



From the desk of the Chief Minister

In this week's "From the Desk", I want to focus largely on some economic issues – not with a sense of gloom and doom but rather on how we are coping with difficult economic times and how we have set a positive course for the way ahead.

Responsible financial management of Norfolk Island assets

I have commented in previous columns on the detailed forward planning procedures in the Twelfth Assembly's Strategic Plan and our rigorous Budget Review Committee process. The overall aim is to ensure responsible overall financial management of all of the activities of the Norfolk Island Government and Administration. That has included an ongoing assessment of our core business activities and of the operations and social contributions of each of our many Government Business Enterprises.

There has been much talk in the community in recent months about the best model for importation and sale of alcohol in Norfolk Island, including contributions to the debate by Ministers and Assembly members. The Norfolk Island Chamber of Commerce went so far in 2006 as to obtain independent expert advice on the value of the Liquor Bond if it was placed on the market, while the Public service association and others have made public statements in support of the *status quo*. I think it is now time for a full and frank public discussion on the best manner of distribution of alcohol; how best to regulate the sale and responsible consumption of alcoholic products; how to ensure competition and to achieve affordable prices; and whether it is good for the community that ownership of the Liquor Bond remains with the government or whether the public money invested in that business and its stocks could be better used for other services or programmes.

To help move the debate forward, at next Wednesday's sitting of the Assembly I plan to move a motion about the future of the Liquor Bond. The motion will lie on the table for at least a month, allowing all Members and everyone in the community who wishes to enter the discussion to express their views. Assembly Members will then be in a position to make an informed decision on how to move forward at the October sitting.

This debate will be in the context of the 2008-09 budget, where we have produced a model to carefully manage the Island's finances through the current global financial crisis, without accounting for any contribution from the Commonwealth. We said at the time of the budget that we would review all of our fixed assets, in line with what all other states and territories have undertaken this year. Consequently, we announced that we would put up for sale assets, such as a few buildings and land which are surplus to requirements and not producing positive revenues. That process is proceeding and the properties will be advertised for sale in the near future.

Population numbers and employment in the local community

It is encouraging to see that the numbers of people ordinarily resident in Norfolk Island are higher at this point of 2009 than they were at the same time last year. In fact, the longer term trend of on-island population remains quite stable, with this year's average of around 1870 residents (excluding tourists) slightly up on the average of less than 1860 in 2008.

Employment and economic activity in some sectors have held up fairly well, despite the drop in visitor numbers directly attributable to the world economic situation and concerns about Swine 'Flu. Some of the effects of those external factors on our local economy have been moderated by the deliberate decisions taken by the Norfolk Island Government in December 2009 to continue with public works spending and to maintain public sector employment levels, while at the same time introducing performance-based budgeting, measures to promote better use of resources and the application of efficiency dividends across the public sector.

In our employment practices, we have continued to select on merit against the actual requirements of each job, but with preference to local applicants where they are of equal merit with off-island candidates. These stimulus and employment measures remain in place, and I believe that they have made a positive contribution toward easing some of the economic stress in our community. They also form an arm of our strategic planning and contribute to efficient delivery of high quality services.

I would also make a brief comment on a letter in last week's *Norfolk Islander*, which criticised Parks Australia about its employment practices and blamed the Norfolk Island Government over a recent recruitment decision. Parks Australia is of course totally within the control of the Commonwealth Government and we had no role in any of the decisions about which the writer incorrectly complained. We are always ready to take valid criticism on the chin and to do our best to improve the way we do things. But it is a bit rich to expect us to sack our ministers over decisions taken by other governments! The correspondent said that he wanted to delete garbage, and I welcome that initiative. Let's hope he can attack air pollution as well!

Great prospects from new initiatives

It's a bit disappointing that a small minority in the community seem to want to attack the government over its specific initiatives to boost business and the overall economy – such as the commencement of regular cruise ship visits and the e-business opportunities which will flow from the availability of high speed broadband.

I won't repeat all of the detail published a couple of weeks ago which set out the planning and preparatory work which has gone into ensuring that cruise ship visits will be a tourism boost for the whole community. The planning and logistical work continues to involve lots of willing community volunteers, with excellent coordination by Norfolk Tourism. All aspects of the impact of cruise ship visitors have been investigated and appropriate strategies put in place to ensure that the necessary infrastructure and facilities will be available.

We are well on the way to obtaining all of the necessary environmental approvals to allow for dredging at Kingston, which is essentially a repetition to a slightly greater depth of the work required each few years to keep the cargo shipping channel operative. As well, there is substantial progress on the design and construction of the pontoons for Kingston and Cascade, which will facilitate loading and unloading of passengers and minimise the risk of weather and sea conditions disrupting cruise ship visits.

I've talked a lot in previous columns about the fantastic opportunities for Norfolk Island which will flow from the advent of high speed broadband. Now is the time for businesses and individuals to plan to maximise the benefits of this great new technology. We are talking to a whole range of operators about new opportunities and the prospects look great. Have a talk to Kim at Telecom if you want to be part of this technological revolution.

The Assembly sits this Wednesday – so don't forget to tune in to Radio Norfolk for the listening highlight of the month! Until next time, my best wishes to everyone.

André Nobbs

Chief Minister of Norfolk Island

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