tried to stimulate the community with a medicinal cannabis investment, and we agreed to it, the Minister issued the licence and it was rejected by the Commonwealth, refused. Norfolk Island commercial fishing investment was promoted and I quote 'Norfolk Island seeking an ability to establish a locally based commercial fishing industry. There have been numerous attempts by the Norfolk Island Government to seek to establish a locally based commercial fishing industry, in response to the latest enquiry made in October 2013 the Norfolk Island Minister for the Environment was

advised, amongst other things the following – “I acknowledge your desire to foster new industries on Norfolk Island to reduce reliance on tourism as a primary income earner in June 2012 the Australian Fisheries Management Authority Commission decided against the development of a commercial inshore Norfolk Island fishery due to costs and sustainability concerns but they weren’t detailed. It was also noted that there is limited infrastructure necessary to support a commercial fishery and the cost of building the infrastructure, like Harbour facilities, would be high.” We had already agreed that the upgrade of the Cascade jetty would assist in that. Following receipt of the Norfolk Island Economic Development Report, discussions were held with Dr James Fogarty, the author of the report, in regulation to evaluation of other revenue streams for Norfolk Island. Dr Fogarty welcomed the idea that the Norfolk Island Government pursue information on the 200 mile fishing zone around Norfolk Island. If we were to review the link [searounds.org](http://searounds.org) this link identifies the revenue that Australia has taken from our fishing zone without providing any of these revenues back to the island. There is limited reporting after 1979 and the Australian Government refuses to share post 1979 revenue information to the Norfolk Island Government despite numerous requests. Perhaps it may be aware how we might access this information which would build a clearer picture of our economic options as an island here relying on our own economic submissions and to foster better local industry and revenue. Mr Speaker if this bill passes today will the Commonwealth honour their promise or will they try and find some method not to continue, will this bill be changed in some of the many ways that some of our other Funding Agreements have been changed? I hope to in the future, if this bill is defeated this afternoon to appoint a task force to enquire into how we can address the budget shortfall. I feel for Minister Sheridan. He has done a magnificent job in trying to balance the budget under a very very trying and harsh circumstances.

MEMBER(S)

Hear Hear.

MR SNELL

And I applaud him for it, and I feel that if this bill is defeated this afternoon the emphasis and the responsibility on him I share his concern, but Mr Speaker I will not support the bill.

MR WARD

Thank you Mr Speaker. Mr Speaker this municipal rates bill is before us as an issue because someone thought that this was a great area of unharnessed taxable capacity, it was proposed as a reform, yet there is only one reform that has any relevance, and that is to diversify our economy. Norfolk’s economic woes are not stemming from failing to tax a wealthy population, they stem from successive Governments year after year having to raise charges until we reached a point where the population in the main have no capacity to pay more. Each month, we as individuals and as a Government, buy in services and products from our adjacent neighbouring countries. Products and services that are subject to normal inflationary pressures in those places, but Norfolk can not raise its prices to its customers without losing business. Business operators in turn can not pay higher wages that would sustain their employees standard of living and this in turn has reduced workers discretionary income and the ability to pay more into Government revenues. Our primary income earner, tourism, is pulling in the numbers pretty much to the capacity of the air flights servicing the island, but the economic yield is inadequate. Only by improving yield from existing thru put or encouraging new forms of business activity can we start to turn things around. Subtle and not so subtle pressure has been thrown into the mix questioning whether we as a Government and Assembly are prepared to make the hard decisions, really it would be a lot easier to roll over and go with the flow, but we have to make the right decisions, that are right for the people of this island. This is at the heart of what self-government is about, imposing a tax that people can not afford, that would in turn disenfranchise them from their homeland is not acceptable, moral or responsible. In larger jurisdictions the costs of establishing and administering rating systems is defrayed across a large number of properties and owners. Here in Norfolk Island there is comparably few properties and even fewer owners. As many hold more than one portion. This means a huge burden would be carried by just a few. A tax burden

