



If you would like to take off your jackets Honourable Members, you are most welcome to do so

### **LEAVE - MR ION ROBINSON**

MR BROWN Mr Speaker could I seek leave from today's meeting on behalf of Mr Robinson please who is unable to be back in time

MR SPEAKER Is leave granted Members? Leave is granted

### **PETITIONS**

Are there any Petitions this morning?

### **NOTICES**

Are there any Notices?

### **QUESTIONS WITHOUT NOTICE**

Are there any Questions Without Notice this morning? Mr Nobbs

MR NOBBS Thank you Mr Deputy Speaker. I have a question for Mr Robertson which I asked at the last meeting in relation to importing cargo and the necessity to double up lighters. I was wondering if Mr Robertson may have some answers to those. He has. Fine. Is it correct that the importer is charged a fee for both lighters and is also required to insure both lighters

MR ROBERTSON Thank you Mr Deputy Speaker. All of the questions you asked last time which amount to five separate issues, I do have here as a five page answer and if you wish I can refer to them which will run through all of these questions as you put them. I can give you the answer now right the way through to save you asking

DEPUTY SPEAKER It would be more appropriate in Statements Mr Robertson

MR ROBERTSON Thank you Mr Deputy Speaker, I will put it into Statements

DEPUTY SPEAKER If you are able to do that it gives more time in Question Time for Members to raise queries but the matter is entirely in your hands of course

MR ROBERTSON It's all here so I'm quite happy to do that thank you Mr Deputy Speaker

MR NOBBS There are some queries around the town at the present time. Who is responsible for air safety in the air space above and around this Island

MR ROBERTSON Air safety and aircraft - I presume you are referring to last Monday evening...

MR NOBBS Well there was a rumour around about something going on so that is the basis of these questions

MR ROBERTSON

Perhaps if I give you a resume of what happened at that particular thing it might resolve a lot of the questions that you are going to ask. Mr Deputy Speaker last Monday evening which was not particularly worthy weatherwise, we had an aircraft coming in from Lord Howe and was scheduled to arrive around 5.30. Prior to take off from Lord Howe a weather forecast was requested from here which was done which is the normal situation given by the manager of our airport who has sophisticated equipment given direct to him from the Met Office and he relays that information. There's no advice given as to whether they should fly or not it is just purely what the conditions of the weather is at any particular time. That was done and the person who was in control of the aircraft in Lord Howe decided that the aircraft would fly, along with the pilot I guess. The aircraft took off with eight passengers and proceeded to Norfolk Island. During the flight, weather conditions worsened and the Airport Manager made contact with the ground staff at Lord Howe indicating to him, the conditions of the weather and suggested that he made contact with the aircraft. He was told that that was not able to be done because the aircraft was no longer in communication by radio contact and our Manager then immediately contacted the Air Traffic Control in New Zealand which control that airspace and conveyed to him the weather conditions at that time and asked him to relay that to the aircraft which was done. The pilot continued and from that point on regular weather conditions were conveyed. It appears that the pilot elected to continue and then passed his point of no return, PNR. Toward the evening, the aircraft was scheduled to arrive around 5.30, there was quite extensive fog conditions and at that point contact was then made with the approaching aircraft by our Air Management here and the conditions of the weather was conveyed at that time. The pilot indicated that he had an hours fuel left and would continue to the Island and make his approach. This was done and he came over runway 1.1 and found that it was most difficult and was not anywhere near the perimeters of a landing approach and so flew off and made another one. The Airport Manager then in his vehicle then went to the end of runway 04 where he then made communication with the aircraft and suggested that another approach be made using a VRO DME approach and that he would ask the aircraft to put its wheels down which would then of course immediately light up the landing lights and for him to do a dummy approach for him to see where he was. This happened, the aircraft came through, it was about 100 metres to the left of the runway or the right of the runway I should say. The Airport Manager then conveyed this information to the pilot and asked him to do a second approach in similar vein. From two miles out lower the landing wheels and come in. This happened, the Airport Manager was then able to see the aircraft, give them advice, told them to go a little bit more to the right and then suggested that he put the aircraft down. This happened, but the point with all of this is that our Airport Management staff was suddenly subject to air traffic control, which they are not able to do but because of the situation that arose there was no option and at this point I would like to commend both our Managers at the airport for the action they took in ensuring that there was no disaster, although it wasn't reaching that stage, but they assisted and helped with the safe landing of that aircraft. The following morning that aircraft took off at 6.30 to return to Lord Howe, so that's the story of what happened

MR NOBBS

Thank you Mr Robertson. I didn't really want to get all the gory details, as I really wanted to ask, is there not a requirement that aircraft servicing Norfolk Island have a designated alternate in case Norfolk Island is closed

MR ROBERTSON

Thank you Mr Deputy Speaker, in the case of the smaller aircraft there is a PNR which is a point of no return which the aircraft should theoretically fly to and then be able to return to base. At that point they're given a full update as to what the projected weather is and a decision is then made by the pilot as to what he is going to do. That was done. The other thing is that there is an inquiry being done into this, it's a confidential inquiry to some degree and that has been taken up and no doubt the results of that will be available at a later date

MR NOBBS Well my next question is, if there was an incident related to an aircraft not following that requirement to have an alternate what official action is taken

MR ROBERTSON As I've said an official inquiry has already started. It's underway now.

MR NOBBS A local one?

MR ROBERTSON No, it goes into Air Services etc. There is a requirement, there are special forms to be filled in and these have all been done

MR NOBBS Thank you Mr Deputy Speaker. Just one for Mr Smith. George, last July you provided details which said "purchases in excess of \$10,000 was subject to calling of tenders. Is it correct that the estimated costs on which tenders are called has been raised recently to \$20,000 and if so, why did this occur

MR SMITH Thank you Mr Deputy Speaker, yes you are quite correct Mr Nobbs. The threshold for the tendering process was raised from \$10,000 to \$20,000 by the Tenders Board, the appropriate body to do that. I don't know if it was since July, I actually thought it was before that, but yes that certainly has been done

MR NOBBS Just a follow up. As you said George the change has apparently taken place for some time. Why has it not been publicized including advice to this Assembly

MR SMITH Thank you Mr Deputy Speaker, the Tenders Board has many rights I suppose you could call it, to decide not to deal with a tender if they want to or dispose with the tendering process. If we've omitted to let the Members know I apologise for that

MR NOBBS Just another one on that, my understanding was that decisions of the Tender Board would be notified in the Gazette. Why has there been virtually no information on activities of the Tender Board this financial year

MR SMITH I don't know but I'll find out Mr Deputy Speaker

MR ADAMS Could I ask a supplementary to that Mr Deputy Speaker. Minister you made a statement to Mr Nobbs that the Tenders Board is the appropriate body to determine a change. On what basis do you make that statement, what gives the Tenders Board the ability to do that unbeknown to anybody else apparently

MR SMITH Thank you Mr Deputy Speaker the Tenders Board consists of the four executive members of the Government and the Government does make decisions and it's always subject of course to even what is happening here today, to questioning. That decision was made in accordance, I think, or as I understand it, with the rules of what the Tender Board can do

MR ADAMS Thank you Mr Deputy Speaker a further supplementary. Minister all the guidelines that the Tenders Board operate on is policy and given that policy is determined by the full membership of the Assembly the question then still stands as to what justifiable basis has the tenders allocation effectively doubled without the prior approval of the wider membership of this Assembly

MR SMITH

Thank you Mr Deputy Speaker. Let's take a look at the reason why it was done in the first place. The tender level of \$10,000 has been like that for quite some years to deal easier with the tender process rather than get everything that's around the \$10,000 or above mark it was decided that it was time to revise the figure because some of the stuff that the Tenders Board was having to deal with within the Administration, that's how we felt about that. I reiterate what I said earlier. The Tenders Board is the Government and the Government made a decision. If it is something that you are not happy with you are quite welcome to make a change there

MR BATES

Thank you Mr Deputy Speaker my first question is for Mr Smith, the Minister responsible for education. What is the Minister doing to assure local residents of the status and bona fides of Greenwich University in the face of some misinformed comments in the Australian Press and also questions that I understand were asked in both Houses of the Australian Parliament

MR SMITH

Thank you Mr Deputy Speaker, yes that is an issue that seems to be getting some press on the mainland. As Members will be aware, we were approached by persons to allow for the setting up of a university on Norfolk Island. We did the appropriate checks at the time, as Members will recall papers were circulated amongst us, we had to make sure that what we were doing was correct and we made the decision that what was being done, was correct. We then passed a Regulation to allow for that University to set up on Norfolk Island. We had advise from the Administrator's Office on whether or not such a thing could happen - on whether a University could set up - we were given some guidelines which are used in Australia for a person setting up a University. We were then further requested to turn the Regulation to an Act for various reasons. I don't think any of us had a problem with that at the time. We did that and the University has now proceeded to set itself up, it is a University that is based on the Internet. It was operating out of Hawaii. It's been there for quite some years. It still operates via the Internet and there's going to be an official opening of the University very shortly, in one or two weeks time. The hiccup appears to be within the Department of Education somewhere where the University is having some difficulty getting listed which means if somebody on the other side of the world wants to find out about this University on Norfolk Island they go to the Australian Websites and look it up and it's not there and there's been some difficulty in getting that done at this point in time but I'm assured by the Administrator that processes are being done. I believe what we have set up is appropriate. Why the media has got onto it could be any amount of reasons but in answer to the question I think that what we have done is appropriate. If Members feel that we need to reinvestigate what we have done maybe they need to let me know

MR BATES

Thank you Mr Deputy Speaker a question for Mr Robertson, Minister responsible for Works. Could the Minister advise when the area in front of the radio station and beside the police station will be restored to its former state, that is no artificial mountains and no operator's school for heavy equipment

MR ROBERTSON

Thank you Mr Deputy Speaker. You must admit. There's some fantastic work going on in that area. It was used as a dumping area of course after the Burnt Pine Upgrade and alot of the spoil was to be used in fill in the second stage of the upgrade or even the third stage of the upgrade was when we started from the cattle stop up by Channers Corner and worked our way back into town. With the delay in the finances making that available to commence meant that that overburden has remained in that area. Some of it was to be allocated to go up to the school as well as the upgrading of the oval to enable both the mini games and veterans games to take place. There was an opportunity for some training to be done to our operators of the heavier equipment operated by the Administration or Works Depot and with the trainer coming across through the support of Island Industries who originally bought the person to the Island for the training of their staff, the Norfolk Island Government has taken and used that opportunity at the moment to ensure some of our operators got the necessary training and the

obvious place was that area where they could push dirt around, make hills, make mountains, dig holes to enable their certification to take place. That's now about to happen, I think next Saturday they receive their certificates and no doubt some of that, not mess, but beautification of the area will be restored to us somewhat but as far as the eventual removal of the top soil or overburden from the other areas, I'm not quite sure exactly how long it will take. It depends on the finances available to continue with the upgrade of Burnt Pine or some other area where overburden is required

MR BATES Thank you Mr Deputy Speaker could I add a supplementary to that. I saw some nice roads being made and lovely holes being dug, I just wonder if future training operations could be conducted in a more productive way and have some more practical applications

MR ROBERTSON Thank you Mr Deputy Speaker that actually did take place. JE Road was a perfect example of that. Unfortunately the day after it was raining. There was a huge downpour and all of the area of JE Road and Prince Philip Drive that was graded was subjected to torrential rain and washed all of that down the hill so it caused a larger problem, but it was being used for that area and no doubt it will be done in the future weather permitting

MR NOBBS Thank you Mr Deputy Speaker. A question for Mr Gardner. I understand the Hospital Director has resigned. What progress has been made as to her replacement

MR GARDNER Thank you Mr Nobbs. At the moment there's been set in process a selection procedure to replace the current Hospital Director when she finishes on the 13<sup>th</sup> March I understand. There has been an advertisement placed in the local paper in the last two weeks seeking applications from local persons who may have an interest in that position. If the selection panel are not satisfied that there is a suitable applicant amongst the local applicants the position will be advertised offshore and I understand that is taking place

MR NOBBS Thank you. Just another one for Mr Gardner. Minister you yourself before accepting nominations for Health Minister asked a series of questions on drugs etc. found at Slaughter Bay and suspected as emanating from the Hospital. Has the investigation your predecessor started been completed as yet

MR GARDNER Thank you Mr Deputy Speaker. Mr Nobbs you are quite right, I was a bit like a rabid dog over this issue prior to becoming the new Minister for Health. I've followed up the investigation and I'm quite satisfied now having spoken to the Board Members and Members of the Hospital Staff that the drugs in question were not those of hospital disposal. However, the events that you referred to have actually highlighted or focused attention on security matters of drugs and their handling at the Hospital. Drug security has been improved at the Hospital. A drug stocktake software has been established at the pharmacy up there to be able to keep a better track on drugs and the disposal systems with regard to incineration have tightened up. Instead of just a single person now dispensing of them the suggestion has been that two members of staff are present when all drugs are disposed of so that it is insured that the disposal of them is done properly. Maybe just in addition to that Mr Deputy Speaker I might add that there was some concern raised in the community a few weeks ago in relation to the finding of spent syringes on a road on Norfolk Island. They were picked up during and over the festive season on one part of Norfolk Island. The advise that I have received from the Hospital Director via the pharmacy is that those syringes certainly are not syringes kept on the Island at the Hospital. They are readily identifiable by their brand names but obviously were imported by a private individual

MR ADAMS Thank you Mr Deputy Speaker I have a supplementary to Ron's first question to Mr Gardner who has responsibility for Health. Minister in relation to the outgoing Hospital

Director there have been reports that overzealousness on behalf of at least one member of the Hospital Management Board has contributed to the situation whereby the Hospital Director was not particularly keen on renewing her contract

MR GARDNER Thank you Mr Deputy Speaker Mr Adams I can't provide you with any background or reasons as to why the current Hospital Director is leaving. My understanding of it in discussing the matter with her was that she was keen to progress her higher education in the area of health administration. My understanding is that she is going to study for a doctorate in health administration. There have been a few problems that have arisen in relation to the relationship to the Hospital Board and the staff and director and the Doctor at the hospital and some of those issues have had a rather public hearing which I don't believe to be a terribly good example, especially when we consider that most of the people who are involved are regarded as mature professionals in the business and health areas and I guess it gives me a sense of deja vu in that what is happening at the moment reminds me of what used to happen at the schoolyard when I was in school twentyfive years ago and it's rather upsetting when you consider the professional status of most of the people who are involved in this. I have in recent days spoken to members of the Board which included the Chairman and one other member of the Board in relation to those problems that have arisen. Yesterday I spoke to the Director of the Hospital, the Medical Officer the Dentist and a staff representative about the issues related to health policy and the role of the Board. There appears quite clearly to me Mr Adams to be a breakdown in communication between the board and the Director and the staff at the Hospital which gives me great concern and some misunderstandings by both parties in some of the issues that have been raised. As I said, I've spoken to both parties and I have in those discussions relayed both to the Board Chairman, the Director, the Board Member involved, quite clearly the role as I see it of the Chairman and the relationship that the Board has to the director and other staff of the Norfolk Island Hospital Enterprise. I do not expect a repeat of what has arisen over the last few days

