



THE GOVERNMENT OF NORFOLK ISLAND

MEDIA RELEASE

Finance Minister's "historic" draft Revenue Fund budget

At the meeting of the Norfolk Island Legislative Assembly on 14 February, Minister for Finance Neville Christian tabled a draft budget for 2007-08. Following is his statement to the Assembly:

"Mr Deputy Speaker, the paper that I have just tabled is a historic document. It is historic because as far as I'm aware it has never been done before.

In years gone by, come budget time the public service presented to the Assembly a draft Revenue Fund budget document that was peppered with unrealistic and largely unachievable wish lists and included huge projected deficits. The Assembly members were then left to try and construct a working document in a relatively short timeframe.

The draft 2007-08 budget is a template from the Assembly to the public service and the principal message it conveys is this: 'The draft budget is the Assembly's blueprint for the next twelve months. Please work within the framework provided by the document'.

The paper encompasses the reforms to our taxation system that are currently underway and is the first step in achieving the outcomes identified in the Econtech study as being crucial for Norfolk's future sustainability.

The draft 2007-08 budget has a projected income of \$13.5 million. This is a factual figure arrived at by using the actual figures from the 2006-07 budget adjusted downwards to remove expensive trial costs and the cost incurred in presenting our case to the Commonwealth during the recent discussions on governance and other matters. The expenditure figure of \$11.9 million covers such things as salaries and wages and recurrent expenditure but does not include any capital expenditure.

The draft 2007-08 budget projects a surplus before capital expenditure of \$1.6 million. The new Assembly has had all the hard work done for them and their principal task will now be to decide how to responsibly spend the surplus in a way that will deliver maximum benefit to the community.

Areas in which the funds could be spent include, but are not limited to:

- Rebuild reserves after three years of deficit budgets
- Contribute to accumulated depreciation
- Upgrade Administration computer systems
- Contribute to the Burnt Pine upgrade

- Improvements to the school
- Increase contribution to tourism marketing.

Mr Deputy Speaker, the numbers contained in the draft 2007-08 budget clearly show that Norfolk does have a bright future if we all pull together”.

The draft 2007-08 budget was tabled in the Legislative Assembly. Copies are available from the officer of the Clerk on 22003.

Neville Christian
Minister for Finance

23 February 2007