with a high set up and ongoing costs. In a reformed economy there would be an expectation to raise Administration wages to comparable mainland level, this increase would place inflationary pressure on these rates to be charged. Alternative revenue raising that better reflects the values of this community can be better formulated if and when the Commonwealth chose to identify a model of governance and identify what they would expect to fund as a result of the island entering into the Australian tax system. A decision around whether to retain the existing Norfolk GST, implement the Australian GST or to abolish GST all have impacts on what alternatives can be considered. On the mainland, especially in the suburbs, rates are charged as a matter of course, and each Council collecting these rates in turn provides a range of services appropriate to the population density of that region. As a somewhat rural place, Norfolk generally does not provide curbed and guttered roads other than in town area and along the steep terrain of JE and Selwyn Pine Roads. We do not provide garbage collection services, or many of the incidentals that seem to be needed once municipal funding is established. Norfolk does not suffer from not having a garbage collection service, this reflects the self-reliance that prevails among residents here. Owning multiple portions, a nice view, or a better piece of land should not render a person responsible for more of the administrative costs of this island. If Norfolk Island was full of profit generating businesses and land use was at a premium, there would be a case to tap into that prosperity and a corresponding expectation upon Government to provide infrastructure to support that business activity. In the main, Norfolk land imposes high maintenance costs due to steep terrain, weed control costs and sea air corroding fences away. Equally there is very limited scope to earn income from much of the Norfolk land due to limited local markets and a range of issues around exporting. Rates work in other places, so they must be right here for as well is not a valid argument. This small place imposes a different set of dynamics, different economies of scale and is shaped by a unique history that has served, shaped land use and property ownership. We also bound to work within the bounds of natural justice. A concept that seems alien to some of the external reformists. It would be remiss not to acknowledge the intensive effort that CEO Jon Gibbons has made in working through so many models of rating, thank you Jon for a great effort on such a controversial subject and so many differing points of view and I might extend that also to Minister Sheridan who has worked extremely hard on this issue and I do appreciate how difficult it is for you Tim in this situation. I said, when this bill was presented, taxing of property in a small remote isolated place reliant on one ailing industry renders the population vulnerable to systemic dispossession of their lands and is not acceptable to a community that largely passes property from one generation to the next. Recognition and respect for this fact is critical for the success of a reform to Norfolk Island governance and economy. I can not support this bill today. Thank you Mr Speaker.

MR NOBBS Thank you Mr Speaker. I eventually got a chance! There were a lot that went before me that I agree with and some that I don't. Anyhow, I will just briefly, if I may. I have stated openly from the outset of this rates arrangement that I will not be supporting the bill. The imposition of an additional tax on a very depressed economy is contrary to my beliefs. Much has been made of the current financial agreements and milestones and the like and the requiring of certain actions for a dollar or two in reward. And whilst I'm very appreciative for the Commonwealth providing assistance my understanding that such assistance was in provision of essential services such as related to health and education etc. There has been no mention of a requirement to accept a (unclear on tape) by some bureaucrat in Canberra who believes that we must do things not related to essential services because he thinks we should, without any consideration of the implications of such a demand. Unfortunately the more and more you deal with the Commonwealth Government, if we go down the road that's proposed and been spoken of around the table here, you'll find these sort of things just multiply. It must be accepted that this is in fact a prime example of the old carrot and the stick theory and I do not believe that the island should be treated as a donkey in such a process. I did not support the signing of the 2014-15 Financial Agreement, simply because some requirements, or milestones as they are referred, were not related to essential services and required specific action under a democratic process under which we live, and proudly live I may say, for an

alternative is a dictatorship. Democracy requires processes such as we are undertaking here this afternoon to occur without threat, fear or favour. Decisions should be based on the facts, not appear as bribes. When I was writing this, something came on the tv and it related to the Commonwealth Bank being embroiled in a legal issue relating to allegations of an Officer being involved in bribery, and I see that their claims of bribery as a criminal act, certainly in this case there is potential for certain funding to be lost under the 2014-15 agreement if this bill does not proceed, I accept that. However, I draw attention to the previous Funding Agreement for the financial year 2013-14, where the Commonwealth was to provide under the agreement the sum of \$4.5million. Of this figure only \$3.6million was provided, so I understand. Why was this you may ask? Well the reason the \$900,000 was not provided is simple. The island could not meet all the stipulated milestones in the agreement so the island lost those funds - that was in last year. Some 20 per cent of the total figure in the agreement it had signed up to. 20 per cent of the total figure it had signed up. Significant but not much of a hullabaloo over that loss, the current agreement has a potential \$7.5 available to the island, 20 per cent of that is \$1.5million. So may I say that it is not a bad start to counter any losses if this doesn't go through. In relation to the Funding Agreements, the understanding is that the funding is purely related emergency service provision. If funding is for this process, surely the milestones must be to achieve provision of such services, however if the funding is for things other than that, surely assistance with things like reinvigorating and expanding the island's economy should be of prime target for the Commonwealth funding, but where is such funding? Surely improving the island's economy would be beneficial, not just for the island, but also the Commonwealth. It is really strange to me that Canberra can not see this very basic premise. Maybe all they really understand is tax and there are a raft of these not just related to income. So they are actually kept quite busy. In summary I may say, I do not support introduction of land tax at this stage due to the impact it will have on a very depressed economy and I move that the question be put, unless.