MR ADAMS Thank you Mr Deputy Speaker I had a range of supplementary's but clearly the Minister has the matter in hand which negates the need for further questions on that matter

MR NOBBS A question for Mr Robertson. Re today's Programme. Minister your proposal to amend the Tourist Accommodation Act to allow an increase in the percentage owned by an individual, the trigger share as listed on the Notice Paper which is published in the paper, why is it not programmed for this meeting

MR ROBERTSON Thank you Mr Deputy Speaker. For the very good reason that there has been a certain amount of information that's been coming in both for and against that issue. I've been away for two weeks and I understand that there is a little bit more information to be gathered and hopefully that will be with me by the end of this week or early next week and then we will sit down and discuss it at an MLA's meeting, the business meetings of the Assembly and it will be listed on the following meeting

MR NOBBS Thank you Minister. You've been away. Were you aware that at a recent meeting of the accommodation people 93% of the industry representatives voted not to change the trigger share from the current 10%

MR ROBERTSON Thank you Mr Deputy Speaker I haven't had any results of that meeting. I understand that the meeting was called and that they also expected me to be there whilst I wasn't advised of the meeting, however in my time away the Chief Minister was acting in my portfolios and he attended the meeting. I am meeting with the ATA on that matter and following as I said the final information coming to hand will either progress it or take it off the agenda



MR NOBBS I'm a bit deaf you know. I have another one for Mr Robertson and I hope it doesn't get my friend next door to me upset but are all passenger airlines servicing Norfolk honouring their commitment to pay landing fees as charged

MR ROBERTSON Thank you Mr Deputy Speaker at the moment the maximum is a 90 day period and negotiations have just been completed over the last few days to bring that forward and in fact on landing of some aircraft, cash payments are being made within two days of that time so it's within the parameters

MR ADAMS Thank you Mr Deputy Speaker a question for Mr Robertson and it will probably be seen as a follow up to some questions I've asked at a previous sitting, Minister could you outline for the benefit of the House the progress that's been made in the look-in at the Bond Store and how it goes about it's business

MR ROBERTSON Thank you Mr Deputy Speaker last time Robert asked these questions I mentioned to him that we had put into train an investigation into the Liquor Act, the Bond Store and everything in its totality. The officer in charge of that has been fairly heavily committed in other areas but that has started and in fact, I understand that yesterday there was a two or three hour meeting with the Bond Manager to look into those areas. This will be continuing and I gave you the statement at the last House that it will be finished within two months and that means the end of March and to my last discussions with that officer he is fairly sure that that will be around the area of completion

MR ADAMS A brief supplementary Mr Deputy Speaker. Minister is it a fact that the Bond offers a one off confessional sale to travelers of alcoholic products on the production of their air ticket

MR ROBERTSON Thank you Mr Deputy Speaker that is correct

MR ADAMS Thank you Mr Deputy Speaker. I believe this question is addressed to Minister Robinson but in his absence I guess Mr Gardner will have the good fortune of fielding this one. Are you able to advise the progress that's been made in respect of the Quarantine Shadehouse project to date

MR GARDNER Thank you Mr Deputy Speaker Robert is right I am looking after the Minister's portfolios in his absence and it is my understanding on advise from the Chief Administrative Officer that officers within the Administration are finalising an options paper in regard to the screenhouse and in due course that will be circulated and presented to Members for discussion and also at long last we may be able to make a final decision on that matter and progress it fairly rapidly from then on

MR ADAMS Supplementary Mr Deputy Speaker. Minister, given that the motion that gave life to the project was passed by this Assembly somewhere in the order of seven months ago if not more, would the Minister be able to inform the House why it's taken this long for an options paper to be commenced upon

MR GARDNER Thank you Mr Deputy Speaker my understanding of it Mr Adams is that an options paper has been developed. There has been advise sort from AQIS, The Australian Quarantine Inspection Service, there's been advise sort from Members of the Primary Producers Committee on the Island and there has been advise sort from a number of other experts in different areas of the world and also a resident on the Island in regard this. Every time a new proposal seems to come to





MR SMITH Thank you Mr Deputy Speaker. Maybe Mr Brown can remind me of where I said that I denied that, because I've said that all along, that the terms and conditions as far I was concerned with this bill would not change. If Mr Brown can quote me, was it in the last meeting.

DEPUTY SPEAKER May I say to both Members that this not a time for debate. This is a matter for question and answer. Are there any further questions or any further answers that you want to give that.

MR SMITH Not at this point. I'll do some research here.

MR ADAMS Supplementary please, Mr Deputy Speaker. The Minister mentioned an answer to a question from one of the Members of this House at this sitting, that one of his intentions and aims in the course of the creation of this Public Sector reform process, was the introduction of greater flexibility. Would the Minister be able to inform the house, or rather clarify what is exactly meant by that term.

MR SMITH Thank you Mr Deputy Speaker. I said what was recommended in the Howard Report, that's one of things that needed to be done within the Public Service. The flexibility that is talked about, and I think that I'd be a bit concerned if Members start to question me on this part of it because you should know that the Public Service Board is the current employer of Administration employees. Now we all know that that is not a flexible situation for people in the service. If they need any changes it has to go before the Board. Howard talked to us all around this table about how you would make it more flexible by removing the Public Service Board, whether we like that idea or not, and that would then be done by the Chief Administrative Officer. The employment or unemployment of people which I must say has created some concern amongst the service as well. But let's not kid ourselves with this bill. It belongs to all of us. The thing has already been tabled. I don't mind being questioned on it but I don't, what I really object to and I hear the things that get said to me from out in the community they say this is your bill Smith, what are you doing, and I keep saying I am carrying out the wish of the House. It was agreed by a majority of members that the Minister bring forward a Public Sector Management Bill with modern management practices to be included in it. I'm carrying out the wish of that. I've never said since that time that I want to push this thing along in any way that I can. What I have said is that if I'm carrying this bill, which I am, I'm going to do it appropriately by talking to members, talking to people in the service, talking to people in the community, so that we end up with something that we all agree with. Not something that the Public Service is going to get off side with, which they partly have anyway because of the thing and I don't want something that members are going to be unhappy with too because this is a major change. A change to the Public Service Act is a major change. It's not something that can be done in one meeting. There's a lot of things that come into it. There's a lot of people out there that work in the Public Service who are really concerned. They are concerned about their future, they are concerned about what they are going to have to do, but let's not make it any worse by asking questions that make it look like there's something that hasn't been done properly because I'm trying to do this the best way that I can. If I'm not doing that properly, tell me. If you've got concerns with that. I've said already that I want to discuss it over the next week or so, well I'll say the next week, so we can get some of these issues out, and if Members have problems with it, say so like some Members have this morning. Your quite right, I mean I don't know everything about the Public Service Act, I mean I doubt if any of us really do in total but let's work through the thing, let's not make it an issue that people in the service are going to say ay, ay ay, you know what are they up to. We are working on the recommendations of the Howard Report. We are also working on a draft discussion paper that was the bill and the Human Resources Policy so that's where it stands at this moment Mr Deputy Speaker.

MR ADAMS Thank you Mr Deputy Speaker, supplementary. Minister you made the statement the Public Service Board is the employer in the Public Service. Are you unaware that the CAO under the terms of the Public Service Act is able to employ in his own right.

MR SMITH Yes I am aware of that

MR ADAMS How does that accord Minister with your statement that the Public Service Board is the employer

MR SMITH Mr Deputy Speaker the CAO can appoint section 20 people for temporary periods, I'm talking about employment of people in the normal course of events.

MR BROWN Further question of the Chief Minister, Mr Deputy Speaker. Does the Chief Minister or did the Chief Minister intend a few moments ago to tell us that after almost two years as the Minister with responsibility for the Public Service he doesn't understand the Public Service Act and secondly is it a fact that the Ministers real intention in this matter is to continue to delay things until any proposed change dies at the end of this Legislative Assembly.

MR SMITH Thank you Mr Deputy Speaker. Interesting question from Mr Brown. After two years of having the Public Service in my ministry, do I understand the Act fully? I would be lying if I said yes, I also would say that you or perhaps not you John because you are a lawyer, but other Ministers now and in the past would probably not have totally known what was in every Act that applies in their areas. I would be lying if I said I did. Secondly, no it is not my intention to delay this process unless you change what I am supposed to be doing. I was instructed by a motion in the House, by a majority of Members, to bring forward a bill. If I get other instructions to that or if Members want to change the way I'm doing it, it's up to them to amend the bill. Thank you Mr Deputy Speaker.

MR ADAMS Thank you Mr Deputy Speaker. Could the Minister confirm, this is supplementary again Mr Deputy Speaker, could the Minister confirm that the true situation is as you've just outlined that you yourself as Minister for the Public Service don't understand the Public Service Act, no drafting instructions were issued to the Legislative Draftsman to create this bill. We've had endless rhetoric on the topic, we've had expenditure real terms in excess of \$100,000 dollars, there's been countless hours of public servants and others hours put into this and on behalf of the taxpayer who funded this basis and funds our wages, who hasn't been mentioned at all for them the achieved outcome after two years of this is zero. Can the Minister confirm that that is the true situation.

MR SMITH Thank you Mr Deputy Speaker. If you want me just to answer the last part of your question I can't, because to start with this process didn't take two years, if you're referring to the Public Sector Management Bill. The motion was put into the House late last year. I might have missed a couple of your questions there. When you say do I understand the bill, what I said was there are things in the Public Service Act that I'm still learning about. I would challenge any other member except Mr Brown to say that they know what is in the Public Service Act. I doubt very much if everybody does because you really have to be a legal person to understand that anyway. I can't think what your second thing was, yes, no instructions about the drafting. That puts me in a position, because I'm not in a position where I can ask Mr Brown if he actually issued instructions

MR ADAMS Why not

MR SMITH Well you're not allowed to debate in questions without notice.

MR ADAMS

You can ask him questions though.

DEPUTY SPEAKER

Order, this is becoming a debate Honourable Members. Shall I ask you again to restrict your participation to both questions and answers. May I also make the point clear about supplementary questions. Supplementary questions are to elucidate on an answer, it is not to perpetuate or to continue a debate in respect of a particular matter. I think Mr Bates had the call before, no, Mr Adams.

MR ADAMS

Thank you Mr Deputy Speaker. In line with your ruling that we need to elucidate some of this may I ask that the Minister provide us with a copy of the drafting instructions, the date and who actually issued those instructions in order to elucidate more clearly this matter.

MR SMITH

Thank you Mr Deputy Speaker. I think that is the appropriate thing to do in this particular case, particularly referring to the early drafting instructions if any, but I will also give Mr Adams a copy of the following drafting instructions that I gave after the bill had been put together.

MR ADAMS

Thank you Mr Deputy Speaker. A question for Minister Robertson with his responsibility for the Burnt Pine area. Minister is it a fact that the Burnt Pine maintenance vote has been raided to extinction, leaving the maintenance unable to properly or comprehensively maintain the relevant Burnt Pine area.

MR ROBERTSON

Thank you Mr Deputy Speaker. No there is enough monies left for the maintenance for the rest of the year.

MR ADAMS

Thank you Mr Deputy Speaker. It's a question for Minister Smith with his responsibility in the area of liaison with the Commonwealth. George at the last sitting I believe you gave an answer in relation to crown leases and more particularly to the Administrators role in relation to the crown lease, and at that time you answered that you weren't clear on the answer. Given that that was four weeks ago, are you able to elucidate on that matter now.

MR SMITH

Thank you Mr Deputy Speaker. It's probably even less clear at the moment. No I haven't got an answer to that one.

MR ADAMS

Thank you Mr Deputy Speaker. It's a question for Mr Robinson, in his absence I guess Mr Gardner will be the happy recipient of it. Maybe it's a joint one between Mr Gardner and Mr Smith. The question is can the Minister give a clear indication of progress that's been made to date on Mr Nobbs motion of some time ago relating to sovereignty in the waters extending out in graduated areas, out from the coast of Norfolk Island.

MR GARDNER

Thank you Mr Deputy Speaker. The only information that I can provide on that is that I am of the understanding and have sighted some correspondence, between AFMA and the Norfolk Island Fishing Consultative committee and the Norfolk Island Fishing Club in regard to the protection and the area designated for protection under an agreement over fishing rights. That area that I am referring to is the Norfolk Island Box. I am unable at this time to be able to provide you with any further information on that save for the fact that I will note it for the Minister on his return, which I understand is Saturday, hopefully with the intention of him to be able to provide a more in depth statement on it.

MR ADAMS Thank you Mr Deputy Speaker. A question for Minister Gardner with his health hat on. Minister in relation to the Public Health Act, could you advise of the progress and the situation of that particular Act to date.

MR GARDNER Thank you Mr Deputy Speaker. Again as far as the Public Health Act is concerned, my understanding is that it does not make up part of my Health Portfolio and is administered by the Minister for Immigration and Resource Management and in his absence I am unaware of any information in regard to that, but again I'll take note of that and pass on your query to the Minister for his return.

MR ADAMS Thank you Mr Deputy Speaker. I now have a couple of questions that relate to the Fair Trading Act. I have here a copy of the shopping guide to Norfolk Island. In there we have the Norfolk Island Liquor Bond advertisement, Mr Deputy Speaker, where it makes a statement for instance, just present your airline ticket to receive a 30% discount of purchase of spirit, liqueurs etc. The question is Minister, keeping in mind that in my earlier question you agreed that it was one off confessional thing, how does that particular advertisement not contradict with Section 14 of the Fair Trading Act in that it can be misleading.

DEPUTY SPEAKER Mr Robertson I am interpreting that that's in your area.

MR ROBERTSON Thank you Mr Deputy Speaker. It is. The current practice is for a person who is departing the Island and who presents their air tickets as confirmation that they are departing to the Liquor Bond, then they will receive a 30% discount on selected items at the Bond, mainly spirits. Once that has happened their ticket is stamped so that it can't be repeated and the discount is given. Now that is fairly straight forward, supplementary to that advertisement is a flyer which is available at the Bond which also states what the allocations or at least what the total amount of liquor is available into both Australia and New Zealand. As to Section 14 of the Fair Trading Practices Act, I can certainly get that looked into and see whether or not in that situation it applies in the full, and I certainly will

MR ADAMS Supplementary Mr Deputy Speaker. Minister I was rather asking if perhaps you could give us some indication now how the liquor bond advertisement does not conflict with a section in an Act which says, not to be seen to be misleading or deceiving because that ad clearly doesn't say, or is not in accord with what you've said the process is, as in a one off. This ad clearly doesn't say that, so I wonder perhaps for the benefit of the House and the community if you'd be able to tell us how that accords with Section 14.

DEPUTY SPEAKER Mr Adams you're not asking for a legal opinion

MR ADAMS I'm asking for the Ministers determination on that. If the Minister determines that that's a legal one then that's perhaps for him to answer.

MR ROBERTSON Thank you Mr Deputy Speaker. We are getting into interpretations here and I would suggest that that be left over, and I'll get some legal advice on the matter and furnish it to Mr Adams.

