Executive Member for Administration, Education & Health  
(The Honourable David Ernest Buffett)

Surface Transport  
Roads, Footpaths & Bridges  
Street Lighting  
Water Supply  
Electricity Supply  
Drainage & Sewerage  
Garbage & Trade Wastes  
Primary Production  
Slaughtering  
Domestic Animals  
Pounds  
Pests & Noxious Weeds  
Recreation Areas  
Cemeteries  
Forestry & Timber  
Fire Prevention & Control  
Quarrying  
Prevention of Nuisances  
Noxious Trades  
Gases & Fuels  

Executive Member for Planning, Tourism & Commerce  
(William Winton Sanders)

Building Control  
Advertising Boardings  
Tourism (including tourist accommodation)  
Fishing  
Immigration  
Land Use Planning & Subdivision  
Air & Sea Transport (other than Lighterage)  
Legislation Planning  
Future Planning  
Commerce

Executive Member for Finance  
(Edward Davenport Howard)

Revenue Raising  
Public Monies  
Postal Services  
Customs  
Liaison with the Public Service Board  
Retail Price Index  
Bond Store and Future Commercial Undertakings of the Administration

Firearms  
Explosives  
Places of Public Entertainment  
Museums, Memorials & Libraries  
Boarding Houses & Hotels (food & beverages)  
Foodstuffs & Beverages  
Trading Hours  
Markets & Street Stalls  
Hawkers  
Radio & Television  
Telephone Services  
Coastlines, Foreshores, Wharves  
Lighterage  
Registries & Rolls  
Social Services  
Education  
Health  
The Environment  
Culture & Traditions
MEMBERS OF THE LEGISLATIVE ASSEMBLY

President - The Hon. David Ernest Buffett
Deputy President - Mr. William Winton Sanders
Acting Deputy President - Mr. Bernard Edwin Christian-Bailey

Brown, John Terence
Buffett, Alice Inez
Buffett, Hon. David Ernest
Christian-Bailey, Bernard Edwin
Gray, Chloe Barbara
Howard, Edward Davenport
Jackson, Gilbert Wallace
Quintal, Gregory Gilbert Francis
Sanders, William Winton
STANDING

Business Committee

Mr. President
Mr. W.W. Sanders
Mr. E.D. Howard

Standing Orders Committee

Mr. President
Mr. J.T. Brown
Mr. B.E. Christian-Bailey
Mr. G.W. Jackson

House Committee

Mr. President
Miss A.I. Buffett
Mrs. C.B. Gray

Commonwealth Legislation Standing Committee

Mr. W.W. Sanders
Mr. J.T. Brown
Mrs. C.B. Gray

SELECT

Headstone Jetty Select Committee

Mr. W.W. Sanders
Mrs. C.B. Gray
Mr. G.W. Jackson

Kentia Palm & Norfolk Island Pine Industry Select Committee

Mr. President
Miss A.I. Buffett
Mr. G.G.F. Quintal
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LEAVE OF ABSENCE

MR PRESIDENT: Honourable Members, the first matter that I mention is that Mr Brown, a Member of this House, seeks leave as he is unable to be with us this afternoon. Is leave granted? Leave is granted thank you. I call upon condolences.

CONDOLENCES

MR SANDERS: Mr President. It is with regret that this House records the death of Margaret Duart Greenham who passed away in the morning of 23 December, 1982. Having had many years experience in laboratory work she knew exactly what faced her when she was made aware that she had a terminal illness. Margaret faced her future with cheerfulness, patience and most of all acceptance, with tremendous faith, to the extent where she gave all who came into contact with her a personal uplifting of spirit. In her fifties, Margaret was born in Melbourne and married David there. They have two children. Dale and Bill. Margaret was a trained Medical Technologist at Sydney University and at Royal Prince Alfred Hospital, Sydney. She then became a Sales Supervisor with O'Briens, the people who print the Sydney Telephone Directory and it was from this job that she left to come to Norfolk Island with David when they purchased Four Corners. Both David and Margaret threw themselves into community activities, Margaret being a member of the A. & H. Society, the Tourist Board, Chamber of Commerce, Arts Council and NATS. She took up bowls for a while and loved horseriding when given the opportunity to do so.

To her husband David, to her daughter Dale and husband Michael, to Bill and wife Julie and their families; to all her many friends this House extends its sincere sympathies.

It is with regret that this House records the death of Leonard Dixon Holloway. Born in England 82 years ago, John as he was always known, settled in Australia and came to Norfolk for a holiday in the 1920's. On the ship from Sydney he met his future wife Con (nee Quintal) and they were married in Sydney 57 years ago. John was connected with the Insurance business in Australia and after
the war he and his wife and son, Ralph, returned to the Island. Here they established a draper store and later on Ralph's return to the Island after serving a Cadetship with the Burns Philp shipping line they established a taxi business and the light blue Ford was a familiar sight at the airport waiting for the fortnightly Skymaster from Sydney. Apart from his shop and taxi business John always played a leading part in the affairs of the Island and served as a member of the Advisory Council for 13 years. He was elected to the position of President of the Council. Over the last few years John has not been in the best of health and only recently John took a visit to the mainland on an RAAF medivac flight. John passed away on 8 January 1983 and in passing Norfolk has lost another old identity. The House extends its sincere sympathies to Con and Ralph and to John's many other relatives and friends.

It is with regret that this House records the death of Herbert Allan Payne who passed away peacefully at the Norfolk Island Hospital on 28 January 1983. Allan, his wife Helen and son Richard came to the Island approximately 18 years ago and started the 'Mokutu Inn' at Steele's Point. During his time on the Island Allan has taken a keen interest in the Tourist Bureau, Accommodation Proprietors Association and many other community activities. Allan and Helen retired only last year from the hustle and bustle of hotel life and were looking forward to being able to take it easy out at Duncombe Bay. To Helen, Richard and family and to Allan's many friends the House extends its sincere sympathies.

It is with regret that this House records the death of Mrs Molly Hunter. Molly and her husband Len came to the Island in 1967 and lived in those days at "Longland", Headstone. They then went to live in New Guinea where their son had a business but after a few years returned once again to the Island where their home this time was in Ferny Lane. Len and Molly returned to the mainland a few years ago and have been living in Brisbane every since. To Len and family this House extends its sincere sympathies.

It is with regret that this House records the death of Mrs Ola Birt. Mrs Birt was the sister of Mrs Murial Christian of Norfolk Island. Mrs Birt came to Norfolk Island to live some twenty years ago but later returned to New Zealand where she
resided ever since. Having spent many happy hours on Norfolk it was her wish that she be buried on the Island. Murial has taken the necessary steps to ensure that her wish be granted. To Murial, Denis and his family this House extends its sincere sympathies.

MR PRESIDENT: Thank you Mr Sanders. Honourable Members, as a mark of respect to the memory of the deceased I would ask that you stand in your places in silence. Thank you Honourable Members.

PETITIONS

MR PRESIDENT: Are there any Petitions?

NOTICES

MR PRESIDENT: Are there any Notices?

QUESTIONS WITHOUT NOTICE

MR PRESIDENT: Are there any Questions Without Notice?

Mrs Grey

MRS GREY: Thank you Mr President. A question to the Executive Member for Planning, Tourism and Commerce. Is it his intention to form a Maritime Committee as discussed by some Members of the Assembly at a meeting with the Shipping Company Representatives on the 2nd December 1982?

MR SANDERS: Yes Mrs Grey, it is.

MRS GREY: A supplementary question if I may Mr President? When?

MR PRESIDENT: Mr Sanders

MR SANDERS: Thank you Mr President. Mrs Grey. As soon as possible.
MRS GREY: Thank you Mr President

MR PRESIDENT: Are there any other pungent Questions Without Notice?

MRS GREY: Yes. An extremely pungent one Mr President. When will the Point Hunter tip be closed?

MR PRESIDENT: I can answer that in Statements Mrs Grey.

MRS GREY: Thank you. Would that enable me to continue questions along the same lines?

MR PRESIDENT: Yes. Are there any further Questions Without Notice? Mr Christian-Bailey?

MR CHRISTIAN BAILEY: A Question to you Mr President. Could you advise the House on the position regarding the Mt Pitt Management Reserve?

MR PRESIDENT: Yes I can. Honourable Members will be aware that there has been a Draft Plan of Management circulated and public comment sought. That comment was sought in a very widespread way. Documents were published and distributed locally. There was opportunity for people to make comments in various places on the Island such as the major shopping centre. There was sent to the Island an officer of the National Parks and Wildlife Service, Miss Estreda Peters to explain the Plan and to receive comments in respect of it. Those have been collated by the Australian National Parks and Wildlife Service. Much of it through the good offices of Dr Peter Coyne, the Officer at that time stationed on the Island. Dr Coyne has returned to the mainland. I am advised by Professor Ovington that his office is in the process of collating all of those comments and suggestions arising out of the Draft Plan and a final Plan should be prepared and presented shortly. Professor Ovington has indicated that he would like to visit the Island towards the end of February and it is anticipated that he may come with some final formalisation of the Mt Pitt Management Plan. That is basically
the state of play

MR CHRISTIAN BAILEY: Thank you Mr President

MR PRESIDENT: Further Questions without Notice Honourable Members. Mr Jackson

MR JACKSON: Mr President. Two questions to the Minister for Finance. Mr Howard, ANZCAN was exempt from customs duty. Could you state here now when will that cut off date be – how long will they continue to import goods free of duty

MR HOWARD: I cannot answer that. I do not know what the answer is. There has been some concern raised by Mr Jackson earlier about whether there might not be some aspects of that ANZCAN job that you could argue reasonably should not be duty free. The Assembly made it clear that it wanted the project as a whole to be duty free but there are some serious questions, for example, houses that were built for workers, equipment for those houses. Some of those questions are being looked at by the Administration. I have no clear legal recommendations from them as yet. Their being looked at on the question of whether there should be a cut-off date is one that I could have looked at as well.

MR JACKSON: Another question to the Minister for Finance, Mr Howard. Because of your report of the state of the economy are you still proceeding with the installation of computers within the Administration?

MR PRESIDENT: Mr Howard

MR HOWARD: The question 'am I still proceeding with the installation of computers' I think has to be based on a misunderstanding that first of all it was a decision of mine that we would, and secondly that I was proceeding. What we had done was a report analysing whether computers might be used in the Administration and how they would operate in the various parts
of the Administration. As yet there has been no complete consideration of that Report. I did a good deal of studying about the question during my time on the mainland over the holidays. I had serious doubts whether it would be in the Administration's interests to proceed precisely as directed in that Report. I think we need to talk, a group of people in the Administration, perhaps a couple from the Assembly perhaps a couple from the community who know about computers and think harder ourselves about whether and how we want to go into computers. I think that there are those two questions, whether and how. We have not the answers yet

MR PRESIDENT: Further questions Honourable Members. No further Questions Without Notice? We move on Honourable Members.