SPEAKER

Yes, Minister Sheridan.

MR SHERIDAN

Thank you Mr Speaker, I just want to say a couple of words before I put the question. I'd just like to thank my three Ministerial colleagues for the past two years in encouraging me to progress this revenue raising measure. I'm sure the CEO and his staff all appreciate it, all the hard work that they've done and I do appreciate all the work that John and his team. He had a Working Group there. I appreciate all the work they have done but looks like it's going to come to nought. I'd just like to say, like I say thank my Ministerial colleagues. If they put as much effort into their own Bills, their own legislation, that they have put in to trying to defeat this Bill maybe we would have seen a lot more legislation come to the House. We have Minister's here, can't answer questions. We have Minister's here when they introduce legislation they can do nothing else, they can't talk to the legislation, they can't explain how it operates, all they do is read from a 28 Explanatory Memo. Mr Speaker the display from the Chief Minister today, I thought was one of the worst displays that I've seen in this House in my 11 years down here. It shows a complete lack of understanding of the position that the Norfolk Island Government today finds itself in and what is required to actually fund the operation. If the Commonwealth needs any, any more evidence to suggest that the Norfolk Island Government cannot operate in their own right I think we have demonstrated it today that we cannot, we are not willing to make these hard decisions. The Chief Minister today he blamed everybody, everybody except for the Norfolk Island Government for the woes that we're in. Mr Speaker nobody wants new taxes. I understand that. But there comes a time when you have to sit down and look reality in the face, and you have to acknowledge we have to change our ways. We cannot keep going the way that we're going, and I think everybody said around this table, they acknowledged that we have to change our ways, but they are not willing to do it. The Chief Minister talked about the funding for the

Cascade Jetty and that they withheld the funding. The Administration has a Funding Agreement that we advised the CEO not to sign. If we wanted that funding the Chief Minister could have advised the CEO to sign the Funding Agreement and accept the repercussions under that agreement. The Commonwealth haven't withheld the funding. The Norfolk Island Government has refused to sign the Agreement because we had some concerns. The Commonwealth did not withhold the funding as you have indicated.

CHIEF MINISTER

Those are new concerns too.

MR SHERIDAN

We have to first demonstrate Mr Speaker that we are a Government that are capable of managing the finances of the island, of managing taxes and levies and imposts that the community has to bear. All communities have to bear imposts and it would be a perfect world if everybody could live and pay no taxes, but unfortunately there wouldn't be any service delivery either unless you lived on Nauru. Nauru provides everything for nothing because they get so much Commonwealth funding for their detention centre. Mr Speaker I think today we have demonstrated that we do not have the capability to run self government on the island and I do believe that maybe as early as tomorrow the Commonwealth will move to remove this floor, and we cannot point the finger at anybody else. We only can point it at each other. No use going outside this room and saying, it's your fault, or it's the Commonwealth's fault. It is our fault. We have demonstrated that we haven't got the capability to manage our own affairs. Mr Speaker I'm going to have to reconsider my position within this Government because as I've said over the last two years it's been very difficult and when you cannot get your support from your own Cabinet colleagues, it makes it a very difficult position so I will be considering that over the next couple of weeks, but I will put the question because I do not want to see this delayed any further and what do they say "death by a thousand cuts". I don't think it's worth prolonging this any further, so Mr Speaker I put the question. I would like to have the question put.

MR WARD

Thank you Mr Speaker. I'd just like to make one further comment on this question before us and that is how does our Finance Minister expect us to support a system that we don't believe will raise the money that he needs to raise. We know it has very high costs of implementing it but yet you want us to go in and support something that will not deliver the goods, and what it does deliver would be a great pain to this community. That's all. Thank you Mr Speaker.

MR SHERIDAN

If I can just say Mr Speaker the reality will hit home tomorrow when I have a meeting with the Deputy CEO to manage the funds for the rest of this financial year. There will be some dramatic cuts and it may mean laying off some Public Servants because if we are to balance the budget that will become a reality, because some areas you just cannot cut any further. There is only personnel to move into. So I suppose Mr Speaker I'm just saying that is the reality of this decision today and I request that we put the question.

MR SPEAKER

I'm going to put the question Honourable Members. The question before us is that the Bill be agreed to in principle, that's the question before us at this moment, and I will seek that you vote on that matter now. The question is that the Bill be agreed to in principle.