MR ADAMS A couple of supplementary's on the same topic, Mr Deputy Speaker. Mr Deputy Speaker as I have said I was asking questions out of the Norfolk Island guide to shopping, restaurants etc. and the question again is to Mr Robertson. Mr Robertson would you be able to inform the house who publishes that document.

MR ROBERTSON Photopress International, Mr Deputy Speaker.







MR SMITH Thank you Mr Deputy Speaker. Maybe Mr Brown can remind me of where I said that I denied that, because I've said that all along, that the terms and conditions as far I was concerned with this bill would not change. If Mr Brown can quote me, was it in the last meeting.

DEPUTY SPEAKER May I say to both Members that this not a time for debate. This is a matter for question and answer. Are there any further questions or any further answers that you want to give that.

MR SMITH Not at this point. I'll do some research here.

MR ADAMS Supplementary please, Mr Deputy Speaker. The Minister mentioned an answer to a question from one of the Members of this House at this sitting, that one of his intentions and aims in the course of the creation of this Public Sector reform process, was the introduction of greater flexibility. Would the Minister be able to inform the house, or rather clarify what is exactly meant by that term.

MR SMITH Thank you Mr Deputy Speaker. I said what was recommended in the Howard Report, that's one of things that needed to be done within the Public Service. The flexibility that is talked about, and I think that I'd be a bit concerned if Members start to question me on this part of it because you should know that the Public Service Board is the current employer of Administration employees. Now we all know that that is not a flexible situation for people in the service. If they need any changes it has to go before the Board. Howard talked to us all around this table about how you would make it more flexible by removing the Public Service Board, whether we like that idea or not, and that would then be done by the Chief Administrative Officer. The employment or unemployment of people which I must say has created some concern amongst the service as well. But let's not kid ourselves with this bill. It belongs to all of us. The thing has already been tabled. I don't mind being questioned on it but I don't, what I really object to and I hear the things that get said to me from out in the community they say this is your bill Smith, what are you doing, and I keep saying I am carrying out the wish of the House. It was agreed by a majority of members that the Minister bring forward a Public Sector Management Bill with modern management practices to be included in it. I'm carrying out the wish of that. I've never said since that time that I want to push this thing along in any way that I can. What I have said is that if I'm carrying this bill, which I am, I'm going to do it appropriately by talking to members, talking to people in the service, talking to people in the community, so that we end up with something that we all agree with. Not something that the Public Service is going to get off side with, which they partly have anyway because of the thing and I don't want something that members are going to be unhappy with too because this is a major change. A change to the Public Service Act is a major change. It's not something that can be done in one meeting. There's a lot of things that come into it. There's a lot of people out there that work in the Public Service who are really concerned. They are concerned about their future, they are concerned about what they are going to have to do, but let's not make any worse by asking questions that make it look like there's something that hasn't been done properly because I'm trying to do this the best way that I can. If I'm not doing that properly, tell me, if you've got concerns with that. I've said already that I want to discuss it over the next week or so, well I'll say the next week, so we can get some of these issues out, and if Members have problems with it, say so like some Members have this morning. Your quite right, I mean I don't know everything about the Public Service Act, I mean I doubt if any of us really do in total but let's work through the thing, let's not make it an issue that people in the service are going to say ay, ay ay, you know what are they up to. We are working on the recommendations of the Howard Report. We are also working on a draft discussion paper that was the bill and the Human Resources Policy so that's where it stands at this moment Mr Deputy Speaker.

MR ADAMS Thank you Mr Deputy Speaker, supplementary. Minister you made the statement the Public Service Board is the employer in the Public Service. Are you unaware that the CAO under the terms of the Public Service Act is able to employ in his own right.

MR SMITH Yes I am aware of that

MR ADAMS How does that accord Minister with your statement that the Public Service Board is the employer

MR SMITH Mr Deputy Speaker the CAO can appoint section 20 people for temporary periods, I'm talking about employment of people in the normal course of events.

MR BROWN Further question of the Chief Minister, Mr Deputy Speaker. Does the Chief Minister or did the Chief Minister intend a few moments ago to tell us that after almost two years as the Minister with responsibility for the Public Service he doesn't understand the Public Service Act and secondly is it a fact that the Ministers real intention in this matter is to continue to delay things until any proposed change dies at the end of this Legislative Assembly.

MR SMITH Thank you Mr Deputy Speaker. Interesting question from Mr Brown. After two years of having the Public Service in my ministry, do I understand the Act fully? I would be lying if I said yes, I also would say that you or perhaps not you John because you are a lawyer, but other Ministers now and in the past would probably not have totally known what was in every Act that applies in their areas. I would be lying if I said I did. Secondly, no it is not my intention to delay this process unless you change what I am supposed to be doing. I was instructed by a motion in the House, by a majority of Members, to bring forward a bill. If I get other instructions to that or if Members want to change the way I'm doing it, it's up to them to amend the bill. Thank you Mr Deputy Speaker.

MR ADAMS Thank you Mr Deputy Speaker. Could the Minister confirm, this is supplementary again Mr Deputy Speaker, could the Minister confirm that the true situation is as you've just outlined that you yourself as Minister for the Public Service don't understand the Public Service Act, no drafting instructions were issued to the Legislative Draftsman to create this bill. We've had endless rhetoric on the topic, we've had expenditure real terms in excess of \$100,000 dollars, there's been countless hours of public servants and others hours put into this and on behalf of the taxpayer who funded this basis and funds our wages, who hasn't been mentioned at all for them the achieved outcome after two years of this is zero. Can the Minister confirm that that is the true situation.

MR SMITH Thank you Mr Deputy Speaker. If you want me just to answer the last part of your question I can't, because to start with this process didn't take two years, if your referring to the Public Sector Management Bill. The motion was put into the House late last year. I might have missed a couple of your questions there. When you say do I understand the bill, what I said was there are things in the Public Service Act that I'm still learning about. I would challenge any other member except Mr Brown to say that they know what is in the Public Service Act. I doubt very much if everybody does because you really have to be a legal person to understand that anyway. I can't think what your second thing was, yes, no instructions about the drafting. That puts me in a position, because I'm not in a position where I can ask Mr Brown if he actually issued instructions

MR ADAMS Why not

MR SMITH Well your not allowed to debate in questions without notice.

MR ADAMS

You can ask him questions though.

DEPUTY SPEAKER

Order, this is becoming a debate honourable members. Shall I ask you again to restrict your participation to both questions and answers. May I also make the point clear about supplementary questions. Supplementary questions are to elucidate on an answer, it is not to perpetuate or to continue a debate in respect of a particular matter. I think Mr Bates had the call before, no, Mr Adams.

MR ADAMS

Thank you Mr Deputy Speaker. In line with your ruling that we need to elucidate some of this may I ask that the Minister provide us with a copy of the drafting instructions, the date and who actually issued those instructions in order to elucidate more clearly this matter.

MR SMITH

Thank you Mr Deputy Speaker. I think that is the appropriate thing to do in this particular case, particularly referring to the early drafting instructions if any, but I will also give Mr Adams a copy of the following drafting instructions that I gave after the bill had been put together.

MR ADAMS

Thank you Mr Deputy Speaker. A question for Minister Robertson with his responsibility for the Burnt Pine area. Minister is it a fact that the Burnt Pine maintenance vote has been raided to extinction, leaving the maintenance unable to properly or comprehensively maintain the relevant Burnt Pine area.

MR ROBERTSON

Thank you Mr Deputy Speaker. No there is enough monies left for the maintenance for the rest of the year.

MR ADAMS

Thank you Mr Deputy Speaker. It's a question for Minister Smith with his responsibility in the area of liaison with the Commonwealth. George at the last sitting I believe you gave an answer in relation to crown leases and more particularly to the Administrators role in relation to the crown lease, and at that time you answered that you weren't clear on the answer. Given that that was four weeks ago, are you able to elucidate on that matter now.

MR SMITH

Thank you Mr Deputy Speaker. It's probably even less clear at the moment. No I haven't got an answer to that one.

MR ADAMS

Thank you Mr Deputy Speaker. It's a question for Mr Robinson, in his absence I guess Mr Gardner will be the happy recipient of it. Maybe it's a joint one between Mr Gardner and Mr Smith. The question is can the Minister give a clear indication of progress that's been made to date on Mr Nobbs motion of some time ago relating to sovereignty in the waters extending out in graduated areas, out from the coast of Norfolk Island.

MR GARDNER

Thank you Mr Deputy Speaker. The only information that I can provide on that is that I am of the understanding and have sighted some correspondence, between AFMA and the Norfolk Island Fishing Consultative committee and the Norfolk Island Fishing Club in regard to the protection and the area designated for protection under an agreement over fishing rights. That area that I am referring to is the Norfolk Island Box. I am unable at this time to be able to provide you with any further information on that save for the fact that I will note it for the Minister on his return, which I understand is Saturday, hopefully with the intention of him to be able to provide a more in depth statement on it.

MR ADAMS Thank you Mr Deputy Speaker. A question for Minister Gardner with his health hat on. Minister in relation to the Public Health Act, could you advise of the progress and the situation of that particular Act to date.

MR GARDNER Thank you Mr Deputy Speaker. Again as far as the Public Health Act is concerned, my understanding is that it does not make up part of my Health Portfolio and is administered by the Minister for Immigration and Resource Management and in his absence I am unaware of any information in regard to that, but again I'll take note of that and pass on your query to the Minister, on his return.

MR ADAMS Thank you Mr Deputy Speaker. I now have a couple of questions that relate to the Fair Trading Act. I have here a copy of the shopping guide to Norfolk Island. In there we have the Norfolk Island Liquor Bond advertisement, Mr Deputy Speaker, where it makes a statement for instance, just present your airline ticket to receive a 30% discount of purchase of spirit, liquors etc. The question is Minister, keeping in mind that in my earlier question you agreed that it was one off concessional thing, how does that particular advertisement not contradict with Section 14 of the Fair Trading Act in that it can be misleading.

DEPUTY SPEAKER Mr Robertson I am interpreting that that's in your area.

MR ROBERTSON Thank you Mr Deputy Speaker. It is. The current practice is for a person who is departing the Island and who presents their air tickets as confirmation that they are departing to the Liquor Bond, then they will receive a 30% discount on selected items at the Bond, mainly spirits. Once that has happened their ticket is stamped so that it can't be repeated and the discount is given. Now that is fairly straight forward, supplementary to that advertisement is a flyer which is available at the Bond which also states what the allocations or at least what the total amount of liquor is available into both Australia and New Zealand. As to Section 14 of the Fair Trading Practices Act, I can certainly get that looked into and see whether or not in that situation it applies in the full, and I certainly will

MR ADAMS Supplementary Mr Deputy Speaker. Minister I was rather asking if perhaps you could give us some indication now how the liquor bond advertisement does not conflict with a section in an Act which says, not to be seen to be misleading or deceiving because that ad clearly doesn't say, or is not in accord with what you've said the process is, as in a one off. This ad clearly doesn't say that, so I wonder perhaps for the benefit of the House and the community if you'd be able to tell us how that accords with Section 14.

DEPUTY SPEAKER Mr Adams your not asking for a legal opinion

MR ADAMS I'm asking for the Ministers determination on that. If the Minister determines that that's a legal one then that's perhaps for him to answer.

MR ROBERTSON Thank you Mr Deputy Speaker. We are getting into interpretations here and I would suggest that that be left over, and I'll get some legal advice on the matter and furnish it to Mr Adams.

DEPUTY SPEAKER Honourable Members time has expired for questions without notice  
MR ADAMS Mr Deputy Speaker I move that it be extended by 15 minutes.

DEPUTY SPEAKER Fifteen minutes is the proposal, Honourable Members, is that agreed.  
AGREED



MR ADAMS Mr Deputy Speaker by way of defense in relation to what Mr Brown is saying if it's a matter of imputation it's simply Mr Browns sort of interpretation of that. It's in reality a question of fact. We're asking for a yes or no answer.

DEPUTY SPEAKER Mr Brown I don't sustain your point of order at this time.

MR ROBERTSON Thank you Mr Deputy Speaker. I'm not sure what Mr Adams is driving at, at this particular point, but perhaps if we just say a little bit about this, then it might lay the concerns that the public, which he has raised. A number of years ago Photopress was involved in promotion of business trade throughout Norfolk Island, and a promotional booklet was done, and that booklet incorporated not just one body but a series of different areas. It involved the areas that concerned with tourism, which are shopping, transport, hire cars, accommodation and the restaurants, and it was because of that that it was all collected in one book. The Bureau at that stage, and the Minister of Tourism at that stage agreed that that booklet be put through the normal sources that the handouts at the Airport. They were very adamant that there wasn't to be any individual firm or company be allowed to be in that handout bag, it had to be somebody who was collective of the Island and that's why that booklet has appeared in that area, and in fact you may see that there is a tourism ad in that which is not paid for, to offset some of the costs of distribution, that is free. There is also at the back there you'll see on the map where there is a notice put in by the previous tourism Minister regarding fishing and the danger of fishing on the rocks and to be careful. That was put in there and there has been other information put in there, free of charge to ensure that any costs pertaining to the distribution were covered. That's why that is going in there.

MR ADAMS A final one on that topic, Mr Deputy Speaker. Would the Minister undertake to have a serious look at that rather than adopting the attitude as I imagine from the last sitting, that it was simply a matter of who ever wished to complain.

MR ROBERTSON I have no difficulty in that Mr Deputy Speaker.

MR ADAMS Final question Mr Deputy Speaker. It's a question I believe for Mr Smith. Mr Smith at the last sitting and in deed innumerable prior times to that I asked on the progress that the Ministry of this Assembly has made in respect of progressing Norfolk Islands membership in whatever degree, to the Secretariat of the Pacific Community.

MR SMITH Thank you Mr Deputy Speaker. Yes following that meeting, we had a meeting with the Minister for territories, Senator Ian McDonald when he was over here and we discussed that particular issue with him, and they have said that they didn't seem to know much about it either. They are going to see if they can find when the meetings are held and what the agenda's may be and we are waiting for some response from them along that line but you may be interested to know Mr Adams that there is a fairly extensive web site on the Internet that talks about it. It is not now called the South Pacific Commission, I think it's called the Pacific Community, there has been a name change, so that is being followed along Mr Deputy Speaker.

MR ADAMS Supplementary Mr Deputy Speaker. Minister does that answer relate to Norfolk becoming a membership of Australian delegations to that community.

MR SMITH I'm not sure, if your asking if we can go along under the Australian umbrella to such a meeting, I think that, I can't say that that was agreed to because I'm not really sure of the answer but I can find out what our position is in that particular case. If you are talking about us being a participating member in the Pacific Community I think that we would have some problems with that.



DEPUTY SPEAKER

This is an answer to question on notice. You may raise a

supplementary.

MR NOBBS

Supplementary. I am getting a head of myself. Is it not correct that I asked a question in relation to a quarterly question in relation to travel by members of the government and public servants and also I usually asked a question in relation to this particular point. Is it not correct that at the time that I asked the last one and you made the answer that George responded by saying that this would be made available quarterly and you yourself said that it would be made available quarterly. Is it not true that George has provided his quarterly for September to December without me having to ask but in view of you not supplying the September to December quarter for your side of the bargain, is it not correct that I have now asked you that question and why isn't the information available as you said it was going to be.