ANSWERS TO QUESTIONS ON NOTICE

MR PRESIDENT: Mr Christian Bailey I would be grateful if you would take the chair.

MR ACTING DEPUTY PRESIDENT: Answers to Question on Notice Honourable Members.

MR QUINTAL: I have a Question on Notice Mr Chairman, and that is to ask the Executive Member for Administration, Education and Health could the Executive Member please state the total number of vehicles owned by the Administration; indicating the number of each type of vehicle and the average amount of fuel used each week by the Administration in respect of these vehicles?

MR BUFFETT: Mr Acting Deputy President that detail has been collated. It is a reasonably lengthy task and I will respond to the query as follows. The following is a list of Administration vehicles and plant. It really comes in this order; registered number, make, capacity and the area in which the Administration uses it --

A5 is a Ford make 1,000 kilogram vehicle used on the roads
A10 is a Hino, 8,500 kilogram vehicle used on the roads
A35 is a Ford vehicle of 8,000 kilograms used on the road.
A12 is the Britstan Grader, roads obviously and
A18 is the Aveling roller used on the roads.

Three other vehicles used on the roads are A26 a Ford tractor,
A40 a Ford transit vehicle of 30 hundredweight and A25 a Ford
transit vehicle of 30 hundredweight.

A20 is a Ford vehicle of 5,000 kilograms for use of a general
purpose within the Administration. A 32 is an international
vehicle of 5,000 kilograms used in the lighterage/forestry area.
A29 is an Allen crane 5 to 7 ton used in the lighterage area,
A3 is a landrover used in the electricity/lighterage area.
A33 is a bedford vehicle having a 2,250 litre capacity and
used by the fire service and A48 is similarly used by the fire
service, an international vehicle of 4,500 litre capacity.
A49 is the D4 catapillar grader used in the garbage area.
A52 is an Allen crane 5 to 7 ton used for the electricity service
and A9 is a Ford transit vehicle of 30 hundredweight used by
the electricity undertaking as is A43 a Mazda pick-up vehicle.
A27 is an international tractor used by forestry.
A 45 is a Ford transit vehicle of 30 hundredweight and there
is an A54 Mazda 30 hundredweight vehicle both of those used by
forestry and A31 is a landrover used by forestry.
A17 is a Holden 10 hundredweight vehicle used by the Works
Supervisor and A11 is a Mazda 30 hundredweight vehicle used
by the Bond Store. A16 is a Mazda vehicle of 30 hundredweight
capacity used by Restoration and A66 is a Mazda pick-up vehicle
used by the Restoration area. A53 is a Mazda 30 hundredweight
vehicle used for building maintenance, A71 is a Mazda vehicle
of 30 hundredweight used for ground maintenance. A 4 is a subaru
van used by one of the doctors and the other doctors vehicle
is A67 also a subaru van. A72 is a Honda utility as is A74
a honda utility both of those used by the telephone undertaking
A59 is a dialhatsu which is used by the telephone undertaking
also. A50 is a subaru van used for the emergency situations
and A61 is a Honda utility used by the Fisheries. A62 is a Honda
utility used by the people in the plumbing area, A63 is a Honda
utility used by the Store, A64 is a Honda utility used by the
Cleaner, A73 is a Honda utility used for the painting area,
A24 is a Ford escort van used by customs, A28 is a Ford escort van used by health, and A44 is a Ford escort van used by the Post Office. A7 is a landrover used by the garage in the works area, A46 is a landrover used by the Stock Inspector, A47 and A48 are Ford escorts used in the Office. A53 is a Ford used by the President A42 is a Holden used by Police and A60 is a Honda Civic allocated to the CAO and the indicators that have been given to me there is that those vehicles total 49. There are of course these other areas of plant that have been asked about. There are two launches, Nos 1 and 2, by the lighterage undertaking, a dragline winch for Works, A22 of course is the hearse. There are portable generators, two of those, mowers that were asked about, there are ride-on mowers, 4, push mowers, 6 and a Howard tractor. These are used in areas such as the school, for grounds etc. There are two bitumen pumps which are used by the Roads area and fire fighting pumps of which there are two. Water pumps, two of them used by the roads building maintenance area and sludge pumps, two of them used for restoration maintenance. Two concrete mixers, one ditchwitch trencher, 4 chainsaws used by the Forestry and Electricity works area, posthole borers, 3, used by Forestry/Electricity/Works and one steam cleaner.

In response to the other parts of the question, the average monthly petrol consumption is 4960 litres and the average monthly diesel consumption is 1,539 litres and that I am advised less 375 litres of petrol is average monthly issue to the Administrators office, to the Wildlife people and the Ionospheric station.

MR ACTING DEPUTY PRESIDENT: Are there any other questions on Notice Honourable Members? Mrs Grey

MRS GREY: There are Mr Chairman but I am not sure whether they will be answered.

MR BUFFETT: There are I think, two other questions which stand in my name Mr Acting Deputy President if I may have the opportunity to respond to those. First of all, question No. 31. I will read the Question so that it is clear as to what I am talking about. Mrs Grey
asked this question, asked of me the Executive Member for Administration, Education and Health. The Executive Member will be aware of the great interest shown by all Members of the Community in the Island tree planting schemes. Could he therefore say:—

a) How many trees and shrubs were planted in Public Places during last year's Arbor Day exercise and how many survived? and

b) Which day this year will be designated as Arbor Day and when will he do so that the necessary arrangements can be made and adequate publicity given? and

c) Recalling that a group of people were called together for the purpose decided to plant 250 at Point Ross Reserve, what action was taken in respect of those trees and what action remains to be taken; and

d) What action he took regarding the suggestion offered by Mr Potts Buffett to plant coconuts he had imported to the Island and were at that time in Quarantine? and

e) What action he took to follow up the offer by Mr Potts Buffett of Kentia Palms and Casarina for planting in the Kingston area? and

f) Will he make various trees available to the public for planting to beautify the Island further? and

g) Are there any trees at present available to the public for private planting? and

h) What other plans he at present has with regard to the important matter of tree planting and reforestation generally? and I will endeavour to respond as well I can thus, Mr Acting Deputy President.

The number of trees planted during 1982, the Arbor Day Bounty Week exercise which as those days will indicate were during June of last year were as follows—in the Point Hunter Area 25 pines, in the Point Hunter Area 8 oaks, Emily Bay 12 pines, Norfolk Village 2 white oaks, Watermill Valley 50 pines and oaks and Rawson Hall 2 white oaks and the Central School 15 assorted trees, and I am advised that of these trees, all of them really have managed to survive except roughly 12 pines at the Point Hunter area and the difficulty there was due to lack of water in the dry spell that we have had. In addition to that, some of the pines privately planted in the Norfolk Village area have
been eaten by cattle which have managed to renegotiate the grid that goes into the Norfolk Village area. Arbour Day is planned to be held this year. The Forrester has suggested that it might be August of this year but I will talk further with the Headmaster because it is important to include the school children in such an activity. The Point Ross planting was thought when it was earlier considered in last years programme to be rather ambitious during that first year and that is thought that that could be more closely examined in this years programme. Mr Potts Buffett did indeed make a very generous offer of a number of coconuts he had imported into Norfolk Island. Regrettably due to the strict quarantine regulations we were unable to take advantage of his offer and the nuts were finally destroyed. Mr Buffett's additional generous offer was for something like 100 to 150 palms and 25 casarina plants to be planted also in the Point Hunter area. At that time the soil fill in the reclaimed area of the dump was not sufficient and flooding occurred. We either get too dry, too much or too little water, that is a difficulty which we all know about. At that time the overburden was not sufficient to bring it up to a proper level so you had a dip there and water actually held in the area and it was difficult to make plantings. Mr Buffett isn't on the Island at present and I have not been able to speak to him to confirm the continuing availability of that generous offer. The Forrester advises that he does have a limited number of trees available for private plantings from the Forestry nurseries and these are made available on a regular basis to individuals for beautification of the Island. I have to say that these trees are available currently but in limited numbers. The final part of that question is this, in times past the Island has been fortunate in having prepared for it two five year forestry plans. The second of these plans ran out at about 1981. Currently officers of the Administration are working on formulating a new forestry plan. It is an arduous task and it is expected to take some months before some finality can be brought to it.

MR ACTING DEPUTY PRESIDENT: Thank you Mr Buffett. Mrs Grey has some other question. Mrs Grey.

MRS GREY: The Executive Member will indicate whether or not he will answer it.
MR BUFFETT: The next to stand in my name Mr Acting Deputy President is No. 32, again from Mrs Grey to ask the Executive Member for Administration, Education and Health. The Executive Member will recall that on the 1st September 1982 a Committee was established to investigate the future of the Kentia palm and Norfolk Island pine industry on the Island and on the 3rd November 1982 he gave the House an interim report on the Committee's progress to that date. Could he now please state -
a) the total number of times the Committee has met indicating the number of meetings held since his interim report; and
b) what expert opinion the Committee has sought and received; and
c) what comments from overseas expert has been sought and received; and d) when the Committee is likely to make its final report and recommendations for consideration by the House?

Mr Acting Deputy President I firstly point out that the Committee referred to in this question was formed actually on the 8th September and not on the first of September. The House met on both of those days but the formulation of the Committee was on the second occasion. The Committee has met on three occasions, one since the interim report. Expert opinion has included discussion with some fifteen local persons involved or having expertise in the palm pine or horticultural industries on the Island. This was gained at a meeting on the 8 December 1982 of people such as Mrs Beryl Evans, Mrs Berry Chapman, Mr and Mrs R.H.H. Nobbs, Mr Jack Huckstep, Mr Jack Fitzpatrick, Mr Milton Harris, Mr Chris Buffett, Mr Bob Hickey Mr Hugh Sampson Mr Gerald Goudie, Mrs M.J. McCoy, Mr A.H. Guiseppi and Mr Lou Evans. One strong thought that did evolve from that discussion is that we do need to successfully negotiate acceptance within the Australian quarantine sphere without this, we will it seems be continually having difficulties with our exports of plant material. Comments from overseas persons I think would be best incorporated in the final report but one indicator that may be highlighted at this time is that there is an opinion expressed of a biological risk to Australia in unrestricted movement of plant from Norfolk Island to Australia not only from the pests and diseases which currently are presently on the Island, but also those that could enter and become established in the future and the potential for the latter to occur is of course, of particular concern. It is difficult to say when a final report will be available Mr Acting
Deputy President and I have not consulted in great detail with my two colleagues on the Committee as to the time frame. I may venture an approximation of two months but I have to stress that that is without adequate consultation at this time and so I would have to say that is is only my assessment.

MR ACTING DEPUTY PRESIDENT: There was another question Mr Buffett. Question 33.