## QUESTION PUT

MR SPEAKER Would the Clerk please call the House.

MR BUFFETT	No
MR PORTER	AYE
MR WARD	NO
MS ADAMS	NO
MR SNELL	NO
MR NOBBS	NO
MRS WARD	AYE
MR EVANS	NO
MR SHERIDAN	AYE

CLERK Would you mind if I called the House again.

MR BUFFETT	NO
MR PORTER	AYE
MR WARD	NO
MS ADAMS	NO
MR SNELL	NO
MR NOBBS	NO
MRS WARD	AYE
MR EVANS	NO
MR SHERIDAN	AYE

MR SPEAKER The result of voting Honourable Members the Aye's 3, the No's 6, the Bill is not agreed.

MR SPEAKER Honourable Members we have concluded Orders of the Day.

**FIXING OF THE NEXT SITTING DAY**

MR PORTER Mr Speaker I move that this House at its rising adjourn until Wednesday the 15<sup>th</sup> April 2015 at 10.00am

MR SPEAKER Thank you. Debate? No debate. I put that question. The question is that that Motion be agreed.

QUESTION PUT  
QUESTION AGREED

**ADJOURNMENT**

MR EVANS Thank you Mr Speaker. I move that this House do now adjourn.

MS ADAMS Thank you Mr Speaker. It's not actually debate. I received at lunchtime a response from the Prime Minister and you will recall, you were

all copied in on the letter to the Prime Minister by myself, it was published in the local paper. So it's dated the 6<sup>th</sup> March received today in our office at lunch time. Honourable Robin Adams etc. Dear Minister thank you for your email dated 10 February 2015 regarding the future of Norfolk Island and I just pause there. The word "email" is the only way you can communicate with the Prime Minister's office is they have a facility that you put your letter in and it goes into an email on the internet. The Chief Minister of Norfolk Island the Honourable Lisle Snell MLA wrote to me in similar terms in November last year. I am advised that the Norfolk Island Administrator has completed a report on Norfolk Island community consultation o the Joint Standing Committee on National Capital and External Territories Report which is "The Same Country Different World – the future of Norfolk Island", and that the report is with the Assistant Minister for Infrastructure and Regional Development the Honourable Jamie Briggs MP for consideration. A copy of your letter has been provided to Assistant Minister Briggs so that he may consider it in the context of the report on community consultation. Just for the record Chief Minister has recently written to the Administrator seeking a copy of that report and thank you. I just wanted to put that into Hansard for the listening public and I'll publish that in the paper on the weekend.

MR SPEAKER I'm sorry Mrs Ward. I would have given you the call first. I just want to explain. Adjournment debate, particularly provides an opportunity for things to be said by non executive members. There are other parts of the Sitting, Statements for example, Papers to be presented in which Minister's have exclusive authority to act. Adjournment debate is an opportunity for non executive members and in that context I would normally give non executive members the first call, hence my comment to you Mrs Ward.

MRS WARD Thank you Mr Speaker. I would just like to say a few brief words in support of the local community groups who actively support Harmony Day and that March is Quota Cares month. It's a time to promote living in harmony and it's in support of Australia Day Harmony Day which is on Saturday this Saturday the 21<sup>st</sup> March. It is also the United Nations international day for elimination of racial discrimination. Harmony Day is the time to reflect on the benefits and the potential that cultural diversity can and has brought to our community, and it enforces the message that everybody belongs, and on Saturday evening the Quota International Women's Club and the Quota Club may not just be women but I know that our ladies are very active here. They may have gentlemen who support them. I have no doubt there are gentlemen who support them. The Norfolk women's forum and Eco Norfolk foundation who are signatory to the anti racism campaign and strategy which is run by the Australian Government and the Australian Human Rights Commission and they are holding a dinner this Saturday night, a pot luck, which is a bring your traditional dish to the Seventh Day Adventist community hall on Saturday at 5.30pm. Thank you Mr Speaker.

CHIEF MINISTER Thank you Mr Speaker. I'd just like to make mention and congratulate the Anniversary Committee for the 225<sup>th</sup> year anniversary of the loss of Her Majesty's ship Sirius which the anniversary is tomorrow and I acknowledge all those that have travelled to Norfolk Island and thank them for their participation and we hope that tomorrow will be a fine day for them.. Mr Speaker I also would like to mention that at lunch time today I was advised by the Chief of Staff that ABC Radio Fran Kelly has asked me to have a radio interview at 7.20 am tomorrow morning Thursday and this