MR ROBERTSON

Thank you Mr Deputy Speaker. As I said the total number of people that have traveled in and out this year, the amount of money involved, the airlines involved and who flew on what this year, that's the document. The query I am asking now and this is a query that has come from the department, because they do not have a simple program in mind where they can just hit a button and it all flicks out, it has to be done by hand. At the moment the finance area are having a little bit of difficulty with a couple away. It can come, it will be another week or so before it will be finished. If your happy with that information to date which is the airlines, the numbers of people and the amount, it's fine. If you wish to have all the names and the people whatever it is that follows on from that, it will take another week or so before I can have that information.

MR NOBBS

Can I just ask another question. Would it not be more appropriate if we discussed this after the meeting.

Can I just ask another question. Would it not be more appropriate if

MR ROBERTSON

Thank you Mr Deputy Speaker.

DEPUTY SPEAKER

We've concluded questions on notice

MR ADAMS

I've got a supplementary. It doesn't bear on the substance but a related matter, thank you Mr Deputy Speaker. Minister you made in your answer to Mr Nobbs that that information needed to be collated by hand.

I've got a supplementary. It doesn't bear on the substance but a

MR ROBERTSON

Thank you Mr Deputy Speaker. From what I understand, the information that I have been given is that they don't have a program currently in place, which as the requests for the F.O.C's come down and the names etc. They don't have a program in place where it can be easily recorded and at the end of the three months hit a button and it all comes out in a spreadsheet. I understand that that has been asked for but at the moment it's just not available so that's why this has to be written out, as it was last time, written out by hand.

Thank you Mr Deputy Speaker. From what I understand, the

MR ADAMS

Brief supplementary, Mr Deputy Speaker. Minister well that's an unusual situation. Is there a time frame to the improving of that situation. Frankly that seems quite incredible. It's 1999 the only advantage out of that situation it won't have any concerns from Y2K, but as for efficiency, will that efficiency be soon addressed and is there a time frame.

Brief supplementary, Mr Deputy Speaker. Minister well that's an

MR ROBERTSON

Thank you Mr Deputy Speaker. This is an area which is in accounts. We have recently been addressed by a company which is looking into upgrading, the whole of programming and the rest of it within the Administration. That was only done last week and there is a

Thank you Mr Deputy Speaker. This is an area which is in accounts.

final document coming through in another weeks time, these are matters that are addressed in that review an no doubt the necessary programs and so forth will be done.

## **PRESENTATION OF PAPERS**

**MR SMITH** Thank you Mr Deputy Speaker. I would like to table the Financial Indicators for the month of January and make some comments provided by the finance branch, in relation to income. Customs duty collected at 31 January 1999, cash only receipts is about \$20,000 short of the revised budget and at this time there seems to be no reason for any alarm. Income from other taxes and interest received is reasonably on line with the revised budget and interestingly is slightly ahead on the revised budget estimate. Income from other charges category is \$25,000 behind the revised budget however income from several of the items in this category will not be fully realised until later in the second half of the financial year. Earnings from the G.B.E.'s that is the Government Business Enterprises is ahead of budget by \$19,000. This result is directly associated with the exceptionally good turnover that the Bond is doing. In expenditure, welfare expenditure is still ahead of budget, as was the situation at the end of 1998. This expenditure category is receiving some concentrated attention by the responsible manager at this time, however it does appear that the high level of expenditure that has prevailed over the last eight months or so has slowed down which is good news. And secondly capital works and purchases are still ahead of budget at 31 January 1999, and this is due to the completion of a stage of the Burnt Pine Upgrade, and the purchase of a block of land and the full draw down to the vote which relates to purchase of vehicles because all the vehicles were purchased in the first six months of the year.

**MR ADAMS** I simply have a general question George for yourself as Finance Minister in the area of finance. Given that what you've just explained came from the Finance Manager, I wonder if you have any words yourself to add on our general financial situation, given of course that there is a continuing worrying situation with the Customs Duty being down, continues. There's other areas where the income is down, the expenditure is high. Would you have any words of wisdom for us regarding the overall financial picture.

**MR SMITH** Thank you Mr Deputy Speaker. Yes I do have comment to make. I think the wisest thing I can do is agree with the Finance Managers comments. I don't have the concern of Customs Duty being a little below budget at this time because from experience as I am told Customs Duty usually comes in better in the second half of the year so I am taking the advice that that shouldn't make a difference. I should say I am pleased to see that the F.I.L. is slightly more that what the revised budget expected to give out but I said at the last meeting when I introduced the Budget Review which we'll be talking about very shortly, I'll say the same thing that I've been quite happy with the budget, the way it's been running except for one or two areas. Down a little bit in the revenue, up in expenditure but you do get those changes throughout the financial year and I think the budget has performed fairly well in most areas. I've had a lot of confidence with it, I hope that we can all retain that confidence over the next six months or over the rest of the financial year I should say. Thank you Mr Deputy Speaker.

**MR ADAMS** I'm just interested Minister, maybe again some words of wisdom in relation to some of the funding implications or projects and initiatives that we've got around and are coming, that have funding implications. For instance two more program managers for the public service at fifty or sixty grand each. We look through the Human Resource Management Bill and there's areas right through it that say in big bold letters, this has funding implications, so how do those two situations sit together George to give us an overall financial picture re: confidence for the future or concern.

MR SMITH

Mr Deputy Speaker. I'm happy to take the call on this. What Mr Adams is referring to of course in the next financial year, which is the next budget which we've already commenced the process on. Certainly at this point Members may think along those lines, that there may be a financial concern as to appointing the extra managers as was agreed in the motion of the house last year, moved by Mr Brown. The Government had taken the decision late last year or early this year I think it was that we would not fund that in this financial year but set up the processes and aim to providing that in next years budget. I know that some Members now have some concern about that and that's something else that we will be discussing when we talk about the Public Sector Management Bill at MLA's next Wednesday. There's certainly some projects that are around that could cost us some money but I don't think we should ever compare next years budget with what we are doing in this financial year. I think MLA's in the last twelve to fifteen months probably spent three or four hundred thousand dollars that wasn't originally budgeted for, for projects that, the figure may not be that high, that's just a rough estimate there, that is outside what is budgeted for in the Administration Revenue Fund Budget which is what we are talking about. We should never conclude that at the end of this financial year that at this point in time there won't be enough money to fund what we want to do but if you look at capital spending, what we've spent over the last two years, well not quite that, we haven't been in here two years yet. Over the last twenty months I think it is. We've spent alot of money on capital expenditure. We can adjust that when it comes to do the budget. I think last year, off the top of my head, or this financial year, in the Revenue Fund alone was about \$600-700. We recently spent \$150,000 that wasn't in the budget but that was a decision of the Assembly and the Government so there are always ways of trimming back your budget. I think trimming back are probably the wrong words, but putting in the things that you want to put into a budget, so at this point, if we look at the revenue that's been raised in the last 18 to 20 months and if those trends stay very similar we possibly will have the same turnover in the budget in the next financial year or all our other major projects should come in on line this year. We may have alot of extra revenue coming in but it really comes down to what we decide to do with capital expenditure which is really an area that we seem to take alot of interest in, last year it was the Burnt Pine upgrade, the year before, the same thing. If we choose to do something different that's something that we do as a budgetting process. There other projects that have been posed to us as recently as last week that could cost us half a million dollars. Those sort of proposals would be ones that would concern me, how we would fund something like that if we were to run with that but that remains to be seen, whether we make decisions on that by the end of this month, next month, and whether we put those sort of things into next years budget. Well that's a matter for members to decide at the time

DEPUTY SPEAKER

The question is that the paper be noted  
QUESTION PUT  
AGREED

Any further Papers?

MR SMITH

Mr Deputy Speaker I just want to table the Bekka Carter Norfolk Island Runway Inspection and Maintenance Report for December 1998. That report was prepared by Bekka International Consultants Limited New Zealand, and I just move that that paper be noted

DEPUTY SPEAKER

The question is that that paper be noted

MR SMITH

I would just like to make some comments. The people who are involved in this report are the ones who keep a close eye on our runways and late last year we had a visit from the Engineers to one again inspect our runways and apron and things like that. One of the things that has been of concern is when the next major upgrading will happen on the main runway and in this report there is a schedule for when we should be doing that and at this point in time there should be an ashfelt overlay in 2003 at an estimated cost on todays prices of \$3,050,000. Leading up to that time it is

recommended that we carry out the preventative maintenance and pavement maintenance that is happening on the runways which has been done by the people who work at the airport and doing a great job on it and they are using stuff called pavecoat as I understand which helps to preserve the runway. Interestingly enough, besides aircraft damage one of the major factors in the deterioration of our runways is the weather. If we had no aeroplanes at all we would still have to - well we wouldn't need to do anything I suppose. There's a possibility with the pavecoating that it protects the runway enough so we may not have major upgrading in the year 2003 which of course is not that far away, so I table that report for anybody who is interested in seeing it

**MR ADAMS** I move that that report be noted Mr Deputy Speaker. Minister in your few words that accompanied that document you mentioned that 2003 the airport vote will need to certainly be able to contend with a bill for \$3m. How does that vote look at the present time from the point of view of being able to happily contain that amount. Has any work been done in the area. Are there any graphs, flow charts etc that may well give us some indication based on today's figures of how the Island will be positioned in 2003 towards accommodating that debt which no doubt in the general scheme of things will have increased by then

**MR SMITH** Yes I think I can answer that. We should be okay by the year 2003. Members will be aware, well maybe not, the budget review of the Government Business Enterprises, I've been given that over the last few days and that shows that the airport has a reasonable amount of funds at this point in time and three years down the track I think we will be well within the amount needed by then

**MR ADAMS** Thank you Mr Deputy Speaker. I was perhaps more interested in identifying what work has been done today by way of financial forecasts given that it's not that far down the track and it certainly is a large sum George. I guess certainly at this stage, Members would probably be more comfortable with the things if there was some work being done and a good solid forecast based on financial factors rather than maybe generally regarding that it might be alright in three years

**MR SMITH** Mr Deputy Speaker Members may recall that when the Minister for Tourism was looking at installing the GNSS at the airport a flowchart was done for Members to have a look at the airport. I don't know if I've got it here with me but if I can find it I would certainly be happy to copy it to Members, so yes, in answer to the question, it has been done, thank you

**DEPUTY SPEAKER** The question is that the Bekka Carter Report be noted  
**QUESTION PUT**  
**AGREED**

The ayes have it thank you. We have concluded papers

## **STATEMENTS**

**MR ROBERTSON** Thank you Mr Deputy Speaker. I have a statement to make referring to Mr Nobbs' question regarding double dipping of lighters. Part No 1. Is the importer of cargo that requires two lighters, charged a fee for both lighters. Under Section 2(4) of the Lighterage Charges Specifications of 11 March 1993 if their cargo is of the nature, size or weight that requires its carriage by two lighters joined together its charge is twice the charge that would otherwise be payable. Is the importer of such cargo required to pay insurance for both lighters. Not all items requiring double lighters are required to have separate insurance cover. The requirements for separate, specific insurance arises in respect of cargo items exceeding four tonnes and note 2. Of the Lighterage Charges Specification of 11 March 1993 states, "in order not to exceed the maximum safe carrying capacity of lighters importers are advised that the maximum load of 4 tonnes is normally applied in respect of any single item of cargo to be

lightered. If an importer requests the Administration to lighter a single item of cargo weighing more than 4 tonnes, this will be considered and if agreed to, will be subject to a) such goods being lightered at the owners risk and b) and insurance policy at the insurers expense being in force to protect the Administration from loss or damage to lighters and other equipment as a result of extra weight carried. The amount of insurance cover required in such cases is \$15,000 per lighter. I am advised that as a matter of practice insurance cover is only requested in respect of one lighter. 3. Is general cargo also placed in double lighters and if so, does the importer paying the fee for double lighters receive a reduction in charges? Whether additional general cargo is placed in double lighters depends on the nature of the cargo requiring double lighterage, however, usually additional general cargo is placed on the outside lighter to stabilise both lighters for the journey ashore. If additional general cargo is placed in double lighters there is no provision under the Lighterage Charges Specification for reduction of double charges and 4. If lighters are damaged by general cargo included in the double lighters who pays for the repair of the lighters? As indicated above the insurance cover required in respect of cargo exceeding four tonnes is specifically to protect the Administration from loss or damage to lighters and other equipment as a result of the extra weight carried. Damage caused by general cargo is not covered by such insurance. Thank you

MR ROBERTSON

Thank you Mr Deputy Speaker. Over the past few weeks there has been considerable concern and speculation over different statements that have appeared in the local press or passed by word of mouth within the community. The Norfolk Island Government has been pursuing the matter of continuity of crushed rock for the community for some considerable time now and during that time many avenues have been explored and addressed. Meetings have been held with groups both for and against the current crushing site and proposals have been looked at for alternative crushing plants. Public meetings have been called by the Planning Board to evaluate some of the proposals. The major activity on this matter has taken place since the Australian Government, who currently have control of portion 48c terminated their crushing license agreement with Island Industries on October 15<sup>th</sup> 1998. During this time final arrangements for the Cascade Cliff Safety Project were nearing completion and part of that Projects design was the closing of the quarry on portion 5a and the need for 1700 tonnes of road base to be available to allow the successful contractor access on Young's Road to the cliff top. A group of concerned residents whose properties adjoin or are in close proximity to 48c - the current crushing plant site - have been registering their complaints with the Administration and other Australian authorities for some time, met with Senator the Hon Ian Macdonald - Minister for Regional Services, Territories and Local Government during his recent visit to the Island over the Australia Day period. During that visit the Government had meaningful dialogue with the Minister and in an effort to resolve the impasse on the crushed rock issue an Eleven Point Plan was proposed and discussed which it was felt would, although not conceding to every parties wishes, be a way forward and enable crushed rock to again be available. The Minister issued a Press Release which was given to the Norfolk Islander to that effect. Over the past two weeks there has been disagreement to this document and following lengthy discussions with my colleagues, and other parties associated or involved in the crushing of rock it is hoped that following a final meeting scheduled for 1 PM today, agreement will be reached which will allow crushed rock to be available again in the immediate future. This is a short term arrangement and the Government is actively pursuing a long term solution to ensure that the disruption of crushed rock supply will not be an issue in the future.