MR BUFFETT: That stands in my name also from Mrs Grey. Which asks this, the Executive Member will recall that about a year ago considerable and active interest was shown by Island youngsters in the establishment of a BMX track and that an approach was made by a group of them to him for assistance. Could the Executive Member please say whether he was able to give the assistance requested and if so what action he took and whether he will continue to assist other worthwhile proposals for younger members of the Island's community. I am pleased to say Mr Acting Deputy President that assistance could and was given to promoters of the BMX track during last year. I did have discussions interestingly, with representatives of the BMX riders themselves, that is the youngsters themselves, two people that I can categorically name are Aaron Graham and Glen Robinson and they came to see me and quite succinctly pointed out their aims and the aims of their fellow BMX riders. I thought that was a very worthwhile and good presentation on their part. Further discussion and inspection of sites took place with Mr and Mrs John Robinson. Provision was made for the use of a portion of land along New Cascade Road. That has been made available to them as I say. In the matter of assistance to others I would hope to be able to assist other worthwhile proposals by other young members of the community but it would have to be within the realms of the available resources. That completes the questions that I have Mr Acting Deputy President.

PAPERS

MR ACTING DEPUTY PRESIDENT: Papers Honourable Members, are there any papers? Mr Howard.

MR HOWARD: Thank you, I have two please for tabling. One is an account of three small exemptions from customs duty
which I have authorised under section 2(b) of the Customs Ordinance, the other paper is a combined list of all those who applied for and were granted exemptions from the Public Works Levy of the 15th November. I table those papers.

MR ACTING DEPUTY PRESIDENT: Thank you Mr Howard. Mr Sanders.

MR SANDERS: Thank you Mr Chairman. I also have a visitors report on the numbers of tourists. One of them is for the 1st January to the 31st December which shows a decline in the tourists for that year of approximately 5,000 persons. There is also the 11th December and the one for January. As a matter of interest, Norfolk Island Airlines is the only airline where the amount of tourists have increased. All the others have declined.

MR ACTING DEPUTY PRESIDENT: Thank you Mr Sanders. Are there any further papers Honourable Members? Statements by leave. Are there any Statements by the Executive Members?

STATEMENTS

MR SANDERS: Thank you Mr Chairman. I seek leave to make a statement. Thank you Mr Chairman. I was given a copy of an application from East West Airlines to the Department of Aviation with reference to making application for the run from Brisbane to Norfolk Island in the F28. On receipt of this letter I mentioned to the Administrator at our weekly meetings and I requested that the Department not grant any licence to any other airline without the consideration of the Norfolk Island Assembly. At our meeting on Friday with the Administrator, the Administrator verbally said that the Department had notified East West that if there was any negotiations they were to do it directly with the Norfolk Island Assembly.

MR ACTING DEPUTY PRESIDENT: Further statements by leave Honourable Members. Mr Howard

MR HOWARD: I seek leave to make a statement about the financial results for November and December. The financial situation is a complicated one and I want to make quite a number of points about it. I want to refer quickly to the recession.
state of affairs outside of Norfolk Island and to this year's Norfolk Island budget and how it would shape. I want to provide the latest information on Norfolk Island's financial results. I want to draw the fact that we have a problem in front of us. I want to suggest what choices we have in the circumstances, I want to look briefly at the question of whether we can go back to the good old days. I want to touch briefly on the outlook for the Island financially, I want to refer briefly to meetings that we have had with senior Public Service Officers which have been most constructive and I want to talk about the situation that confronts us here and now. For the past two years of more, economic conditions in Australia and New Zealand and most of the rest of the world have been deteriorating. I don’t think I need to amplify on that fact to anyone who has been reading newspapers or talking with friends or corresponding with friends in other parts of the world. Unemployment in Australia is rising and it is expected to get up to 10% maybe 11% maybe more before this year is over. There are serious recession perhaps depression conditions in many parts of the world. A year or a bit more than that ago this outside recession began to effect Norfolk Island tourism and about a year ago it began to effect the revenues of the Norfolk Island Government. Soon after the Assembly nominated me to be responsible for the Island’s financial matters on the Assembly I initiated a system of having monthly financial reports issued to the Assembly and to the community so that we could follow the Island's financial affairs closely and promptly. I also initiated an official check of the Administration accounts and an overhaul of the Island’s traditional accounting systems to make sure that the financial information that we are getting an relying on was clear and more easily understandable and quicker in reflecting the facts. That official check and clearer set of accounts which we received showed that on 1st July last year, as this financial year started, we had a revenue fund built up out of savings from past years which contained about one million dollars in available spendable cash that could be used for a rainy day or for providing needed new assets for the Island. Last June when we were preparing the budget for this financial year there were two very different but very strong views of what Norfolk's economy would be like between then and the end of this coming June. One view held by
the Administration was that the economy would be in a real boom. So much so that we ought to refrain from any tourist promotion for the time being in order to avoid overheating the economy. The Administration recommended a very large increase in Administration spending during this year. The other view which was held by most members of the Assembly was almost the reverse. The Assembly believed that Norfolk at last June was already in a downturn and that revenues this year would be nowhere near as high as the Administration forecast.

Last June the Assembly decided to follow its own belief. The Assembly adopted an austerity budget based on a belief that the Government Revenues would fall by about 10% from last year. From month to month we followed the results very closely, when the Assembly last met in December we had received reports on July August September and October and we had an early guess of what November would be like.

We now have reports on November and December and I have tabled them for inclusion in the hansard.
The Reports show that in spite of the Assembly's austerity budget revenues have been so disappointing that the Island lost $254,000 in the first six months of the financial year to the end of this December. That is more than Norfolk Island ever lost in its worst full year let alone a half year. It is very fortunate that the Assembly was pessimistic about the Island. If we had not cut back the Administration's plan for spending, if we had accepted the Administration's recommendations the actual revenue we had received would have left us with a loss in the first six months of some $550,000 and we would have been well on the way to consuming all of the savings of all past years in this one current financial year. Norfolk is facing a serious financial threat. We have two choices. We can put our heads in the sand and do nothing about it and hope that it will go away or we can move to meet it. It is clear that this Assembly is determined to meet the threat and to take such actions as may be necessary to head it off. In order to do this we need to understand what the problem really is and examine what choices are open to us. For generations after the Pitcairn people arrived on Norfolk the Island got by on a subsistence economy. They lived mainly on what people could grow on the land and catch from the sea. People had occasional cash income from a series of primary industries, Whaling, beanseeds, bananas, lemons and so one but then in the 1960's tourism really began to expand and it converted the Norfolk Island economy for the first time to a cash economy. Ten years ago this new cash economy began earning growing Government revenues and comfortable surpluses until last year there was a comfortable surplus in every year from 1974 on, with the exception of 1976 when the Island brought the big new 900 kilowatt generator for the power house. Almost at the same time back around 1974, philatelic revenue began to boom and they actually increased by $100,000 or $200,000 almost every year. This strongly rising income allowed a big improvement and expansion of government and government services at little or no cost to residents. We were able to buy new equipment, new vehicles, provide better working conditions and better offices, employ more staff and raise wages substantially. Miles of roads were sealed for the first time, there were big improvements in the telephone system, the electricity supply and the radio station and other public amenities. During those years Norfolk was something
of a small economic miracle. It was able to provide ever increasing Government services in a time of high inflation with residents having to pay very little in taxes. The biggest part of the cost of all these improvements was contributed by people who were not residents of the island, tourists, overseas stamp collectors, absentee landowners, overseas companies and overseas banks paying interest on Norfolk Island's growing investments. Norfolk Island's Government revenue has come from three sources. One is taxes and fees paid directly by residents. Another is taxes paid directly or indirectly by tourists. The third is revenue from others outside the Island, most importantly the world's stamp collectors. Many of the Government's services are paid for by the fees that are charged for the services. For example, Crown Lease rentals, timber royalties, dental fees, sale of forest produce and so on. But most Government services are not especially charged for. They are paid out of general revenue. Big examples, would be the school, social welfare benefits, subsidies to the hospital, police protection and so on. The cost of providing all these services for which no special charge is made is currently running at about $67 per week per household on Norfolk Island but taxes on residents on Norfolk Island amount to only about $11 per week per household. The remaining $56 per week per household has been paid by people other than the residents. At least that's the way it has been up until now. Now a world wide recession is suddenly reduced our outside income. If we want to continue having the same amount of Government services we residents are going to have to start paying a bigger share of the cost of such. Can't we go back to the good old days? A few residents have said that. Maybe we ought to go back to the old system of Administrator and Council. Unfortunately that is'nt one of our options anymore than we can go back to being children again and supposedly when we had no cares. It is not possible for two good reasons. The first is that the Administrator and council system was not what made Norfolk financially healthy. What brought the big revenues in was the tourist boom and the philatelic boom. We had an Administrator and a Council long before those two booms began and before those booms began Norfolk lived on a subsistence economy. The second reason we can't
go back is that the Commonwealth has said to us that we have to support ourselves or be integrated into Australia. That would mean that there would be income taxes and land rates and death duties and stamp duties. All the imposts that the people in the mainland system have to pay which cost the average family in Australia, the worker and his wife and his kids, thousands of dollars per year out of their pockets. What is the outlook for Norfolk. How long is the world wide recession going to last. It will get worst during 1983. Will it get a lot worst before it gets better. No-one knows. Forecasts by the banks in Australia are that the recession there will continue to get worst during 1983. Some people express hopes that conditions will improve in 1984. No-one knows for sure what will happen but it would be foolish to count on Norfolk's economy improving strongly in the remaining five months of the financial year. A reasonable person might hope that our economy will get no worse but would probably plan on conditions remaining tight for most of this year at least. In the first half of this financial year ending with this December we have lost one fourth of our available spendable savings. Most members of the Assembly are alarmed and it started moving to halt the losses and to protect the Revenue Fund from further erosion. I repeat that we have just lost in a half year more than we ever lost in a full year before. Correcting the situation means raising more revenue or cutting back the level of Government services or a combination of the two. Three weeks ago Executive Members met with the Chief Administrative Officer and the Senior Officers in the Administration to discuss these financial problems and see what could be done about them. At three subsequent meetings the talks were expanded to include all Assembly members. Each of these talks took several hours and then broke for a few days while we all thought about the problem. The talks were a historic breakthrough in working relations between the Assembly and the Senior officers of the Public Service. In the three and a half years since the Assembly was formed I think this was the first time that we had actually got around the table with all the Senior Administration Officers and part of the impetus for doing so was the very productive sessions we had with a part of them late last year in coming
to grips with proper plans for water protection. Many on Norfolk including people in the Administration and the Assembly and the Community have felt that there were tensions between them, that there was a gulf between the Public Service and the rest of the Island. Large group discussions about our common financial problems that we have had during January began building a bridge across that gulf. They were very constructive and I believe every Assembly member hope that they will continue. The Senior Public Service Officers after considering the problem presented us with a detailed analysis of what might be done. First of all they embraced a series of principals which laid a sound foundation for further discussion. They recognised that the level of services provided by the Administration should be provided by community expectations and demands and by government policy. They recognised that if there were a short fall in revenue any government must either reduce services or find more revenue. They then presented an analysis of how services might be cut. Howe expenses might be cut and how additional revenues might be raised. Obviously they hoped that services would not be cut and that the problem could be met by raising additional revenues through increased taxes and fees but they were straightforward in pointing out that costs could be reduced by reducing Public Service salaries, by reducing overtime and by dismissing some staff. Significantly they made no specific recommendations. They presented many possibilities and analysed what effects those might have but they said that it was up to the elected government to decide what ought to be done. They said the job of the Public Service was to carry out the elected Government's policies whatever those were. I believe everyone on the Assembly salutes the position taken by Gil Hitch and the Branch Heads in presenting that material and thanks them for their excellent contribution. It will fall later in this meeting to the members of the Assembly to determine what the policies will be. To establish the way in which the Assembly thinks Norfolk Island should move to meet the threat and front it. We do have a problem. It is a serious one. At the end of the statements and after several messages from the Administrator and when the business of the day begins I will propose a motion dealing with this problem.
MR ACTING DEPUTY PRESIDENT: Statements, Mr Jackson.

MR JACKSON: I note the Statement Mr Jackson, and I would like to submit to Mr Howard whilst it is fresh in his mind certain accounts that is published in the amended accounts, Norfolk Island. This was published on the 24th November 1982. The reason I am raising this so early in the afternoon is that Mr Howard just reported that at the start of the financial year we had one million in reserve. In the latest amended report I find the accounts a little different, and the reason I am raising this is for Mr Howard clarify the situation to say that it is correct and for the public to decide whether we are in such a serious situation. I find in the report that in the Commonwealth Bank in Interest Bearing Deposits a sum of $600,000 and in the Westpac in Interest Bearing Deposits a sum of $1,050,000. Then we find in the Electricity Undertakings in Interest Bearing Loans $340,000, then we have in the Telephone Service Investments of $40,700 at the Commonwealth Bank in loans. Then on behalf of the Lighterage Undertaking a further sum of $18,640 on Commonwealth Government Bonds and then $180,389 in Stock at the Liquor Bond. Now that recorded in this latest amended Balance Sheet that was produced on the 24th November 1982. As far as I see the figures that have been given by Mr Howard of $1,000,000 in reserve at the commencement of the year, there appears to be some discrepancies in those figures. That is a question Mr Howard and I would ask you to answer it if you don't mind.

MR HOWARD: Sure. I wasn't following on a financial statement the numbers that Mr Jackson was reciting, I presumed that he was reading from the Hungerford, Hancock and Offner Statements. The $1,000,000 that I was talking about that we had at the beginning of the year were available spendable cash. Let me go back to the wording that I used. What I said was "about one million dollars in available spendable cash that could be used for a rainy day or for providing needed new assets for the Island. I will pick
just one example of the things that Mr. Jackson mentioned to try
to clear up any uncertainty about that. The last of the various
assets that he mentioned was that there was $80,000 odd worth of
stock in the Liquor Bond. Now do we want to run a Bond Store
or don't we? If we do then we have to have stock on the shelves.
That is not $180,000, that is available cash that we can use for
a rainy day or that we can use to buy new assets. It is already
invested in assets. We can get access to that money only by
closing the Bond or by selling it to somebody else. It is not
money that is available for a rainy day, it is money that is tied
up in a going concern which is very profitable. It is not accessible
money. It is needed as working capital to operate that Bond Store.
And so with the Electricity Undertaking, and so with the Lighterage
Undertaking and so with the telephone undertaking. All those are
businesses, all need money in them to operate with and while the
revenue fund shows that there are substantial amounts of money
there that money is not available to us for a rainy day or for
investing in new assets because its tied up in going businesses
and you can't operate a business without money. If we were to begin
spending our revenue fund in the belief that we had a million and a
half or a million and 600,00 or something of revenue fund before
we ran out of money we would find that once we had spent a million
we then could get at the rest of the money only by starting to shut
down businesses. Only by flogging off the bond store, only by
shutting off the electricity undertaking and selling it to somebody,
only by ceasing to sell postage stamps because part of the revenue
fund you will find part of the assets are stamps that we have sent
to Crown Agents in England for them to hold on consignment that we
hope they'll sell. You will find that there is $50,000 worth of
stamps advaned to the Postmaster because he needs a stock of stamps
on hand to sell. That isn't money. Those stamps are worth that
money and they will be sold, but if you try to call back that money
what comes back is postage stamps and that won't get us through a
rainy day. The available spendable cushion that we have got for
a rainy day or for investing in new assets that we need was about
1,000,000 at the beginning of this financial year and its now
about three quaters of a million. A quarter of a million of it
has gone. It's been consumed in the first half of the year. Does
that answer the question. Is there any question about that.

MR JACKSON: You have answered everything but the main point.
The thrust of the question that I placed and what concerns me was your statement of one million. Here I am on page 2 of the report, in interest bearing deposits, the Commonwealth Bank, $600,000 in interest bearing deposit the Bank of New South Wales $1,050,000. Now. That is 1.6 million dollars and now you state that we have used it. $254,000 of that we still have $1,200,000 odd, now you say that it is down below $1,000,000 so either I'm being not mislead, but not getting to the thrust of the main answer that you gave -- but this is what I am basing by questions on. That's the one where you've skirted around the issue of taking the Bond, Lighterage Undertaking and Electricity but this is the main basis of the question that I put to you. This 1.6 million that was there on the 24th November last year.

MR HOWARD: I am sorry that you think I am skirting around the issue. I am prepared to take as long as you want to take until finally the penny drops and you see what I am talking about. I think you have a problem, problem is the wrong word, I think you have failed to understand something that most people don't understand because they don't have any reason to learn it, and that is, may I explain what I mean. It seems obvious from your question that it has never been necessary for you to understand what a balance sheet is. A Balance Sheet, let me point out a fundamental aspect of a balance sheet that seems to have escaped your attention, it includes assets and it includes liabilities, and you are adding up the assets and saying look, aren't we rich and I'm saying just a second friend, look at the liabilities. Look at the page you were just reading from. Look at the $1,650,000 in interest bearing deposits in those two banks, look down to the bottom of the page where it says Less Cash Held on behalf of Undertaking, where it lists $649,000 of payable expenses which are liabilities against our revenue fund. You can't just take the goodies and ignore the baddies. A balance sheet is a balance of what we have and what we owe and you are talking about what we have and you are forgetting what we owe. If we follow that line of thinking, if we regard all of our assets as spendable money for a rainy day we are going to go aground half way through because we have liabilities that we have to meet and are set out on the same paper you are talking from.
MR. SANDERS: Mr. Chairman, I think Mr. Howard has neglected to say that there is quite some considerable amount of money that we still owe to the Department of Education in Australia of which we have invested and we are getting interest on it, but we have not paid the bill. Perhaps Mr. Howard may be able to enlighten Mr. Jackson on a few of those massive amounts.

MR. HOWARD: Well actually in the Hungerford accounts that Mr. Jackson was referring, are really a great step forward for the Island. They repay study, they repay the kind of questioning that Mr. Jackson was just doing, they really do. They will stand up to that kind of questioning and you will find on that same balance sheet that down at the bottom is education expenses payable $195,000. That indeed is a bill that we owe them, but we owe – we have had the teachers for a period of time and we still have the money, but we have that outstanding obligation which we will have to pay when the bill comes.

MR. BUFFETT: One of the points that have not been seen in the debate so far, Mr. Acting Deputy President, is that when one makes an assessment of the debt we need to make now, we need to take account of the work of our backing, and to account of our backing does not always just mean the amount of ready cash that we have in hand. One needs to take into account the various other assets that maybe not in cash at this moment, and in fact the figure that is quoted by Hungerford, Hancock & Offner report does quite clearly set out the true worth of the Administration, and that is a figure that cannot be ignored. There has been an effort to try and just pin down in fact the amount of cash that may well be available, cash that is invested in one of the Banks or both of them and trying to use that as the only figure on which one can base one's judgement. I think the point must be taken that that is not the case, one needs to take into account the total picture. I am not trying to pin point only the cash situation. In broad terms, I feel that we are starting to get onto some of the aspects that relate to a motion that will be later before this House, and I think it would be more productive to be able to address that motion which is a concrete detail that are brought forward, in some cases, for us to make an examination of. I think the statement that has been made by the Executive Member for Finance has brought forward some detail which is interesting and which will be of assistance in the assessment of the motion that is to come forward to us, quite a lengthy motion consisting of a number of clauses, and I for my part would be happy to address that motion when it comes to that stage in these proceedings.

MR. CHRISTIAN BAILEY: Thank you Mr. Buffett, further debate Honourable Members.

The question is –
That the statement be noted
Those of the opinion say aye

Aye

Contrary no,
The ayes have it.

Any further statements.

MR. BUFFETT: The first statement relates to barbecue sites in the Island. I have received a report from the Chief Administrative Officer which I would like to be known to the House in respect of barbecue sites. It is a facility that is available on the Island in various parts and most of them have been made available by the
Lions Club through community projects and I have a report from the C.A.O. giving some idea of the location and state of these facilities. He reports that on Monday, 24 January an inspection was made by the C.A.O. and in company with the Senior Works Supervisor, Administrative Officer (Operations) and Health Inspector of both the garbage tip sites and barbecue sites. The matter of garbage sites I will address separately. The barbecues which were inspected - the Lime Kiln, Prisoners Compound, Bumboras, Puppies Point, Anson Bay, Cock Pit, Two Chimneys Reserve, Ball Bay. All were clean and tidy with one exception at Anson Bay site where an empty beer can was along side one of the units. In two instances the rubbish drums were full to the point where paper could be seen above the top. The B.W.S. advises that the barbecues are clear of rubbish each Friday except when there is a ship in, that there are other priorities. In view of the fact that the inspection was made after a weekend, the areas were clean and wood available nearby for burning, and the C.A.O. has instructed the B.W.S to arrange for regular mowing of the grass at these barbecue sites.

Further whilst I am talking about picnic sites, I have concern of the destruction of two barbecues in the Kingston location over the past month or so and the unauthorised removal of the steel hot plates from those barbecue installations. This really cannot be tolerated this level of vandalism. The Lions Club interest themselves in the project to provide these barbecue facilities and I know that they have in mind that additional facilities may also be useful in the area, such as seating, but the community must realise that they cannot expect to take an interest if the results of their labours are treated thus, and I would hope that all members of the community will take an active interest in seeing that these facilities are appreciated and cared for.

I now turn to the matter of the garbage dump. This was the subject of an earlier question and there will be an opportunity for questions at the conclusion of this. Again I have a proposal from the C.A.O. in respect of relocation of the garbage dump and I am principally addressing the Point Hunter Reserve area. On the same day as I earlier mentioned - Monday 24 January, the C.A.O. inspected the rubbish dumps at Point Hunter and Headstone in company with A.O(O) and B.W.S. and Health Inspector. As far as Headstone is concerned apart from the planned replacement of the shutes by making use of the steel truck tray, nothing is proposed now for the Headstone tip. The Point Hunter area in view of the extent of land fill achieved at Point Hunter and having regard to problems associated with satisfactory operation of a tip at that site, it is proposed that it be closed in accordance with the timetable that I will go through. I address the Cock Pit Site.