MR ADAMS

Thank you Mr Deputy Speaker I move that that statement be noted

DEPUTY SPEAKER

The question is that that statement be noted

MR ADAMS

Thank you Mr Deputy Speaker. I'll kick off initially with a question. In the Norfolk Islander of the last couple of weeks we've seen some interesting supply of

information and I'm wondering whether or not in the newspaper of Saturday 6<sup>th</sup> February 1999 whether the Minister will have any comment on, and I quote, "...all the principles of Island Industries are waiting for at the moment is written authority from the Legislative Assembly granting them a licence to recommence crushing operations for the next six months." It goes on to say that permission is dependent on environmental upgrade to the operation. The point is Mr Deputy Speaker, and I wonder if Mr Robertson can comment on that, will the Minister or the Ministry be doing anything about putting that clearly erroneous statement straight as it clearly is a matter of crown lease and therefore the Administrator or the Commonwealth's pervue and clearly therefore it is not a Legislative Assembly matter to grant anything, so will the Minister be clarifying the erroneous nature of that statement which appears in the paper and doesn't appear to be from any particular body or organisation - no-one has their name to that little gem

MR ROBERTSON Thank you Mr Deputy Speaker. Do you have any further questions because I'll answer it all in one lot

MR ADAMS Thank you Mr Deputy Speaker. I guess I do, and maybe it will be best if we get all our concerns out

MR ROBERTSON Thank you Mr Deputy Speaker. Okay. In the statement I made a minute ago I said that there was a final meeting scheduled for 1pm this afternoon and I'm not pre-empting the results of that meeting, I'm saying that once that meeting has taken place, hopefully agreement will be reached that will enable us to once again be able to work, and until such time as that meeting is past and completed and the results fully known, then yes, there will be statements and the rest being issued and finalised but I'm not pre-empting anything at this point but I will follow up on some of the others and I understand that there are other documents being prepared at the moment regarding things that are to be put into the Press

MR NOBBS Thank you Mr Deputy Speaker. I don't know who is involved in this meeting, but does it relate to the current crusher site

MR ROBERTSON Thank you Mr Deputy Speaker. It would have to

MR NOBBS Fine. Well why is the Norfolk Island Government involved in it then. Is it the Norfolk Island Government, or the Commonwealth or...Who's involved?

MR ROBERTSON Thank you Mr Deputy Speaker. The meeting that is taking place will be in the Administrator's office and myself along with our legal advisor is attending that meeting as an interested spectator.

DEPUTY SPEAKER Further participation. No further participation. The question is that the Crusher Statement be noted

QUESTION PUT  
AGREED

The ayes have it. Are there any further Statements this morning

MR SMITH Mr Deputy Speaker I just make a short statement in relation to postal matters. They are always a matter of concern to some people. At a recent MLA's meeting some Members had asked if mail had continually been offloaded particularly out of Sydney. I don't think there was any problem with the Auckland side of it, so we got advise from the Post Office and at that particular time, there was no backlog of mail in Sydney and in relation to January there had been no delays in carriage of

mail except for Tuesday the 19<sup>th</sup> January and it arrived with the Wednesday mail and the Post Office makes the point that people continually ask where their mail is particularly airmail and the Norfolk Post advises that parcels must be sent Express Post to be guaranteed travel by air. Parcel Post means surface mail, not airmail. There is still confusion about this by both Australia Post Office staff in some locations as well as by Norfolk Island residents although it is printed in all issues of the Australia Post charges guide so I would just like to emphasise that. If somebody wants air parcel post, it's got to come by express post to guarantee travel by air. A couple of other things, one in relation to sea mail, Norfolk Post were advised that the Captain Cook would not be stopping at Norfolk Island on its January voyage. This meant that outgoing sea mail would not leave Norfolk Island until the next voyage which is approximately 23<sup>rd</sup> February but the close of mail for the anticipated January sailing, there was only one parcel waiting to leave and the customer was contacted and they stated that they were happy for it to go on a later ship. February mail schedules. Although we are well into February now, people may be interested. Monday's and Tuesday's there are no scheduled flights so no mail will be able to be received. Wednesday's, the flight arrives from Sydney at 12.50 and the mail obviously will arrive on that. Thursday there is no scheduled flight so no mail will be able to be received, Wednesdays, the flight arrives from Sydney at 12.50 and the mail will obviously arrive on that, Thursday there are no scheduled flights so there's no mail to be received on that day; on Fridays flights arrive from Sydney at 9.55 and mail will be carried on that late flight and of course on the Saturday and Sunday flights from Sydney, mail will be carried on those. The closing times for mail leaving Norfolk Island during this month are set as follows, on Wednesday at 10.00 am, Friday at 10.00 am and on Friday at 3.00 pm for the weekend flights, are the mail sorting times. Thank you

DEPUTY SPEAKER  
Honourable Members

Thank you. Further Statements. We've concluded Statements

## NOTICES

### **IMMIGRATION ACT 1980 - DETERMINATION OF GEP QUOTA**

MR GARDNER Thank you Mr Deputy Speaker. Mr Deputy Speaker, for and on behalf of the Minister for Immigration and Resource Management who is absent from the Island at this time, I move that for the purposes of subsection 21(1) of the Immigration Act 1980 this House resolves that it be declared by instrument in writing that ten general entry permits may be granted during the period 17 February 1999 to 16 February 2000. This motion provides a quota of ten general entry permits that may be issued. I have circulated to Members a minute to the Minister from the Immigration Officer in relation to this matter that sets out the purpose that the existing determination expired on the 11 February 1999 and there was a requirement for another determination. The background is that in 1995 the previous Legislative Assembly adopted a quota intake based on the desired population growth of 2% and also that minute sets out a set of figures demonstrating the effects of that policy since its adoption. Clearly Mr Deputy Speaker the desired outcome of that policy has not been achieved. The average population figure in 1995 which is made up of residents and GEP's was 1524 and the desired increase at 2% per annum was based on that figure. Mr Deputy Speaker the average residential population for 1998 shows up as a figure of 1553. Mr Deputy Speaker that is a net increase in three years of nine persons. By my calculations a percentage increase not on an annual basis, but over three years, of only a little over one half of one percent. As I've said Mr Deputy Speaker the desired outcome has not been achieved. The recommendation of the Immigration Officer contains two points in that minute circulated to Members. The first point being that a fresh quota of ten GEP's be determined as an interim step leading to the second point that a review of policy in respect of the desired 2% growth figure be undertaken during the next six months and I recommend to my colleagues that we urge the Minister responsible, Mr Robinson, to address the matter. Mr Deputy Speaker in light of the importance that we place on the subject of planning and strategic review, I believe that population level is of critical importance in the success or otherwise of the

desired outcomes of both these matters. Mr Deputy Speaker on behalf of the Minister for Immigration and Resource Management I urge Members to agree to the Immigration Officer's recommendation in respect of a review and Mr Deputy Speaker, I commend the motion before us, to the House

MR BROWN

Mr Deputy Speaker if my recollection is correct the 2% increase figure may have been set even before 1995 but nevertheless, we have fallen a long way short of that. We adopted a policy in relation to 2% increase so that when we fixed the quota the quota would be set in accordance with a known mechanism. There's hardly been an occasion since the policy was adopted when the quota has been fixed in accordance with that mechanism because each time a number has seemed so huge that the Assembly has taken a view that it would pick a smaller number. Now that's not all that dreadful because we change our procedure a little such that instead of setting the quota only once per year we decided that it would be appropriate to revisit the quota from time to time through the year if need be so if ten places were provided and half way through the year they had all been used, it was possible to go back and then look at the policy if we wished, and set some more but we ensured that we didn't exceed the policy in the number that we set. I share Geoff's concerns that if our future planning is based on any degree of population growth it is not being achieved but the purpose of today's motion is simply to fix the quota. I have no objection to the quota that has been recommended and I am happy to support it

MR NOBBS

Thank you Mr Deputy Speaker my preparation for this Agenda item was pretty simple and I'll read what I said at a meeting on the 20<sup>th</sup> May 1998 and nothing has really changed. I'm sorry but I will not be supporting this motion as I haven't the previous motions of this nature and I repeat my concerns. There is an urgent need to review immigration and there has been a need and a call for this for the whole time that we have been in office, and that was in May last year, over a year. But no, there's been some rhetoric as can be expected, the consultant was hired, or we can assume she was hired although the issue did not come before the Assembly. The lady visited Norfolk Island some months ago, this was prior to May last year, there has been no report, no progress report or even advice as to what the lady is up to. It appears of late we have degenerated to our level in the immigration stakes. The deportation of a person and the need to pay his freight, that is, the cost of the air travel back to Australia, it seems that the requirement to hold a return ticket is not now necessary. I'm bitterly disappointed that there's no real progress with the review on immigration, and I understand the need for a review is supported by the Immigration Committee. I will not finish what I said, the rest of it, but I think Mr Deputy Speaker that that says it all. Nothing has really changed. Sure some may wish to blame HREOC who have undertaken a review of the Island and there is some real concern with the fact now that this report has come out into the open. I question the need to blame the HREOC Report and the reasons are on my understanding as an Assembly Member, of the current HREOC exercise and I'll just go through it. The complaint was laid which is possible as the Australian Legislation extends to Norfolk Island. Why, is beyond me. I stated the complaint was laid, the Commissioner visited Norfolk and investigated as he is required under the Act. The Commissioner provided a draft report to our Minister in September 1998 for comment and a request was made by a Minister to extend the time for comment. The reason is unclear. The Commissioner agreed to the extension until the 31<sup>st</sup> December but the response was not forthcoming in the extended time and another extension was sought in late December. The Commissioner will now bring his report without comment from Norfolk Island, to the Federal Parliament as and is required. Not a very satisfactory chain of events and the seeking of legal advice as stated in last week's paper was really an afterthought. He had nothing to do with the initial request to extend until the 31<sup>st</sup> December. In the meantime there is no action on the Immigration Review, a Review which has cost the community money to date and we sit on our hands. Mr Deputy Speaker it is pathetic. I will not support this proposal in principle. Thank you



that have come back to the Island to visit that are off shore working and they come back to visit during that period and that is why there seems to be different figures that are achieved every month, for the purpose of this and its average out. Some permanent residents do leave the Island. In some cases they are replaced by the granting of GEP's to other people but the averages throughout the year have only seen an average increase of nine people

MR ADAMS

Thank you Mr Deputy Speaker. I think probably what we are looking at here is really a net movement of nine since whenever Geoff started his period of three years but I agree with Brian in this. I think there's certainly a commonsense approach to this situation. From memory, whilst Geoff has mentioned that in his figure we are looking at half a percent increase I can remember not so long ago when that movement of people was down and I say that half a percent, whilst notwithstanding it's not a large figure I think it's going in the right direction. We all need to take on board the necessity to have what we would regard as the critical mass number to have in a fully working community and it certainly does depend on those numbers. We need to keep in mind also Mr Deputy Speaker that this immigration quota has been conceived on a growth basis and did have a percentage in mind, and again, notwithstanding it hasn't been achieved. I think it is working in the manner that was intended and certainly I take Ron's point. There may be some benefits in a wider review of the Immigration Act and how it works but I do have a great deal of faith in the fact that providing this quota provides us with the security of an upper limit rather than having an open one so I see it as a positive move and I support it

MR BATES

Thank you Mr Deputy Speaker I've said on many occasions when the 2% thing has been bandied about that it's the wrong approach. I think one of our previous Minister's personal policy was to populate or perish but could never quite come round to what these additional people in the population were really going to do with themselves. The retirement policy was introduced and there were fears in certain areas that people might be GEP's for five years to retire, but once they became residents you can no longer control what might happen and they could become a drain on healthcare or welfare. But what I'm saying is that you can pick a figure and say that we want to increase our population to that figure but it's got to go hand in hand with what these people are going to do. This Assembly has tried many times to look at other things that complement the tourist industry. This Assembly is currently for example, looking at an Offshore Finance Centre now if when an Offshore Finance Centre is finally decided upon and it needs an increase of fifty people and their families to operate it in the way of solicitors and banks and whatever, because that's the way Offshore Finance centres fan out and we need an influx of people then we've got to make room for those people. We don't have to talk about 2%. There'll be work for them. It will be a benefit and we will achieve some of your 2% and until you create a place for these people in the community you can talk about 2%, 100%, 5% but if you haven't got the policies in place to keep them occupied and to let them earn an income you might as well talk nonsense, so I don't have any trouble with increasing the population but I do have difficulty in saying that you have to increase it by 2%. 2% of what. I have no difficulty if when some of our projects go forward you need to bring people in to operate them and increasing the population to cope with those things. I think I've basically said what I meant to say Mr Deputy Speaker but to talk about percentages of the population increase without backing them up with projects or things to do, it's all just pie in the sky

MR ROBERTSON

Thank you Mr Deputy Speaker I don't have difficulty with the 2% because unless we do have some quota then it will cease to be the policy and be able to operate it through the immigration, however, what I do have a concern about is the sliding scale of numbers that I see before me. In times which have been some of our better years over the last twelve months, businesses have improved, numbers have improved and the Island cash flows have improved, money has been spent and with all of that we have a downturn in numbers so what's happening. And I think this is where Brian tapped on some of it. Where do we look at, how do we go. There's all sorts of immigration reviews

which will probably cover some of this sort of thing but we've just had twelve months basically of pretty fair sort of times, and the result of that as a sliding downturn in the population and that worries me and I think that somewhere along the line, whether or not with the Offshore Finance or whatever other schemes that come in from the Bright Ideas or whatever happens in the future, there needs to be something in place in Norfolk Island that will entice a person to come. I was speaking with the Immigration Officer just the other day regarding some of this and he said to me there used to be anything up to 180 people waiting to get in. He said that's no longer the case. We've put up our ten or twenty and then we say please somebody make an application so that we can at least address it which is a total role reversal and that worries me so I guess with all of this to keep the whole thing running at this stage, 2% of whatever figure or 2% of what as Brian has just said is at least allowing the system to continue until the total reviews are done. In the meantime I think we really need to make a lot more attention as to why we've got a sliding scale at the end of this graph.