It is further proposed that a new site be declared at Cock Pit Quarantine Reserve for the dumping of dry burnable material and to cater for this kind of rubbish when the Point Hunter tip does close. A timetable that is proposed for the closing of Point Hunter is:-- the date of such closing should be 20 February. In the period until then there should be information to the public by notice in the gazette on 10 February 1983 of the impending closure and the other proposed arrangements. Arrange for an adequate supply of suitable clean fill so the site may be tidy and covered as soon as practicable. Fence off vehicle access to the site by a temporary fence across the road by the Point Hunter end of the Emily Bay beach on Monday 21 February. Public notice on Thursday 10 February to inform the public about this road closure and the date when road will be opened, approximately 2 weeks after.
Declare by notice in the Gazette on Thursday 10 February 1983 an establishment of a new dump site at Cock Pit Quarantine Reserve to be opened on Friday, 25 February. This site will need to be defined beforehand with a fence and sign placed at its entrance giving clear instructions for the conduct of the new tip. I just make mention of another factor that has been raised in relation to the dump. That is the recent prevalent of flies in the area. The burying and covering process of the areas as earlier described will assist to elevate this problem. This matter of flies is one that has been raised with me by a number of members within the community, and it is a difficulty that occasionally raises its head. It is important that any breeding of flies is arrested and I described this has been done. When this filling is complete the area will be grassed as one can already see it has been done on the Golf Course end of Point Hunter site. That does look most attractive, the trees planted should give it added beauty as well as protection. I think it will be an attractive picnic site, and recreation area.

That outlines the proposals in respect of the Point Hunter area.

MRS. GRAY: The Executive Member mentioned the date 20 February, he does mean 1983, I trust?

MR. BUFFETT: All of the dates mentioned are 1983.

MR. CHRISTIAN-BAILEY: Further debate?

Aye

Contrary - no

Are there any abstention?

The ayes have it.

Mr. Buffett.

Mr. Buffett: I would like to advise the House of movements of key personnel on the Island. Mr. Neil Hermes the new Government Conservator for the Australian National Parks and Wildlife Service arrived during January and succeeded Dr. Peter Coyne in that post. Mr. Hermes has an officer of the Australian National Parks and Wildlife Service since 1979, and his primary responsibilities have been training of National Park Rangers in the writing and publication of educational information on nature conservation and national parks. Mr. Hermes has also had a long professional interest in birds and has been involved in special work to protect two endangered species of birds, they were the little tern and the malley fowl. Mr. Hermes will be continuing the work that has been done on Philip Island, the Mount Pitt Plan of Management and other special conservation measures for the green parrot. Mr. Hermes replaces Dr. Coyne who has returned to his home with his family to Canberra where he will continue to be involved in some measure in the development of a plan of management for the Mount Pitt Reserve, earlier referred to, and other projects on Norfolk Island.

I would like to pay a tribute to the work Dr. Coyne has done on the Island, both on the plan of management already mentioned and in the work on Philip Island revegetation. He has of course been involved locally in many other wildlife conservation activities and we are indeed sorry to see his return to Canberra.
Within the Police force, Sergeant Neville Carter arrived on 5 January and has commenced duties. Sergeant Carter is married with 2 children and he replaces Sergeant Smith who has returned to Canberra.

The two locum doctors, Ian Morrison and Ellen Mowhutt finished duty on 31 January and they have departed. Dr. Michael Sexton has been appointed to the position of Government Medical Officer and commenced duty on 1 February 1983. He and his family, who are well known to us all arrived in January 29th.

Mr. John Davie has been appointed to the position of Assistant Government Medical Officer and he has also commenced duties on 1 February. Mrs. Davie and their family will be arriving within the next week.

We have new school teachers, being Mrs. Julie McNeass, teaching Home Science, Mrs. Helen Pedel, Year 3 teacher and Mr. Steven Harris a Year 4 teacher. These and the other teachers you will probably know received their charges today at the commencement of the school year.

I would like to wish a warm welcome to all of these people that have been mentioned and to say that I hope their stay here is pleasant and satisfying in their respective tasks. I also do pay tribute to the Sergeant of Police, Locum Doctors and the teachers who have just completed their duties on the Island. They have performed their tasks well and the community, I am sure, is appreciative.

MR. CHRISTIAN-BAILEY: Thank you Mr. Buffett. Further statements I have a message from the office of the Administrator.


REPORTS FROM STANDING AND SELECT COMMITTEES

MR. CHRISTIAN-BAILEY: Are there any reports from the Standing and Select Committees, Mrs. Gray.

MRS. GRAY: The report from the Commonwealth Legislations Committee which I would like to present on behalf of Mr. Sanders.


The purpose of the Weights and Measures Bill is to bring up to date the names of reference standards of physical quantities and clarify the functions and powers of the National Standards Commission in the light of modern technology. The principle Act under which the Commission operates is the Weights and Measures National Standards Act which was revised in 1960 and which extends to Norfolk Island.
Therefore the Committee recommends that this Bill should extend to Norfolk Island as it brings up to date the existing legislation. Members will be pleased to note that Section 5 of the amendment bill amends the principle act to recognise Norfolk Island as a separate entity.

MR. SANDERS: I move that those recommendations be accepted.

MR. CHRISTIAN-BAILEY: Those in favour say aye

Aye

Contrary, no

The ayes have it.

MRS. GRAY: The report continues Mr. Chairman with the protection of the prevention of pollution from ships bill 1982, and the Navigation Protection of the Sea (Amendment) Bill 1982, they also amend legislation currently valid on Norfolk Island. These 2 bills give effect to Australia's obligations under the 1973 International Convention for the Prevention of Pollution from ships, and the 1973 Protocol which they create. 1973 protocol under such conventions.

Basically the bills regulate the discharge of oil, oily mixtures, oil residue and other noxious substances into the sea. Protection of the sea from pollution from ships bill also makes provision for legislation to be read in addition to, and not in place of, laws of Norfolk Island and to bind the Crown in right of Norfolk Island. Once again the Committee recommends the extension of the bills to Norfolk Island be approved.

MR. SANDERS: I move those recommendations be accepted.

MR. CHRISTIAN-BAILEY: Those in favour say aye.

Aye

Contrary, no

Abstentions.

The ayes have it.

MRS. GRAY: The Standing Committee charged with the task of investigating Commonwealth legislation and the proposed extension to Norfolk Island has been in operation for 4 months, it came into being as a result of a motion passed in the House on 6 October 1982. The introductory lines of that motion "that this House being of the opinion that any question of whether Commonwealth legislation or proposed Commonwealth legislation should be extended, or should extend to Norfolk Island, is one that should be decided by all members of this House direct", and the motion went on amongst other things to say, "this House is recommendation in respect of any question reported to the House by the Committee shall form a basis of a government policy in respect of the application or proposed application of the Commonwealth legislation or proposed legislation to Norfolk Island". Since the October sitting the Committee has made recommendations to the House concerning some 15 pieces of Commonwealth legislation and I shall not go into detail here, but with your permission I would like to pass to the Clerk of the House in due course a list of the legislation for the record and attach to the list I would like to make a note of the recommendations which were made by this House to his Honour the Administrator.
The Committee wishes to draw the attention of the House to the entries in the Commonwealth Gazettes of recent months giving details of legislation passed and assented to in Australia. Specifically of course the legislation which we have discussed in this House. The Acts are the ones concerning unpaid company tax, there are a number of those, and broadcasting and television bills, there are three of those. I think there are eight acts in all. In respect of radio and television broadcasting bills which were received, the House made the following recommendation on 9 November 1982. 'That clarification be sought from the Department concerning any possible conflict between the terms of the bills and item 35 - radio and television and schedule 2 to Norfolk Island Act 1979.' At the same sitting and in respect of the Defence Visiting Warships Bill, the House made the following observations. 'No objection be raised to the extension of the Bill to Norfolk Island but the aspect and co-operation in respect of the territories be clarified.' In respect of the numerous taxation bills, the Assembly resolved 'that it does not wish any tax or criminal legislation to be extended retrospectively to Norfolk Island ever'.

The Bills have been passed and have received assent in Australia. They are now law on Norfolk Island too despite and in spite of the wishes of the House, that certain matters be clarified prior to its acceptance here on Norfolk Island. Therefore the Committee suggests to the Honourable Members of this House that strong objection be made to the Administrator and through him to the Minister and Commonwealth Government. We have been promised consultation and if we are not to have it, the Committee should be disbanded because the members on it, the Legal Adviser and the Assembly Draftsman have better things to do with their time. It is a recommendation Mr. Chairman.

MR. HOWARD: I would like leave if I may to moved that the latter part of the recommendation be put to the Executive Committee for action. I would also then to make that motion the latter part of Mrs. Gray's committee recommendations, be given to the Executive Committee for the Executive Committee to act on.

MR. CHRISTIAN-BAILEY: Any further debate Honourable Members.

MR. GRAY: We move to off this issue?

MR. CHRISTIAN-BAILEY: Mr. Howard has a motion. We are discussing Mr. Howard's motion.

MR. HOWARD: I moved that that part of your recommendations be sent by the Assembly to the Executive Committee for action.

MRS. GRAY: I would certainly support such as suggestion.

MR. CHRISTIAN-BAILEY: The question is that Mr. Howard's motion be agreed to.

Aye

Contrary, no

The ayes have it.

MRS. GRAY: Just if I may very briefly on behalf of the Headstone Committee, the report, the final report has taken a little longer than anticipated to print and circulate. Later on in the
Notice Paper you will be aware that there is a motion on notice which deals with the Headstone Committee's report and I hope that members will find that an acceptable, at this stage, alternative. The report will be available as soon as possible.

NOTICES

MR. CHRISTIAN-BAILEY: Notice No. 1, Mr. Howard, Procedure for consideration of notice of motion No. 2 on the Notice Paper.

MR. HOWARD: We come to the proposal that I mention concerning the Island's financial affairs. Before presenting that proposal, I want to move a motion as to how it will be dealt with.

I move that the motion that is next following be considered clause by clause and that in the consideration of each clause of the motion, any member be permitted to move an amendment without notice.

The reason for that motion is that I feel the issues involved in the Island's financial situation are terribly important. I think they should be debated as intelligently and fully and freely as we can deal with them, and the purpose of that motion was to make sure that we deal with a proposal, first of all carefully step by step and secondly, that there be no formal restriction on any member to proposing any amendments he thinks would improve what has been proposed.

MR. JACKSON: Just a clarification, this motion as Mr. Howard has just stated is to be debated clause by clause, I have no objection to that, however being that it is a package, an overall one complete motion I cannot see any different in moving off clause one to clause three perhaps four for the purpose of debate. I don't think we should be restricted to stay to the one particular clause because after all it is a package motion. It is the intention of sticking to the one clause for the purpose of debate I would consider the motion seeing as there is 9 clauses in it, should have been 9 separate motions. Therefore I would like to clarify that with the rest of the members that I for one in debate would like to shift from one clause to another.

MR. GRAY: I don't think there would be any objection Mr. Chairman to addressing the motion as it stands in total and taking each clause separately.

MR. CHRISTIAN-BAILEY: That is my understanding Mrs. Gray.

MR. HOWARD: That is fine with me, however the House wants to do it. In replying to Mr. Jackson the intent of this first preliminary motion was not to restrict debating in any way, it was to free the hands of members who otherwise by the Standing Orders would have had to decide by this morning what amendments they wanted to move and put them in writing and a formal notice to the Clerk and so on. I wanted to suggest that the House free members of that obligation and be able to put what good suggestions they can.
MISS BUFFETT: Consider the time that we have to consider this I think that is a very fair consideration by Mr. Howard. I think we got it very late.

MR. CHRISTIAN-BAILEY: Further debate Honourable Members.

agreed to.

Aye

Those in favour say, aye

Contrary no,

Are there any abstentions?

The ayes have it.

MR. HOWARD: I will not put the general motion concerning the Island's finances. I will read it through, it is a long motion, then I will make some general comments on it. If I may I would like to say first of all that the motion that I am about to move, the proposal that I am putting it not a proposal that I or any other particular person is devised all on his own. It is the result of hard serious thinking by a lot of people. Assembly members, executive members, Chief Administrative Officer, Branch Heads of Public Service, the Administrator, none of those people has endorsed this yet, it is not a plan that anyone has approved. It is for the Assembly to debate it and amend it anyway that seems for the best and then to move to carry out whatever the Assembly judges needs to be carried out. The motion is as follows:–

I move that –

1. The Assembly notes that the indicated revenue for the month of December 1982 and for the first six months of the current financial year are substantially below the expectations on which the year's budget and the Public Account Expenditure Act 1982/83 were based, and that in the first six months it was necessary to draw an indicated $254,000 from the revenue fund over and above current revenues during the six months of approximately $1332,000 to pay for expenditure during those six months.

2. The Assembly notes that there is no clear reason in the economy of Norfolk Island or of Australia or of New Zealand to expect any significant improvement in revenue during the remaining five months of this financial year.

3. The Assembly is of the opinion that the existence of a fund of savings from past years is essential to the Island's financial soundness, and that the Administration's finances should be managed in a way so that the revenue fund at the end of the current financial year will be not less than it was on 31 December 1982.

4. To achieve that end, the Assembly directs the Executive Committee to take such actions as may be necessary and to place before the Assembly such proposed legislation, or resolutions as may be necessary to increase revenues and to reduce expenditures by a combined total of $212,000 between now and 30 June 1983.
5. The Assembly is of the opinion that certain planned and authorised capital expenditure should be cancelled, with a combined reduction of $19,900 in expenditure as follows:

- The continued improvement at the Tanalith Plant $3,900
- Installation of Headstone incinerator - $11,000
- Land Valuations - $4,000
- Further reorganisation of accounting system - $1,000

6. The Assembly is of the opinion that no additional commitments for bursaries beyond the $17,000 already committed should be made with a reduction in authorised expenditure of $28,000.

7. The Assembly is of the opinion that funds previously authorised for payment of Administration wages and salaries should be reduced by $61,600 from the total of $1,508,000 originally provided for the year. The Assembly recognises that it is the responsibility of the Public Service Board to determine how such savings can be made with greatest care to members of the Public Service and the least disadvantage to the Public Service. The Assembly hopes that the Public Service Board will be able to make prompt arrangements for consultation with members of the Public Service so that their views can be considered by the Board in reaching its decision.

8. The Assembly resolves that Assembly members should accept voluntary reductions in their remuneration calculated in the same manner as will apply to members of the Public Service.

9. The Assembly is of the opinion that a new form of tax designed to replace the Public Works Levy and designed to yield $125,000 per half year should be enacted as promptly as possible. The Assembly believes the tax should be designed so as to fall progressively less heavy on lower incomes than higher incomes and should be as simple as possible to minimise inconvenience and administrative expense.

That proposal is put at the end of three hard long weeks of discussion of many people. It first of all proposes that the Assembly note the financial situation, the facts of the financial situation which in the first half of the year brought us an average loss of $42,000 in each month. It proposes that the Assembly ask the Executive Committee to stop that rate of loss of $42,000 a month by finding a combination of increased revenue and reduced expenditure, equal to $42,000 per month for the remaining five months of the financial year. It proposes that cuts be made in three areas. Cuts in some capital expenditure, cuts in bursaries - which are an operating expense -, cuts in the outlay on wages and salaries for the Administration. It proposes that the Assembly take whatever form of cut the Public Service Board feels the Public Service should. It proposes a new increased modified Public Works Levy, which would ask everyone on the Island to contribute.
I would like to comment more on each of those things as we go through clause by clause, but in general the motion is a proposal for the Assembly to debate, for recognising and managing and dealing with a problem, that in my opinion, is so serious that if we do not move strongly to meet it will hurt the Island and all of us.

MR. BUFFEET: Mr. Acting Deputy President, this motion is a lengthy one but each part of more or less integral to the other - it has been earlier described across the other side as a package and that is how I see it. I would like to address firstly the overall motion and then to join in examination of each clause. There has been already creative in the Executive Members some detail about this motion which we talk about nov and I think there has also been some confusion as to what the real figures are, to be taken into account in many of the aspects that need to be examined this afternoon.

Let me first address the revenue fund. This fund is really a collection of the Administration's reserves. This fund at the commencement of this financial year - 1 July 1982, held a balance of $1,520,020 and this figure, as I understand it, is that expressed by Mr. Harry Thomas of Hungerford, Hancock and Offner, the firm to which some $19,000 in fees have been paid in this financial year, for an official check and accounting review. The firm is said to be of high standing, so I therefore assume acceptance of the figure quoted $1.5 million. Further on the revenue fund, it is a fund that earns its being from surplus taxes, such as we do have them in the Island, and fees, business undertakings, and in earlier years a grant from the Commonwealth, after deducting the cost of providing services to the community, such as roads, pensions and the like. Over the past, say 20 years the Administration in the main operated at a trading profit and the fund therefore built up from figures that I have researched and seems to be the case, of something like $897,000 in 1962 to the earlier mention of $1.5 million in 1982. Now this situation means of course that more fees and imposts etc. have been raised each year, and it has been necessary each year to pay that year's expenses. A surplus was put aside for a rainy day for bad times and maybe for larger projects that need to be saved for. Now if it were not used for such purposes, one can raise the question why in fact has it been raised. If in fact it is not used for such purposes imposts and fees have been unnecessarily levelled. In essence I am saying, Acting Deputy President, that there is a sound case for some proportion of the revenue fund to be used to buffer bad times.

We have had described to us the financial situation of the last six months - a loss of $254,000, if in fact you deduct this from the revenue fund that I have earlier quoted, you have a remaining balance of over one million and a quarter dollars. Now the reaction to this financial situation on the Island has been quite dramatic. There have been proposals to do these sorts of things, to cut capital expenditure and some annual expenses - to reduce allocations for Administration wages and salaries by approximately 10%, reduce remuneration of members, introduce an income tax to replace the Public Works call. As I have said some proposals are quite dramatic. I would like to dwell upon a couple of them.

First of all in the area that might be determine the capital expenditure and annual expenses, the example I quote here is the bursary situation. It had been planned in this financial year to have bursaries allocated that would be more meaningful that people who receive them would be able to be more meaningfully
to people who receive them would be able to meaningfully pursue their education with less financial burden. In some cases in fact to allow people to further their education. The proposals that are in front of us prevent such action. Education really is the most productive long term investment in which this Island can engage, and I rather grieve to see a formal proposal to stay the progress of such encouragement. Another component is a reduced allocation to the Public Service Board. Now it may be possible to reduce services to the community by approximately 10% but there has certainly been no detailed examination shown to me as to what the effect of such a reduction will have on the extent and quality of service to the community. The proposed method of cut, without care and examination of its effect is not a proper and businesslike approach. There has not been any dialogue with the Public Service Board although informal indicators from the Chairman have indicated the impractical nature of some aspects of the proposal. Another factor in this area which I am addressing has been that there has been some $8,000 spent on a report on salaries by Touche Ross and Co., consultants, and that report is due shortly. What will it say? Is no account to be taken of it? In other words, is that $8,000 to be wasted in these so-called frugal times?

Another component is to reduce Legislative Assembly remuneration. Now I agree that if a reduction is made in wages and salaries and areas such as the Public Service area, that members should equally be examined. Maybe a reduction in the number of members, reduction of pay could be examined, there have been suggestions. But in all the reductions that I have just mentioned some of, one must also consider the effect on the community, which is in difficult times, difficult economic times. One must also consider the effect on the community when this is a proposal that something like quarter of a million dollars for the next five months ceases to be injected into the shops, the businesses or circulated on the Island, and this at a time when store-keepers and the business community is large is already under pressure. I think really that that method of approach is one way to advance a recession in Norfolk Island. There are of course many multiplier effects in all this. We are not only talking about the direct difficulties but it spreads, spreads to people like the housewife who needs to stretch the budget even further, and this becomes a real difficulty with family persons on the Island. This motion is really saying we cannot afford to spend, but I think the real question is, can we afford the repercussions of not turning the money over that we do have at our disposal in the Government sector, when we can recognise that there are difficulties that do exist in the private and industry sectors.

I would now like to turn to the other side of the ledger addressed in this motion, the raising of moneys by taxation. What is proposed by Mr. Howard's motion is an income tax, a tax based on levels of income with a sliding scale. The detail of such a tax is not yet clear. No clear proposal has been presented, but I gather it is a similar tax as was proposed by Mr. Sanders at the end of last year. Not the inequities of that system were apparent, it was withdrawn, but it appears now to have been revitalised in some other way. The Assembly is being asked to form an opinion on a new form of taxation on which no real detail is forthcoming. Any Legislative Assembly can only be considered irresponsible in making an opinion on an important issue such as taxation without a full amount of detail on which to base a sound judgement. I really think if we go in that direction it is another
example of acting without any real knowledge of the effect of such a tax is going to have in the community.