MR ADAMS

Thank you Mr Deputy Speaker I think Gary has raised a most relevant point and it is something we certainly should be looking more closely at but in tandem with that Mr Deputy Speaker the situation in respect of the Government Finance, as Gary rightly said, we've got some of the best trading period certainly since maybe the end of the 70's and the boom periods of the 80's yet Government revenue is severely down and we've seen in the past naturally enough the population movements are tagged to some degree to how strong your economy is and naturally enough in the 70's etc the tourist accommodation industry etc was really taking off and perhaps not just only the accommodation industry but the service industry that fed that and we certainly did have high numbers. There certainly is a question over the fact that Gary raised, why don't we have basically more applicants. In addition there is a real question over why the government revenues are so low given naturally enough, we've got more people, they are spending more which naturally enough you would expect to have an increase in goods that are sold and naturally enough you would expect an increase in customs duty which hasn't necessarily proven to be the case so I think there's a lot of factors in this that really bear a further look. It might be that part of the reason for the days of the 180 applicants waiting on the immigration lists are now no longer there is because perhaps the strength of Australia's economy itself, I mean, we've seen the economy of Australia increasing or strengthening to a rate of 5% and given the Asian meltdown that figure is quite incredible and they seem to be sustaining a large increase which naturally enough would indicate there's plenty of employment opportunities, plenty of business opportunities. Maybe that's a factor but I certainly think the overall picture in respect of this situation and where we go from here certainly needs a longer and deeper look. Thank you

MR BATES

Thank you Mr Deputy Speaker. Just in case there is some slight misunderstanding about the flow of Government revenue. I'm the first one to criticise if our revenue seems to be neglected but I don't think it's a situation where we should be in a lot of gloom over it. If you look carefully at the figures at the halfway mark that the Chief Minister tabled earlier today, customs duty is \$130,000 higher than it was for the same period last year, it's up 8% on last year. I would almost suggest that without having figures in front of me that it was probably an all time high for the six monthly period. I don't think it ever would have been lower than that. FIL is down by 8%. We all know that that's a dying tax, with people legally finding ways to avoid it. Other taxes are up about \$33,000 on what they were the same time twelve months ago. That also could be an all time high. It's 3% higher than it was twelve months ago. The earnings from the GBE's are up 2% on what they were twelve months ago. Interest received is down. Other charges income is down and that's striking. That's the one I've been talking about for a long time. It's down 29% on what it was last year and the Chief Minister has at long last in line with three consecutive Ministers for Finance, come forward with a paper for it and I believe this should be addressed by all Members. So I think it's just a little bit wrong to put a lot of gloom into the Government revenue but having said that I think we are neglecting that area but I'll have more to say about that when the Supply Bill comes up shortly. Thank you

MR ADAMS

Thank you Mr Deputy Speaker. I feel I should respond to some of the things that Brian has said there. We certainly are not looking at doom and gloom in the area of Government finance but we certainly should have a closer look at it because bearing in mind that notwithstanding that we've got increases in some of these areas, we see the net revenue percentage there is not running at 100% so notwithstanding that we are seeing boom times the revenue does not appear to be in accord with the amount of business that is being conducted in Norfolk Island. As I said, the answer to that seems to allude us and it is one of the things we should be questioning more closely. It just seems to me that we are not seeing the proper correlation between the income that's available to the Government and the amount of people and the amount of business that appears to be being conducted. Thank you

DEPUTY SPEAKER  
this motion be agreed to

Further debate? The question before us Honourable Members is that

QUESTION PUT  
AGREED

Mr Nobbs is opposed to that Motion. That motion is agreed to

## **ORDERS OF THE DAY**

### **SUPPLEMENTARY APPROPRIATION BILL 1999**

We have resumption of debate on the question that that bill be agreed to in principal. Chief Minister you have the call to resume.

MR SMITH

Thank you Mr Deputy Speaker. This is the bill that was tabled or introduced at the last sitting. It sits on the table until this meeting for Members to think about what's in it and also for members of the community on how we are handling this particular budget review. The budget review is a process undertaken usually after six months of the financial year to review whether we have extra money that we may be able to use for something or if we are running short of money we appropriate extra moneys to it, and in fact that's what has happened in this financial year. The budget as I said earlier this morning was running fairly well in the revenue and expenditure sides, but late in the there was two or three things that happened. The major one was the increase of the charges for the Healthcare fund and the HMA fund which are I think people in the community are well aware now that there is a large blow out that needed to be funded and we've chosen a particular way of doing that by taking some of the reserves to pay for part of that because these are things that have to be paid and that wasn't taken lightly having to do that. There has been expressions by some Members of the Assembly in the past that we should not go for a surplus budget, well we've certainly gone the other way with this particular one, but it was a way to solve the problem immediately without having to put an extra burden on the community by increasing Healthcare charges to an exorbitant rate, so what the budget review indicates that a matter of \$200,000 extra would go to welfare, taken from reserves and an extra \$230,000 taken from reserves for the Healthcare Levy and another \$100,000 would be for the purchase of the land in Cascade Road which is related to the Cascade Cliff Project. There were some others, Members will remember that we spent some other money that needed to be funded and that was done by rearranging of funds within the Administration. It was done by the Administration management, to identify savings where they could and they did, and they've done a good job of doing that in most areas, not always popular but that was the way it was done and we've ended up with what we have here. The Government presented this to the Members just before the last sitting. I introduced it and there it is and I'll leave it now for others to make their comments.

MR BATES

Thank you Mr Deputy Speaker. I intend to support this appropriation bill but I don't think that should be considered as an indication that I feel really good about it. It is in fact taking well over a third of our reserves, or half a million dollars out of our reserves and we have never yet had this conversation that I keep talking about as I keep talking about as what level of reserves we feel is a prudent level. We can argue about that quite a bit but unless we come up with some consensus of what level of reserves we should be retaining because I've said many times that we shouldn't just tax the people and put the money away in the bank. I don't think that's right, it's peoples money and we're caretakers of it and it needs to be used appropriately. What concerns me and it continues to concern me is that a number of these blow outs were well and truly known that they were distinct possibilities at budget time but at budget time we cast them to one side and I think we probably hoped they wouldn't happen and we put our head in the sand. I mean this is an Assembly whose theme has been planning and here we are in crises management. I'll be watching very closely, and I do support this bill, that we do have a little bit more planning and a little bit more thinking into next years budget because if we don't address some of the issues that keep coming up and in twelve months time we're having another bite at this revenue fund we're going to be leaving the next Assembly in a pretty unenviable situation and that of course is when trouble arises, that's when we have problems, that's when Assembly Members are forced into making panic decisions and an example of that I think the Chief Minister himself suggested we might consider in a discussion paper to us that maybe we should be increasing customs duty on an emergency basis at the end of June or maybe we should sell something. Now I hope that we're not going to leave a legacy to the next Assembly that have to make panic decisions because we have put our heads in the sand and failed to properly address the finances of the Island. I think the revenue stream has been unchanged since the previous Minister in a real downturn in the economy probably one of the lowest ebbs the economy has seen in the last ten years, increased custom duty and put a ten cent levy on fuel, and that was at a time when things weren't good. I think the first budget that came out of this Assembly just attempted to match expenditure to what it was two years before without any real consideration of the thing but we have before us at the moment things like accrual accounting. Now if we have to provide funds in our budget for replacement of our assets, big bikkies. We've just heard that a review of the computer system, the accounting system and all the rest of it the information base, half a million dollars, big money. We continue talking about developing, further developing internal self government, the progress of internal self government, there will be a cost to that. Look at the conditions of our roads. Where's the next stage of the Burnt Pine Upgrade. We're always having virtually unavoidable increases in health, education and welfare costs, so unless we do have a little bit of planning into next years budget, unless we do get it right, and don't put off things in the budget and hope they don't come up when we know darn well they are going to come up, we are going to leave the next Assembly in a pretty desperate situation for funds. I think it would be irresponsible not to support this appropriation bill, I seem to sound off time we get to finance, but nothing ever seems to get done although I do note that the Chief Minister is reviewing the fees and charges, so maybe if I keep talking we'll get some real, I think at the last meeting most of us all agreed that we needed some overall review of our taxation system but I'll leave it at that. Thank you Mr Deputy Speaker.

MR ROBERTSON

Thank you Mr Deputy Speaker. I intend to support the bill, but I also intend to put something on notice. When the budget was done last year for this year the Tourist Bureau put in an application for a promotional grant of \$605,507 and a special projects grant to cover the South Island of New Zealand plus the Victorian push of which we have now started to move into, of \$26,000. There was the Bureau grant which is within the office of the Bureau which was \$155,000. They received \$135,000 for the Bureau grant and \$601,000 which was only \$4,000 less for the promotional grant but the \$26,000 wasn't forthcoming and was put into a supplementary area. When this budget review came on I spoke with the Minister and said that I would see if I could try to get the Bureau to work within the money that had been allocated in the initial stage, which was in all intents and purposes approximately \$50,000 less than what had been asked for, which was just under \$50,000 than the year before. The Bureau had

specifically come down \$50,000, so what has happened now is that part of the Bureau grant and the reasons why they felt they might have been able to work within the \$135,000 was that the Airport might have been opened at the end of November and that somewhere there would be a staff reduction within the Bureau once that happened. The opening of the Airport doesn't take place until theoretically the end of this month. It's meant another three months of the continuation of both boys and staff over and above what they said they would initially try and keep within. The promotional grant was only four thousand less, there's not too much of a problem, they can do that, it's a special grant within the Victorian area which is a problem and I have asked the Bureau Manager and the Board to specifically go through all that. What the Bureau has done is that at the beginning of each financial or prior to each financial year, made arrangements with the wholesalers and with promotional people on the mainland to put in a budget so they can work within that area instead of as it was in previous years getting ad hoc stuff coming in month after month and approving it and getting into all sorts of strife. They have basically now set their lot out now on contract and for this year, within this current 1998 - 99 year that same thing was done as soon as the budget came into review. So what it means is that they are attempting to keep within the parameters of the \$601,000 and probably not ask for the \$30,000 but until such time as we find what is happening down the Victorian market, let's face it there's three million people wandering around down there and some of the areas of concern which is in the South Island. I'm putting on notice that there may be, I may have to towards the end of this year make an approach but in the mean time to endeavour as much as possible to try to do without., without effecting the promotional side. Now during all this period of time especially during the next six months within this financial year and into next year there's been a change in schedule of aircraft and there's been change in direction. One of the things that's been happening for quite some time within the Bureau was that there was this huge promotional expense going off to foreign lands, Germany and so forth which has of course all been knocked on the head to the detriment of some of the promotional materials that should have got into those Victorian and South Australian areas. The new aircraft which is now flying is flying direct out of Melbourne, which has made it a little easier for promotional purposes but it also means that at the beginning of this financial year the Bureau in their approach to Government prior to the budget coming on had said that they would be making a specific push into Victorian market during this year. Now that's happening at the moment, whether or not the funding, that was within their budget of the \$26,000 extra because that was a specific amount of money that was being allocated and remember that this is, the money is not spent direct it is cooperative advertising and for cooperative advertising I'll give you a little example. Currently there is a promotion going on in conjunction with one of the wholesalers and the Bureau and a number of others, through Flight Centre, which is a major retailing concern throughout Australia, and that's a shop-front, so that displays of Norfolk Island and how to get there, and the fare structures and the airline structures is in the windows of all of the Flight Centre windows throughout Australia. That's actually costing us \$2,500 from the Bureau through the cooperative advertising. Most of the trade and business have got in behind that and they are all supportive of it, so where possible we are trying to make our dollar go as far as possible and that's one of the ways it has been doing it. So as I said before I'm putting on notice that perhaps, and I have asked them to go right through their budget to a very fine degree, we may have to come back to this forum for maybe \$30,000, I don't know. That's all I have to say at this particular point Mr Acting Deputy Speaker.

MR NOBBS

Thank you Mr Acting Deputy Speaker. I spoke at length at the last meeting on the need to broaden our thinking in relation to budgeting and the operation of the Norfolk Island Government funding and provision of services. The cry seems to be that we must expand our revenue base but I'm no accountant but I thought there was two sides to a ledger and we should look at both sides of these. I said that the Island is different to our neighbours, Australia and New Zealand. Our revenue is derived under different arrangements and should the community wish for such things as income tax or land rates and similar impost that you find in those areas, they should vote people in of such persuasions, into this body. The question is do we need such a change, is the choice really for those

wishing such to move to those places. I believe we should maintain our current indirect form of revenue raising, that is not to say it can not be improved, but do so within what is a community based philosophy. The suggestion I made at our last meeting, is that all Government operations are operated as a business. Specific performance target and cost recovery be an aim. Let's face it if the community must fund it's expenditure, money doesn't grow on trees, it doesn't come from dem or dere. The community demands a bit more than either dipping into dwindling reserves or putting up the prices at the Bond when we have for-seen hiccups in the budget. I urge Members to support progression of an in house review of Government funding and operational arrangements. In the meantime I support the budget because I really can't see us going anywhere else.

MR ADAMS

Thank you Mr Acting Deputy Speaker. It seems the usual gloomy budget session. Everyone supporting it because you seem to have not option, but everyone has a list of concerns. I do agree with Brian, I think to some degree this is yet another head in the sand budget. One point that has again been over looked in compiling this budget review is that there has been a virement in total of \$200,000 skinned out of areas that were place in there at the last budget, the 98 - 99 financial year, which in itself was based itself on, from what I understand, essentially 1996 figures, so those figures were two years old, not withstanding the fact that obviously in the two years costs have gone up, so it's a fairly tight financial squeeze. So we yet again look at a situation where the budget is simply a process document, it's definitely not an action document. Somebody mentioned here a list of costs of different projects that we have got on the horizon and some are frankly just about on the table let alone on the horizon. We are looking at about half a million dollars for this computer consultancy, which from memory actually bases itself on supplying the needs for the Administration for the next 3 to 5 years. Interestingly enough the Chief Minister who is the Minister for the Public Service was able to tell us in two, three, formal sittings ago that there were very areas in the Public Service who even had mission statement, so I am really not quite sure what this computer consultancy is going to have to actually work with in a basis being able to address what the needs are. I think one of our clear problems is a lack of a policy platform yet again by the Government in the majority of areas that we need to address and we need to spend money on, and we've got the next process, the usual process whereby we have the usual dry document which if somebody from the outside picked it up and attempted to retrieve the story out of that along the lines of why are we doing this, it wouldn't be particularly clear to them. So I'll support it because essentially we have to but I look forward to better days when we have a document that provides some real hope and provides a real platform for the future. It maybe that the Government of Norfolk Island may well look at something that's done in New Zealand, whereby the budget is put together along the lines or given some prompting to be a better document by what's known as a fiscal responsibility act. I think there may well be some benefit in Norfolk doing that, because it ensures that the Government produces and document that clearly outlines why it is in existence. Thank you