I have talked about the proposals made in the present financial situation we find ourselves, and I have tried to caution on the various interpretations of figures presented. I will address another factor. Prior to 1 July 1982, a process of preparation commenced for a budget to cover the financial year 1982/83. The initial stages of preparation included a vast amount of research and work by the Chief Administrative Officer and his Branch Heads, and by the Executive Member. Such an amount of research was no doubt expected to be collated, assessed and developed on a partnership basis. The budget research for assessment included, as I understand it, undertaking capital works, meeting running costs, providing services and the likes on the expenditure side, and on the revenue raising side, raising revenue from existing sources, such as the business undertakings, the bond and the like, fees for services, customs, post office operations and some new imposts. Some of these proposals were no doubt sound, others may have borne closer examination. It would have been interesting to have had the result of that budget package after detailed assessment of these proposals. This however did not happen. It did not happen because the unilateral decision, that is the decision by one man was taken to put aside further examination of this overall proposal provided by his advisers and a one-man budget was presented to this House at the commencement of this financial year. The budget was presented as a balanced budget yet from the outset, the very day of introduction I pointed out that he could not be considered balanced, the fact that we have lost a quarter of a million dollars in the first six months is some testimony to this. It was a budget which introduced duty on food, a budget which reduced duty on non-essentials, such as liquor and cigarettes. In the overall of these three categories, I am advised that it is provided us with a net loss between income on duty on food and loss on liquor and cigarettes in the vicinity of $130,000. Now if we had collected this duty alone we would have reduced by half the existing loss of $254,000 that has been earlier quotes as lost in the first six months of this financial year. Considerable drama is being made of the present economic situation, a great production is being made of savings - the economic situation. It has been heralded as a great step to arrest a decline and it is being produced in such a manner as to conceal the real cause. Mr. Acting Deputy President, all of this would not have happened if there had existed the tolerance and ability to work with advisers if there had existed the will to develop a partnership instead of an adversely situation with confrontation every step of the way. What we are really doing today is examining drastic remedies to the financial situation of the Island and we are compelled to do so because we are working with a budget presented approximately 8 months ago that has failed, and it has failed because of incompetent planning and management in my view. Since August of 1979 we have been on the path to internal self-government and legislation and brain work provides for responsible government in Norfolk Island, that is the decision taking is clearly identified, and there is accountability for such actions. Whilst it might be regrettable it has got to be made clear and to be clearly seen that the decision for the presentation of this budget does lie with the Executive Member for Finance. A budget held as balanced and already lost a quarter of a million - rearrangement of customs duty to lose something like $130,000 - refusing revision of motor vehicle registration to lose another $30,000 - an income proposal said to be simple. When any person knows that there is no income tax that is simple, that is if it is to be fair, and if it is to be equitable
it of course can be biased and simple. I am greatly concerned about what appears to be moving into a rather confused financial situation and I regret that this is the direction that this Island is being put. Overall I am really unsure in respect of this motion as to whether there is a case for extension because of the lack of information on which to base sound financial judgement, and I have dwelt upon that, or whether to vote against the motion because of the total unacceptability of other parts of it. The only way one can come to a conclusion, which I will, is to reserve judgement on that detail until consideration of each clause which I have earlier indicated I would too like to enter debate upon.

MR. SANDERS: On the introduction of the original budget, I believe there was Mrs. Gray and myself who both stated very clearly that it was over estimated the expected revenue by at least 10% even then. But by coincidence it appears to be almost correct. To continue spending our reserve funds to keep on going until there is nothing left, as far as I am concerned is financial suicide. I support the total motion as a whole other than the fifth word in paragraph 8, and I believe that word 'Assembly' should read 'Executive!' I read the motion for those who are interested -

'The Assembly resolves that the Assembly members should accept voluntary reductions in their remuneration calculated in the same manner as will apply to members of the Public Service.'

I agree with that for the Executive Members, but I do not agree with it for the non-Executive Members, they all get very little now and to reduce it by anything at all is ludicrous, in effect it would not save the Government anything any how.

MR. CHRISTIAN-BAILEY: Mrs. Gray.

MR SANDERS: Mr. Chairman, is it possible to move that motion now for that word?

MR. CHRISTIAN-BAILEY: I believe we would be better to do when we go through this paper clause by clause.

MRS. GRAY: Thank you Mr. Chairman. No issue it appears that comes before us is quite as simple as it appears or as made out. Once again we are faced with an issue that involves a couple of major problems. One perhaps finance and one the general attitude as far as the Public Service is concerned. I suppose one realises very early in a career or term on the Legislative Assembly that it is a learning process and it does not ever stop. The mind is forever being extended and I have learnt three more things in the past three weeks, I learnt what it feels like to be a meat in the sandwich and I have learnt that I was foolish in letting someone talk me out of doing some thing which I thought at the time was right, and I have learnt that to have any effect down here one has to leap up and down and shout and thump tables. Let me just talk about a meat in the sandwich on one side at the moment we have the, what is loose is referred to as the private sector of the Island, which I could be said to represent, and on the other the Public Service. I have come to acknowledge that the government sitting here making laws and expecting them to be carried out needs and therefore must pay the Public Service, but there is a lot more to it than that obviously. Let us go onto my second point about being talked out of doing something. In the budget debate in the House on 30 June, Mr. Sanders has already referred to this, I said the greatest single item of expenditure proposed is that of
Administration salaries and wages and just to jog our memory, that
tfigure was one million five hundred and eight thousand and our total
budget was three million one hundred and seventy-six thousand, or there
abouts. It was certainly a sizeable percentage. However to go on
with my quote, the words I used at the time - Ed Howard's budget does
not attempt to cut that, that is Administration salaries and wages,
but he has had to cut just about everything else to avoid doing so.
Some members of the community may well ask why, his support of the
Administration is an attempt to protect it from the cold harsh
reality of a world in recession. I had already said at that time
that I did not think Ed Howard's budget was going to be balanced and
Mr. Sanders already referred to it, I thought it had been under-
estimated revenue because he over estimated the number of tourist,
 actually it appears that more impact has come from our loss of
philatelic revenue and some external sources. I also point out that
we still had a large number of public servants created by Pickerd
and O'Leary and when we had greater number of tourist. Now we have
not got the tourist numbers but we still have the Public Service
numbers. Perhaps I should point out that non-executive members
have not much choice about motions in the House which move money
about, the way in which this motion is being handled is an exception.
One can either support such a motion under normal circumstances or not,
in this instance we have been given the opportunity to move amendments
to it should we think fit. One makes the decision, one either votes
for a thing or against it, and I voted for the budget and I kept my
fingers crossed, I am usually prepared to take a decision and at least
try to make things work. Now there are all sorts of reasons for the
books not balancing as we had hoped, not only the lack of tourist
numbers but philatelic sales are down as I have mentioned, and I think
company registrations and so on. It is not that we are spending any
more money than we said we would, it is that we are not getting as
much as we are bargained for, it is just not coming in. So what do
we do? The action which I spoke about taking in July and this is the
bit that I was perhaps talked out of, at that time I said that I
felt a motion which called for a meeting of the Executive Member for
Finance and the Accountant when revenue fell below 5% of the last
year's figures during any period should be called. Now I was talked
out of that like a fool, I listened to the C.A.O. and the Executive
Member for Finance and I was persuaded from putting the motion to the
House. OK lesson learnt. The third lesson learnt was about leaping
up and down and shouting and I am going that again. I did it at the
last meeting when I asked how long was the Executive Member going to
allow the raid on revenue, the fund to continue. It must have had
some effect then because Mr. Sanders came up with his suggestion
about cutting overtime, and since then of course we are further down
the drain financially and a few more members of the Assembly are
beginning to see what was apparent as far back as July 1982. At that
time expenditure exceeded revenue by $62,659 and I protested then to
the Executive Member. In august a further $19,873 loss and so it
went on. By the end of the quarter I thought we were down about a
$150,000 at the time of the November meeting, Ed Howard admitted
that we were down by $179,000. He now says we are down by quarter
of a million. By now everyone realises where the additional money
is coming from, it is coming from our revenue fund, the one which has
taken years to build up as the Executive Member for Administration,
Education, Health has already said. Recall that I have already
pointed out that Ed Howard's budget cut to the bone all capital
expenditure, that is expenditure on the things that would mean any-
thing to you and me out here in the cold hard real world, things like
road repairs, incinerators, general maintenance around the place,
to say nothing of good telephone facilities, new library books, descent radio programmes, post office boxes, tourist promotion, goodness knows what else. One can reel off a whole list of things the Government of Norfolk Island does not do, it cannot afford to. What it has done up until now is pay its public servants, and so it should, but now we have not got the money coming in. It is plain and as simple as that, the money is not there, there is still money in the revenue fund and the argument will obviously go backwards and forwards whether that amount was $1 million or $1.5 million at the beginning of this financial year. I understand Mr. Howard’s argument, I can also see what Mr. Jackson is driving at, however if one started to talk about assets we could build that figure up to six, seven million, that is not the money which is available, it is not fluid cash, and that is what concerns me at the moment. There is money in the revenue fund whatever the amount may be, but as far as I am concerned that belongs to the people of Norfolk Island, not just to the Public Service, and I could be persuaded to let some of it go on public service wages and about one fifth of it would be about the right figure I would say. That is about the percentage of the work force which the Public Service represents. At the last sitting I asked the Executive Member how long he would allow the drain on reserves to continue. A few members of the House got a bit upset when Bill Sanders moved his motion about cutting Public Service over time. Bill was the only member of the House who had been listening to what I had been saying for months, we both agreed something had to happen. Look at this, if you have cut your expenditure on everything but salaries and you are not earning the money you thought you were going to, what happens next? I have led myself in a circle to my first lesson learning what it is like to be the meat in a sandwich. I have already said the Assembly or the Government make the laws and they employ the Public Service to carry them out that is expressing it in very basic terms. The Assembly on behalf of the public also asks the Administration to carry out services to the public, the school, police services, law systems, post office facilities, immigration control, quarantine, rubbish disposal area, etc. They can all be said to offer service in varying degrees to the public, and it is the varying degrees of service that is a sore point. The bone of contention between the private sector and the Public Service. The private sector has been hurling stones and words of abuse at the Public Service since time immemorial, I have made mention of the events in the times of the Roman Empire. Someone suggested to me the other day that it was the size of the Public Service in those days that started the fall. Maybe the empire just got a bit too big to handle and we certainly cannot say that about Norfolk Island. Our resources are finite, there is no excuse for not keeping things under control here and we will all rise or fall together. Let us get back to the bone of contention, talk to any member of private enterprise and in particular let us talk to the ones on Norfolk Island and it a real one who cannot tell you some piece of scuttle bug about the misuse of public equipment, public time or public service energy. Why did the biggest truck in the Admin fleet come down to the bulk bond store at Kingston, why did the driver hop out and collect a carton of beer, why does the man employed to supervise the tip at Point Hunter do nothing but sit in his car, why was it necessary to have him there at all at one stage because there was no fence. Just what was he supervising? Why is there so much traffic by Administration vehicles moving in and out of the works depot. There probably be are good reasons for some of it, my point is that is what the general public sees and hears about, and that is what they get upset about. That is what I get upset about when I have to defend what Joe Blow is doing with this, that or the other thing, and I can’t affectively.
Why was the bond store closed on New Year's eve, why was the Post Office closed, I don't know, I believe the public has a right to ask the questions and get the answers. Just as importantly I think that what I have mentioned is the root of the problem we have here on Norfolk in the long term I believe that given a hard-working dedicated Public Service, seen to have their heads down, seen to be doing their job and in a conscientious fashion, not skitting about the good racket they are on, not seem to be taking extended tea breaks and all those other perks that are built into their day to day activities, given that set of improvements, I believe that the private enterprise sector of this Island will be alot more supportive of the Public Service, give us something to be proud of, give me, as a member of the Assembly something to be proud of. How can that idealistic state be realised, personally I am a disciplined area and I have cracked a few wooden spoons on my kids over the years, now I have to use reason with them, appeal to their sense of fair play and that is what I am doing now to the Public Service. They will immediately cry out that I have been knocking them, why should they do as I ask. It is a predictable reaction, the private enterprise sector has put me here. I must on their behalf try to make things work, obviously from what I have said I cannot get in their with the wooden spoon, I have to rely on the Public Service Board and the C.A.O. to do their jobs. There have been Public Service knockers on the Assembly, the Public Service should not forget that the member of the Assembly is the meat in the sandwich, time and again we find ourselves searching for truthful answers to questions which we are asked about the activities of the Public Service. The lead to the Public Service comes from the top, it comes from the C.A.O. and for a old time it has been claimed that what we need is a good manager. I could not agree more, a manager who comes from that cold hard world of reality that I have been talking about. One who knows about cutting costs and who knows about productivity, not one who comes from a department in Canberra, one who does know about cost effective measures. I have every respect for Gil Hitch and I don't think it will be make any apology to him for what I am saying now. He has not taken the responsibility of the C.A.O.'s position. Let us get on with the job of getting the man for the job, the man who will cut out the dead wood if it is there from the Public Service, the man who will show that it can be done. As Ed Howard has already referred to, there has been a significantly break through in past weeks with discussions that have been held with Branch Heads of the Public Service and members of the Assembly. That is something that I have been calling for since the inception of this Assembly and at last it has begun to happen. I only wish that Mr. Howard had formed one of the groups that I had been talking about because at the moment Mr. Howard is the only one who knows, he is the only one with access readily access to the figure which we are talking about. It makes life very difficult for non-executive members. That was the purpose of the Policy Groups which I asked for in the early months of the Assembly's life. I have done what I can here in the Assembly chambers to point out what began happening in the early months of this financial year. The drain on revenue must be stopped our major expenditure is on salaries and wages until further revenue can be raised. The only way for that drain to be plugged is by cutting allocation for salaries and wages, but at the moment I cannot see any alternative. Mr. Chairman I would like to as other members have expressed a wish, speak to some of the individual sections of the motion as they arise, but for the moment that is certainly my attitude

MR. BUFFETT: Mr. Christian-Bailey.
MR. CHRISTIAN-BAILEY: Thank you Mr. President. I hope that the measures outlined by Mr. Howard are for this financial year only. It would be irresponsible, in my view, of this government not to take some corrective measures, however they may prove to unpopular. I appreciate the difficulties Mr. President the Government faces in these times of world recession. I do believe that our tourism should be promoted back to a level of around 25,000 people and at the same time we should be putting our own house in order in making Norfolk Island a more attractive and desirable tourist destination for our visitors. Although it might be necessary to cut back expenditure in the short term, I believe in an all out effort should be made in developing new areas of revenue off the Island, I am thinking of possible earnings from our 200 mile zone. Recovery of Australian taxes paid by companies operating and deriving their income from Norfolk Island. We should be taking another look at increasing our resident population to help fund the services that we tend to take for granted. Many people in business, I believe, are willing to pay more for government services although it would appear that members of the Public Service are being disadvantaged I am sure the business community would be willing to contribute more directly to the public purse whether it be by way of annual business registration fee or by some other method. I do believe that the drain on our revenue fund must be stopped. I support the motion in total.

MR. QUINTAL: Mr. Chairman, we all know that we are like other countries in the world today, like New Zealand and Australia, we are facing an economic crisis, how long it will last on Norfolk nobody will know. If the money or revenue dries up where do we go from here. If money does dry up what will happen to the Island, will we all suffer together or do we borrow money to keep it going. There are a lot of ordinary people who are employers in the private sector, for instance a dairy farmer who has put hard work and money into building up his herd increases the availability of milk. With a down turn in numbers his hard work and his money is lost and his income has decreased. Many people have had their income decreased and they accept it as a fact of life. There is no big brother to keep paying them, the same money they were earning two years ago the same money there is no-one to help them over this problem. This government has a responsibility to look after the employees in the private sector as well as the Public Service. The Administration is a business and has to be run like a business in a business-like manner and when revenue is down then expenses has to decrease. One point I want to make and that a Public Service employee can leave the Public Service any time he or she feels like it and join the private sector. The average person cannot leave the private sector and join the Public Service, it is a close shop. Our Mr. Buffett mentions a buffer system, the thing I would hate to see used is the buffer system to keep the Public Service in jobs. I feel that some of the Public Service employees are getting far too much money in my opinion, the smallest paid person, or the salary that they earn is $40,000 a year, which is with other benefits is more than $6,60 an hour. The average person in the private sector is getting ar less than this, I am one of them. I have reached that unfortunate age in life whereby I cannot get insurance unless I pay a very high premium which will cut out the money that I earn and I feel that the Public Service will have to take a cut in their salaries, I do not intend to try and push them out of their jobs at all. I feel some of them are getting far too much for the very little that some of them are doing. Others do a lot of work that they probably are not paid for, but there are some in the Public Service who are not doing enough and as Mrs. Gray mentioned, that is one of the bitterness of the people in the private sector of the way that some of the Public Service are, their behaviour and the way they
run around in vehicles and a lot of them are doing nothing, and I hope I don't have my fences chopped again, but I want to say it and I have to be honest with myself.

MR. JACKSON: I make it clear I am not here to grind any axes either, it is a pity that Mr. Quintal's statement and Mrs. Gray's statement when we held the 3 meetings with the senior members of the Public Service they did not speak in that same frame of mind when they were all there, instead of waiting to come into the House when they cannot defend themselves. We have had discussions with the amount of money in revenue when we started the new financial year and once again it is not my intention to go into the reason why we are in this situation regarding the budget, but one thing that I noticed in Mr. Howard's paper that he put out to the senior public officers was that it is agreed that the Island is in financial problems caused by world economic conditions and by an apparent over-estimating revenue of this year. I wonder who over-estimated the revenue? The point that concerns me is the revenue that has been built up over the years and now we find ourselves in a position where essential services may be in some jeopardy, and I feel that the public money has been held in reserve for what it claims for a 'rainy day' - well isn't the Island going through just that at present? With the economic down turn in the community the economy needs financial injection to keep it going, and by further depressing it, in the manner in which this motion is suggesting would only aggravate the situation. A government should come out clearly and decide - does it intend to maintain education at its present level or to downgrade it, does it intend to maintain health standards at its present level and this includes water supply and sewerage, or to downgrade it also. Does it intend to maintain social and welfare at its present level? Does the government intend to maintain community services which includes the library and radio station, at its present level or to downgrade those also. Does it intend to maintain customs and public services at its present level? Does it intend to completely abandon the maintenance of roads and capital works? All these items are government responsibilities and sufficient finance should be raised to honour these obligations. I quote from the C.A.O. and senior staff of the Administration report - which states 'any government which is determined the level of services to be provided in a position where in the event of a short fall between revenue and expenditure it needs either to change its policy to reduce the level of service provided or find the revenue to provide those services'. Let us look at the options that their paper points out in respect of certain options, which certainly concerns me, and may I stress these were only options, they were not recognised as recommendations to the Executive Committee or any other member of the Assembly. They placed before the Executive Committee certain options which continuing in their course of reduction within the Public Service cuts with respect to Public Service, overtime and 'penalty' rates. Now they went on to explain total elimination of overtime and penalty rates in areas other than undertakings will produce an estimate saving for the balance of the financial year of $10 to $15,000 between now and the end of June. Now the results of the elimination of those overtime with effect primarily the operations of the following. These are options only they put before the Executive Committee.

Customs, quarantine, police, post office, stock and health. I agree with those senior members when they stated it is a political decision and this government should come out and make that decision. They went on to say that they can save $50,000 by standing down all casual and temporary staff for the rest of the financial year. This involves in these following areas:-

1. Temporary staff in library and radio station staff.

2. Cleaners
Tip attendants, special constables, auxiliary staff at school, agricultural officers at the airport, maintenance of public areas, one postal employee and one club bond employee. Again this decision is a political one, which the government will have to make and not duck-shove it away to anyone else to make that decision. Therefore Mr. President I am concerned with the situation that faces us, I am concerned when I am asked to vote on a paper that has been put in form of a motion which certainly concerned me right from the beginning that this motion was not placed in the form of a legislation after all a motion is just a piece of paper here to be debated. But Clause 9 of this motion is bringing to life again the most contentious issue that went on in the House meeting after meeting, a tax levy to be imposed I believe what it was called for at the time was water supply and sewerage. Now it is to be introduced again and it has been given a name again as the Public Works levy. Here we are, the President has described it and I sympathize with this version of this because it is my view also. I am being called upon to vote on a tax for the community without any formula without form or guidelines for me to examine what it is be, five hundred a year, a thousand a year, whatever maybe, but I will say this, that if there is anything along the lines of Mr. Sanders’ proposal in his tax levy well I do not want a bar of it. I am aware that there are amendments to be placed before certain clauses of this motion and I will save any further debate until this amendments come together.

MISS BUFFETT: I think that my address will be very short to this motion before us, by the Executive Minister for Finance. I did not prepare much because I think the motion is incomplete and I see that not much in it can be finalised because as has been mentioned by yourself and others that the detail is lacking and no amendments really brought into the House without notice could amend the taxation or some of the other ones, so I presume it is a discussion topic, it cannot possibly be intended for much else. However picking up comments by members previously speaking, how far, for instance, are we going to scrap at the revenue fund before something is done, I wish to make one statement which to me is the crux of the entire matter. Revenue has been falling - admittedly we are 5,000 tourist short of last but revenue has been falling for the main reason that as I mentioned in my budget debate in June unless services are costed to a realistic 1982/83 figure of course we are going to be going down and down and income is going to fall and fall. Such competent Branch Heads in the Public Service and indeed those that I have spoken nothing to do with the Public Service those I have spoken to from away, indeed books that you read to do with economics or any other will tell you that you can't possibly carry on and ignoring inflation prices, you can't ignore the cost of services. You are bound to loose and I am convinced on this matter that it is most regrettable for the entire community and I think of the smaller businesses in the business sector who are affected most adversely by a complete leaking of finances which should not be done - the revenue fund is for the purpose of the community - it cannot, we do not have the authority to lease end any funds at a time when short falls are being caused by mis-management. We must assist before any small businesses are further embarrassed by withholding money to that can be circulated amongst them is going to damage them worse and I don't blame them for being so pessimistic about the situation. It is a situation of utter stubbornness when a person simply refuses to listen to the advice of the most competent people in the community. I would like a chance as input as well clause by clause even there is not much I will say. I believe some amendments might clear things but I have not made any amendments Mr. President because as I say this paper appears to be too incidental.