MR SMITH

If nobody else is going to say anything else I'll make some comments, Mr Acting Deputy Speaker. Maybe I should address some concerns that Members have touched on. I'd like to clarify one thing that Mr Bates has said. In relation to the Health Budget at the beginning of the financial year when we were putting together the budget. I had said at that time, and this also applies to tourism as both these things have been mentioned. The Government had met as it often did at those times, and we discussed the budget and I have a clear recollection of coming to the final draft of the budget, a clear recollection of talking to the Ministers about their budgets because don't forget that these budgets are based on what the Government wants to do as well. This is not George Smiths figures here that I pile into a heap and hope that the best comes out of it, and at that time I remember saying to Mr Brown who was the Minister at that time, how are you looking in your healthcare area. To that point we did not know, if I recall correctly where it was going to be with the budget for the Healthcare Fund, but right on the time of introducing the budget John made me aware that there was a possibility that there was going to be extra funds needed in the Healthcare Fund. At that late stage we talked about it and John wrote

me a letter to say he would support us leaving that suspected \$200,000 for the budget review as long as we identified it that way. He was happy to do that, I was happy to do that because if we really wanted to do something about it at that time well we could have easily done something about it , but I was happy with what John had proposed and I think he was happy with the way we were dealing with it, and with the tourism one similar things, I talked to the Minister for Tourism. We talked about the second priority issue with funding for the Tourist Bureau. But let's not kid ourselves either with budgets you don't always get what you want with an annual budget. We knocked something like three million dollars off what was proposed for the budget. Gary I think that you mentioned that you didn't get forty thousand or something, you were very lucky. In some areas didn't get any of what they wanted and I need to get that on record too. You quoted some figures which I did a little bit of a calculation here, that the Tourist Bureau had requested in the annual budget for this financial year and the grant to the Tourist Bureau, they had asked for an increase of \$30,000 which I think you mentioned a little while ago, that's higher than the year before, but the year before the Tourism Promotion Fund got \$695,000 and the Tourist Bureau had requested \$631,000 in this financial year. Let us not forget the reason the year before, the \$695,000 is because we dedicated another \$190,000 to the Tourist Bureau. If you take that out, if you remember there was two particular reasons we did that that time. One at the end of the financial year, the year before, they had overrun by 50 or 60 thousand dollars. We were fixing that up and there was always with the new airlines starting you needed extra funds, so that was an extraordinary amount of funds that the Tourist Bureau got however we also gave the Tourist Bureau \$631,000 for the tourism promotion fund which was an increase on what had been before, so I don't want anybody to be confused that we have actually given less to the Tourist Bureau for promotion purposes this year, because we have given them more in our annual budget than what has ever happened before. Also with second priority, what you do with second priority is it is identified if you have extra money, this refers to anything in the budget, if you have the extra funds which you usually do find in the budget review, those are identified as your first of your second priorities. If the dough is there, then it is up to the Members to sort out just where it goes to. However we have an extra ordinary situation here, where sure the Healthcare Fund was identified by John and myself and whoever else was involved that there was a possibility that it would blow-out by \$200,000, not so much blow-out but it was looking like that was what it was going to cost. I've got to remind Members that we have had a blow-out in the HMA Fund, where that fund was all used up in the first six months. That wasn't known, John wouldn't have known I don't think. I certainly wasn't aware that there was going to be a blow-out there plus the Healthcare Fund needed another \$200,000, so let's not kid ourselves that we knew at budget time when we were doing the annual budget that there was all this money was going to be needed at the budget review. I don't think any of us would have known and there is nothing wrong with that because that is the way things have worked out. What has happened since then, we had to provide another \$640,000 for health which includes the Healthcare and HMA because there are bills that have to be paid. The way that I have dealt with this with the Government who supported this when we put it to the Members, there is two or three options. One is that you increase the Healthcare Levy to cover the full cost of Healthcare and HMA. Now I wouldn't have done that to try and recover six hundred thousand odd dollars out of the Healthcare Levy, but what I did agree with and I think we are all agreeing with a little later on is to increase the Healthcare Levy by a bit but fund this debt out of reserves because that is what reserves are for and let's not kid ourselves about what reserves are for. I think Brian had said that we've used up a third of our reserves. I think I have it in a Hansard here when in the last budget there was Members sitting around the table saying we shouldn't be going for a surplus budget, because that is what we have always done in the past, so I thought well that's great because at least there is some support for using some of the reserves particularly in an area like health because we really have no choice. I could be accused of not looking at a way of covering that debt, but how the hell do you cover that. You cover \$640,000 instantly in over a month. There is no levy that I think immediately to cover that blow-out. Blow-outs happen, we've fixed it, let's pass this and it sounds like it will, and with the moves that the Minister for Health is doing in the Healthcare area we have solved the problem for this particular time and I certainly hope that it doesn't happen again but it can. It can not only be in health, as we all

know, it can be in anything else, especially with the millennium bug stuff around and Chippy was just mentioning the computer consultancy which is looking like it might cost us a half a million dollars to upgrade our computer systems before the end of the year. That is certainly a real problem to me but then what do you do. Well I'll tell you what we have already done, and I was a little bit annoyed, I've got to admit, leading up to introducing this budget, we spent two and a half hours in a MLA's meeting with Members saying, well George what are you doing about raising revenue. We have been doing that. Gary has been working flat out on the 'Off Shore Finance Centre' proposal. John and then Geoff have been working on the 'Gaming' proposal. If those come across they will be large revenue earners, well I hope so because if they're not then we shouldn't be chasing them, but we have been pursuing those things. There is no good looking around to see if we can pick up an extra ten cents on a can of beer. This is the whole process of extra revenue raising. Now if Members think that is the wrong way to go you'd better let us know because these things are getting close to having decisions made on them. I see that as the answer to a lot of the revenue stream that we often talk about. I know that someone is going to put up their hand and say 'ah' but we can only use that money for I think it's infrastructure or something like that which has been quoted, but if that's all we are going to do it for, we are going stack up, if these things make us the money we hope they will, we are not going to put it all in the bank and ignore things like the hospital and the school and roads and things like that. That's what we would use the money for and let's be positive about that that those revenue raising things are going to be worth it. That's why I haven't been going through the budget, which may annoy some Members, and say O.K. customs duty has to go up half a percent and fuel tax, which is what we've done. Finance Ministers have done that for years, let's you know put a bit more on the people out there. The way we are working towards this is a major way and it's a planned way as well. Somebody said there seemed to be no planning to all this, but those two money making projects, if they come off are our two major planning issues. There is a lot of work gone into them and a lot work still will and I reckon that they should come off and there's others beside those, so I don't appreciate anybody saying we are not looking at how we are going to fund the next budget and things like that. A couple of other things, the in house review, I think you Ron mentioned that. People in the community won't be aware that in the last couple of weeks I put it to Members that we set up a Finance Committee which Ron has volunteered to be on it, David also volunteered, Gary you also volunteered but you weren't here. We'd like you to be on it as well, so we can go through these processes of the budget not only for expenditure but also for revenue, so that when we get into a sitting of the house where we introduce the budget, it's something that this committee has had a look at first and I'll work off the recommendations of that committee because I think it needs it. I don't know of many different ways that the budget was dealt with in the past particularly the budget review, and I don't remember any Finance Minister having to face up to using the reserves in an emergency situation which we have with the Healthcare thing. If Members have got other ideas of how we can fund that, I'd love to hear what it is, and I'll leave it at that Mr Acting Deputy Speaker

MR BROWN

Thank you Mr Acting Deputy Speaker. George you somewhat remind me today of the pied piper without a pipe. You're bravely marching down the track thinking all the mice are behind you but you've lost us all. For you to sit here today and suggest that if money comes out of this gaming it should simply be used is naive and irresponsible. The gaming might start or might not, it might earn good revenue or it might not, and it might continue for a long time or it might not, but if we fall into the trap of using gaming revenue to fund the current expenditure and the gaming revenue stops we're in deep strife. Apart from yourself I have understood that until today that there was general acceptance amongst Members that gaming revenue should be treated as windfall revenue, used for capital type works but not used to fund recurrent expenditure and not used to replace the capital expenditure that should be made each year. The Offshore Finance Centre if it happens has the potential to bring good revenue but it is not certain to happen and if it does happen it's not certain that it will continue to be profitable. You have made a song and dance about health but with the greatest of respect, your recollection of the budgetary process last year is a little flawed. The paperwork that I produced last year

made it clear that in my view the Healthcare Fund and possibly HMA, but most definitely the Healthcare Fund was going to need significant funds. Certainly I agreed to wait until the budget review to put part of that in there but that process took place in March, April, May. The results for the period ending the 30<sup>th</sup> June may be known by a group of people who are staying on the Island at the present who are able to do psychic readings, but apart from being done by a psychic it would be extremely difficult in May to know what the result had been for the 12 months ended June, and that was an additional problem over and above the one that was identified in the paperwork that I provided, as part of the budget process, and part of that June problem arose from the financial processes within the Administration simply not being up to scratch. It is not possible, or was not possible to obtain a monthly profit and loss account for the Healthcare Fund. Sure it was possible to obtain some brief detail of what had been paid with no real knowledge of what month it related to and some brief detail of the off shore health care referrals that were thought to be outstanding. Now those could come up to a little bit of money or they could come up to a fortune. What happened when the annual financial statements were eventually completed was it became clear that the year had been worse than had been expected. Now that would have meant that the projections that I had produced back in March, April, May had to become worse. So with all due respect to you, you are trying very hard to justify your position, I don't think that you need to justify your position but keep history in the historical context, don't try to change it. I propose to support the bill today but George as I said I think you've become the pied piper without a pipe and we really need to improve that performance.

**MR NOBBS** There's been a lot of speaking and I don't know how much we've achieved actually and it's nearly one o'clock, but if you've got a meeting Gary. The situation is really that we knew at the end of last year and I think we knew at the end of the financial year before that there would be the need for some sort of propping up. The year before it didn't come as bad as we thought it was and this year it's worse than we thought it was. They're facts of like, O.K. What I am worrying about now is this. It's now February, we agreed to have a January meeting to bring the budget in in May and pass it in June. It's now February when are starting to prepare the next budget. That's the first point, I want to make, I don't want a question because you should be into it now. The second one is this, my suggestion in there is that we review this situation with services and the like in line with, that recurrent expenditure will be funded from our current arrangements, not any of these airy fairy other things. That's the idea of it that it is a self funding arrangement, that the community can only afford so much and that's the money, alright. And the third thing is that I'll move that the question be put.

**MR SMITH** I just need to clarify a couple of things. One that John said and one you've just said referring to recurrent expenditure. I've never mentioned recurrent expenditure if these other proposals come off. I am talking about the infrastructure spending. Where John or yourself Ron got the idea, what I was talking about is if offshore finance or gaming come across that we use it for recurrent expenditure. I wouldn't be that silly. I can be pretty silly about some things but it wasn't about that. That is not what I meant. John is totally correct, gaming and offshore finance centre may not become an issue and I hope he's wrong but at the moment that is what we are working towards on both issues. If they don't bring us any money then we've made a mistake, and if people think that we are going to make mistake with it then let's drop it now, but further with the Healthcare thing I have here in front of me figures that were asked for the Healthcare Fund and it was the expected deficit in the Healthcare Fund was \$266,000 at the beginning of this financial year, well let's not kid anybody out in the community that we knew that the Health and HMA was going to blow-out by \$640,000, and I move that the question be put.

**ACTING DEPUTY SPEAKER** There being no further debate then I put the question.  
**QUESTION PUT**  
**AGREED**

The bill is agreed to in principal. Is it the wish of the house to dispense with detail stage.  
Mr Smith I seek a motion that the bill be agreed to.

MR SMITH I so move.

ACTING DEPUTY SPEAKER The question is that the bill be agreed to.

ACTING DEPUTY SPEAKER Further debate? The question before us Honourable Members is that this motion be agreed to

QUESTION PUT  
AGREED

That bill is agreed to. Honourable Members it is one o'clock but I am not sure how long these next three items will take. Perhaps we can push on for a further twenty minutes of so and see how we stand. So I move to Orders of the Day No. 2.

### **HEALTHCARE LEVY AMENDMENT BILL 1999**

MR GARDNER Thank you Mr Acting Deputy Speaker. I think we are talking about the same bill, I certainly hope we are. The Healthcare Levy Amendment Bill 1999. Thank you. This bill amends the Healthcare Levy Act 1990 to increase the amount of the levy payable of a six month period from \$150 to \$250. Last month Mr Acting Deputy Speaker I provided a background to the need for this increase. I discussed increased medical costs, increased demand on the system, the schemes history and it's original intent and discussed the situation as it is today. Mr Acting Deputy Speaker I questioned at that time as to whether it was right to ask those in the community with private medical cover, to continue to help subsidise Healthcare Scheme members by way of a Government subsidy to the scheme from out of the general revenue fund. I asked if we thought it responsible of us as an Assembly to deplete our scarce resources to prop up this scheme. Mr Acting Deputy Speaker I also briefed Members on a strategy to address not only the Healthcare Scheme but the area of healthcare in it's entirety. Options and recommendations will be forthcoming in due course, however that certainly is not going to happen over night. Our immediate problem Mr Acting Deputy Speaker is a major budgeted shortfall in the Healthcare Scheme. There is no need to any bandaid solution, I believe the solution rests in seeing that a debt is paid. In part by Government through our policy of providing for our pensioners and aged citizens and in part by the members of the scheme, those people who I refer to as the shareholders. Mr Acting Deputy Speaker if you like in simple words, user whether past, present or future, user pays. Mr Acting Deputy Speaker if a new model for the scheme is developed or some minor amendments to the Act are made, or the scheme is privatised by purchase of a commercial insurance package, there will always remain a cost. Realistic cover more suited to the pockets of the everyday man in the street may be a solution. Different levels of contributions and cover have been suggested. Do we abandon the scheme and hope and pray that those that don't seek out alternative cover are never subjected to the catastrophic medical bills. Are we as a community prepared for that. Mr Acting Deputy Speaker if that is the case we must then question our policies in relation to social services, education and health in general. They all share a common thread, the need to nurture our young, comfort the sick and tend to the aged have been ingrained in this community over time and they are essential elements that have contributed to the foundation of this unique society. Let's not Mr Acting Deputy Speaker move to dismantle that. We could also consider providing fully subsidised health cover. Pick up the full cost from revenue. My calculations suggest that that would be possible if we were to say increase customs duty by 3 to 4%., maybe some compromise on the level of the levy and the increase in duty will form part of a long term solution. Maybe, however that direction questions the morality of seeking direct subsidy from visitors to the Island to support yours and my health, in no way of being of benefit or accessible to those visitors. Reports commissioned by this and past Assemblies have been critical of that reliance in other areas, of our visitors. Mr Acting Deputy Speaker

reference has also been made to relieving the burden on the scheme by other insurance avenues. The Workers Compensation Scheme in part achieved that. There is a cost to that, borne by the employer on behalf of the worker, a scheme indirectly funded by the worker again the shareholders of that scheme. A proposal in relation to compulsory third party insurance is before this House, partly aimed also in relieving burdens on the Healthcare Scheme. That too Mr Acting Deputy Speaker will have a cost, a cost that will be borne by the participants in that scheme. No one else will contribute. The cost tentatively bandied around are in the region of \$450 to \$600 per registered motor vehicle. The point I am trying to make I guess Mr Acting Deputy Speaker is that if we want these schemes, they cost and they need to be paid for and as I have pointed out when considering the other insurance schemes, the user pays.. Mr Acting Deputy Speaker this bill provides a common sense solution to address a problem that should not have arisen at this point in time, if the level of the levy had been adjusted to suit the demand on and the costs of the Healthcare Scheme. Regrettably I commend the bill to the House.

MR NOBBS

Thank you Mr Acting Deputy Speaker. I also spoke on this bill at the last meeting, and whilst supporting the proposal put by the Minister I apologise to the community for the need to inflict such a large increase in one hit. I think Mr Gardner covered that in his last few words just a couple of minutes ago. Unfortunately the scheme is at the stage where such an increase is essential and we have no real choice if we are to retain the scheme as viable, which it must be for the protection of the community. I again sympathise with the new Minister of Health and it's great to see he has the courage to tackle what is a scheme which has slipped into crises. Healthcare Mr Acting Deputy Speaker is an essential component of our community. It is recognised elsewhere as a difficult area, New Zealand has had its moments over the years, and Medicare is an on going battle in Australia, so it is difficult. What is required basically is not to lose faith or be critical of the concept of healthcare but to tackle the problem up front, and to come to the best solution for the community. There will be significant decisions to be made by the community and these reflected by this Assembly but it is something that must be done and I wish the Minister well.

MR SMITH

Just a quick word of support for what the Minister is doing and to add that I have made a statement that I was looking at ways to make the burden a little easier, particularly on families of paying the Healthcare Levy with that extra \$100 per levy period. I am advised that that service is already available within the Finance Branch for people that find it a hardship to pay, and there is a method that they can deal with that, otherwise I support the motion.

MR BROWN

Thank you Mr Acting Deputy Speaker. I'll support the bill and I gave my reasons on a previous occasion but I just wanted to repeat that the Healthcare Fund is very cheap even at this new rate, for the level of cover that it provides. It was only ever intended to be catastrophe cover. Demands of the community, repeated by Members of the Assembly from time to time have caused the extent of the coverage to grow over the years as has the massively increased costs of obtaining medical services. It is time for the levy to increase, it is time for us to bear in mind that if we were wanting to provide a comprehensive cover that is supplied by say M.B.F. we would need to charge a premium something like M.B.F. and the final thing to remember is, if we were covered by someone such as M.B.F. there would be a limit on the amount we could claim each year. Our fund has no such limits. It has in my view provided a very worthwhile service to the community and that is particularly the case in situations where people have incurred catastrophic medical expenditure and there are families who simply could not have survived in the absence of the fund, but more importantly they couldn't have got in to a hospital on the mainland to be treated because it is only through having the back-up the Healthcare Fund that hospitals on the mainland are even willing to accept someone without having a credit card imprint before they even go through the front door. So it is regrettable that it has to go up, but we've got to be realistic, we've also got to be realistic about the extent of things that we want to cover with it and I wish the Minister well with it.

ACTING DEPUTY SPEAKER  
question

Further debate. There being no further debate then I put the

QUESTION PUT

Would the Clerk please call the House

CLERK

MR SMITH	AYE
MR BATES	NO
MR GARDNER	AYE
MR ADAMS	AYE
MR NOBBS	AYE
MR BROWN	AYE

ACTING DEPUTY SPEAKER The result of voting Honourable Members, the ayes five the noes one, no abstentions the ayes have it. The bill is agreed to in principal. Is it the wish of the House to dispose of the detail stage. I seek a motion Mr Gardner that the bill be agreed to.

MR GARDNER

I so move Mr Acting Deputy Speaker.

ACTING DEPUTY SPEAKER

Any further debate.

MR GARDNER

Just one point I'd like to make in relation to the Healthcare Levy in March Mr Acting Deputy Speaker and basically for the information of members of the community, along with that Healthcare Levy it's envisaged that there will be a pamphlet that has been redrafted outlining the benefits of the scheme, the exclusions from the scheme and other general information regarding the scheme which is easily understood. That's mainly I think for the benefit of people who are seem to have understood the scheme to have been comprehensive rather than catastrophic. Those positions are outlined in that pamphlet and also for the benefit of new arrivals to the Island that suddenly get lumbered with this Healthcare Levy and they don't know what it is about, they don't understand the whys and wherefores of it. So that will be included with every levy notice that is sent out in March.

ACTING DEPUTY SPEAKER  
question. Those of that opinion say Aye.

Further debate. There being no further debate then I put the

QUESTION PUT

QUESTION AGREED

ACTING DEPUTY SPEAKER

The ayes have it thank you.

MR ADAMS

Thank you Mr Acting Deputy Speaker. Prior to us getting to Order of the Day No. 5 I move that Order of the Day No. 3 be bought on.

ACTING DEPUTY SPEAKER

The question is Honourable Members that the motion of Mr Adams that Order of the Day No. 3 - The Tourist Accommodation Ownership Act 1989 Regulations Prescribed Trigger Market Share, be bought on. Is there any debate.

MR SMITH

Thank you Mr Acting Deputy Speaker, I might point out that the Minister for Tourism who introduced that, is not here.

MR ADAMS In response to that Mr Acting Deputy Speaker perhaps we could leave that to later in the agenda when the Minister returns.

ACTING DEPUTY SPEAKER You have a motion Mr Adams, we need to take a vote on it. If the motion is lost the matter won't come on. The Members have the right to bring it on or not to bring it on.

MR ADAMS In that case Mr Acting Deputy Speaker I move that we agree on the motion or we come to a decision on the motion and if it's agreed one then I also move that we wait until later in the agenda when the Minister returns.

ACTING DEPUTY SPEAKER Question is that the Order of the Day No. 3 be brought on. Is there any further debate.

MR BROWN Mr Acting Deputy Speaker I am not aware that the Minister for Tourism and Commerce knew before leaving for his meeting that this ambush was proposed.

MR ADAMS Point of Order Mr Acting Deputy Speaker. I am being maligned.

ACTING DEPUTY SPEAKER Mr Brown I take it you are not maligning Mr Adams, you may continue.

MR BROWN Thank you Mr Acting Deputy Speaker. I would be reluctant to support a motion of this type being brought on without the Minister being present and without hearing the Minister's views as to whether it should proceed or not. The Minister did make a brief statement about it earlier in this meeting and I did hear Ron suggest that a meeting of the A.T.A. had by a 93% margin voted against the increase of the trigger share but I can tell Ron that I wasn't present at that meeting, nor was I represented and I control something like 10% of the market. My understanding is that South Pacific Hotel was not there and certainly had the South Pacific Hotel been there they would not have voted in favour of that motion, nor I'm sure would Mr and Mrs Irvine, and there are a lot more people who have views to be heard than those who have been heard at present, so I would not support the motion.

MR NOBBS I don't wish to be drawn into this but I accept that a call or an invitation to go to a public meeting of the accommodation holders and that was the vote, was 93% of those representatives present voted in favour. If they can't get there well I don't know, that's my bag. I am finding it difficult as the Minister is away. I think it should have been brought on, but being a member of the business committee we were advised, and we accepted the advice that it wasn't ready to be brought forward. So that's what happened, it was not put on the thingo, but I think that there is an overwhelming acceptance in the community that it should stay at 10% so I don't know what the hold up is but I don't like doing it when Garys not here, that's for sure.

MR ADAMS Mr Acting Deputy Speaker firstly I heed John when he says he wasn't there and yet he represents tourist accommodation but I gather that means he's connected and therefore draws and income from that area so I appreciate his putting his view forward. I also appreciate the fact that the Ministers not here, but Members will recall when I said I'd seek a decision on bringing this forward and if it was a yes, we'll wait until the Minister comes back and the fact is that we're looking at a lunch-break soon anyway. I don't expect that to be a problem. Members will also recall that at two previous sittings it was agreed to my understanding that it be put off until the next sitting, not a subsequent sitting but the next sitting. This sitting is four weeks down the track from the one the one that we'd given tacit agreement in my understanding, that we would hear the matter. There's been meetings since that,

there's been a lot of representation, let's face it I don't think anybody around the table would suggest there's any new material that's going to come forward that's going to throw a whole different range of light on this topic.

MR BROWN Can I just have a point of order Mr Acting Deputy Speaker. As I understand it Robert's motion will require leave of the house to be introduced.

ACTING DEPUTY SPEAKER The Clerk tells me that is not so but we are voting on whether the order of the day comes on, we're not discussing the order of the day at this stage. It's in the hands of the House as to whether Order of the Day No. 3 comes on or not, and that's what we are debating at the moment.

MR SMITH Mr Acting Deputy Speaker before I said the Minister of Tourism and Commerce wasn't here. I didn't say at the time I think it's inappropriate for us to discuss this without him here. That is only my view. When we are talking about this issue, we are starting to debate the issue anyway but I just need to clarify something in what has been said, that there was a motion moved at some meeting but that motion wasn't correctly told in the House. The motion that was at this meeting was that the people there agreed that the Minister for Tourism shouldn't adjust the trigger market share until he has legal advice on some of the things he's getting legal advice on. That's really important, that's what Gary was talking about this morning and that's why I think it's inappropriate for us to discuss this now but I would propose that if Members want this to come on today that we do adjourn for lunch and see if we can get the Minister for Tourism back here to give him that opportunity. That is what I would propose, otherwise I wouldn't support the motion.

ACTING DEPUTY SPEAKER The motion is that Order of the Day No. 3 come on, we are not debating the motion itself at this stage. Is there any further debate on whether it should come or not. If there is no further debate then I put the question, that is that, Order of the Day No. 3 which is a Tourist Accommodation Ownership Act of 1989 Regulations Prescribed Trigger Market Share come on. Those of that opinion say Aye.

QUESTION PUT  
QUESTION NEGATIVED

Do you wish the House called Mr Adams. No. The motion is lost. We move to Order of the Day No. 5

## **HEALTHCARE AMENDMENT (NO.2) BILL 1998**

MR GARDNER Thank you Mr Acting Deputy Speaker. Mr Acting Deputy Speaker this bill amends the Healthcare Act 1989 to allow the Administration to use an amount that is required to reimburse a person under the Act to pay an amount owing in respect of that person under the Healthcare Levy Act 1990, or to pay to the Hospital Enterprise in settlement of an amount owing in respect of that person under Section 24 of the Norfolk Island Hospital Act 1985. Mr Acting Deputy Speaker I did seek an adjournment of this matter at the previous sitting of the House in an effort to address my concerns and concerns expressed by some of my colleagues and members of the community in relation to the application of this amendment in particular concerns lack of discretion available to the Administration in cases of people experiencing extreme hardship. I have since sought legal advice on the matter and as a result will not be seeking to make further amendments to insert Ministerial discretion to waive fees in the case of hardship because the new clause 28b gives the Administration the discretion to pay a reimbursement to the Hospital or the Healthcare Fund but does not require the Administration to do so. Therefore the Minister is able to administratively instruct the Administration not to sidetrack reimbursements in specified cases of extreme hardship. Thank you Mr Acting Deputy Speaker.

ACTING DEPUTY SPEAKER Further debate. The question is that the Bill be agreed to in principal. Those of that opinion say Aye.

QUESTION PUT  
QUESTION AGREED

ACTING DEPUTY SPEAKER The ayes have it thank you. Is it the wish of the House to dispense with the details stage. Then I seek a motion Mr Gardner that the Bill be agreed to.

MR GARDNER I do so move Mr Acting Deputy Speaker.

ACTING DEPUTY SPEAKER The question is that the Bill be agreed to. Is there any further debate. There being no further debate then I put the question. Those of that opinion say Aye.

QUESTION PUT  
QUESTION AGREED

ACTING DEPUTY SPEAKER The ayes have it thank you. The bill is agreed to. We move to Order of the Day No. 6, the Dogs Registration Amendment Bill 1998. Mr Gardner you have the call.

### **DOGS REGISTRATION AMENDMENT BILL 1998**

MR GARDNER Thank you Mr Acting Deputy Speaker. The Dogs Registration Amendment Bill 1998 as introduced amends the Dogs Registration Act 1936, to firstly allow areas to be prescribed where dogs are prohibited or are permitted subject to compliance with specified conditions and to remove the power of individuals to destroy dogs and to transfer that power to an inspector. Mr Acting Deputy Speaker Section 13 of the principal Act will be amended to empower an inspector to destroy a dog that is molesting a domestic animal. The current Section 13 refers only to a dog molesting stock or a person. Having sort an adjournment on this matter, Mr Acting Deputy Speaker last month, in an effort to address the removing of the power of individuals to destroy dogs, I will seek to amend the bill at the appropriate time, at the detail stage, in order to not repeal Section 16 of the principal Act, dealing with those existing powers. Thank you Mr Acting Deputy Speaker.

MR NOBBS The concern I think at the last meeting, I was particularly concerned with Section 16 which in essence you had to go and get the stock inspector to destroy a dog that was attacking your own animals. I see that the Minister has now changed that, so that's great and I support it. Thank you.

ACTING DEPUTY SPEAKER Further debate on the question that the Bill be agreed to in principal. There being no further debate, then I put the question. Those of that opinion say Aye.

QUESTION PUT  
QUESTION AGREED

ACTING DEPUTY SPEAKER The ayes have it thank you. The Bill is agreed to in principal. We move now to the details stage and I look to Mr Gardner to propose his detailed stage amendment.

MR GARDNER Thank you Mr Acting Deputy Speaker. I move that the detail stage amendments dated 11<sup>th</sup> February 1999 as circulated to Members be taken as read and agreed to as a whole.

ACTING DEPUTY SPEAKER The question is that the amendments as circulated be taken as a whole. Any further debate. There being no further debate, then I put the question. Those of that opinion say Aye.

QUESTION PUT  
QUESTION AGREED

ACTING DEPUTY SPEAKER The ayes have it thank you. The Amendments are agreed. We move now to the remainder of the Bill. Is the remainder of the Bill agreed. Those of that opinion say Aye.

QUESTION PUT  
QUESTION AGREED

ACTING DEPUTY SPEAKER The ayes have it. The Bill is agreed to. The final motion, that the bill as amended be agreed to.

MR GARDNER I so move Mr Acting Deputy Speaker.

ACTING DEPUTY SPEAKER The question is that the Bill as amended be agreed to. Is there any further debate, then those of that opinion say Aye.

QUESTION PUT  
QUESTION AGREED

DEPUTY SPEAKER The ayes have it thank you. The Bill as amended is agreed.

ACTING DEPUTY SPEAKER Honourable Members we move to fixing of the next Sitting Day.

MR ADAMS Thank you Mr Acting Deputy Speaker. Mr Acting Deputy Speaker I move that the House at it's rising adjourn until Wednesday the 17<sup>th</sup> of March 1999, at 10.00 am.

ACTING DEPUTY SPEAKER Thank you Mr Adams. Is there any debate. Being no debate I put the question. Those of that opinion say Aye.

QUESTION PUT  
QUESTION AGREED

DEPUTY SPEAKER The ayes have it thank you. Honourable Members we move to the Adjournment.

MR BROWN Mr Acting Deputy Speaker I move that the House do now adjourn.

ACTING DEPUTY SPEAKER Thank you Mr Brown. Is there any adjournment debate.

MR SMITH Thank you Acting Mr Deputy Speaker. In debate this morning I was talking about the Greenwich University in relation to a question that I think you had actually asked me. In my debate I said that I had an assurance from the Administrator that the University would be lifted. I've received by surface mail a letter from the Administrators office saying that he assured me that things were progressing towards the listed of the University and that Gary Robertson who was acting in my place while I was away in Tamworth had written a letter that was to fix up these things. So I just need to correct that, that he had not assured me that it was going to be listed. In fact I might read the letter just to clarify it. Dear Chief Minister, I have heard your response to a question from Mr Bates at the Assembly meeting this morning concerning Greenwich. I was concerned at one part of your answer, where you indicated that you had an assurance from me that things were progressing towards the listing of the University by the Australian Authorities. I want to correct you on this. I am in a position to assure you that as you may recall a letter of request signed by the Honourable Gary Robertson MLA, as the Acting Chief Minister,

during your absence was forwarded by him to the Ministerial Council of Education seeking listing of Greenwich University. This was the necessary procedure to be adopted. So that is by way of clarification.

ACTING DEPUTY SPEAKER Any further debate. There being no further debate. The question is that the House do now adjourn. I put the question, those of that opinion say Aye.

QUESTION PUT

QUESTION AGREED

The ayes have it thank you. This House stands adjourned until Wednesday the 17<sup>th</sup> March 1999 at 10.00 am.

