

**NORFOLK ISLAND
THIRTEENTH LEGISLATIVE ASSEMBLY
MINUTES OF PROCEEDINGS
WEDNESDAY 1 JUNE 2011**

**NORF'K AILEN
DIISEM MENETS LARNEN WATHING HAEPN
INAA
THERTIINTH LEJESLIETEW 'SEMBLE
WENSDI 1 JUNE 2011**

1 The Legislative Assembly met at 10.04 am, the Speaker, Hon Robin Adams JP, took the Chair and read Prayers

2 **WELCOME**

Mr Kevin Skipworth LVO, Official Secretary to the Governor of Western Australia and Mrs Edie Skipworth and Mr William Menzies were welcomed to the public gallery

3 **CONDOLENCES**

Mr Snell recorded the passing of –

**Rosina Beatrice Evans
Nina Olive Bertleson nee Quintal**

As a mark of respect to the memory of the deceased all Members stood in silence

4 **QUESTIONS WITHOUT NOTICE (10.11 AM)**

Time for questions without notice having expired, on motion of Mr King, time for questions without notice was extended by 30 minutes (11.40 AM)

Acting Deputy Speaker Sheridan took the chair – 10.25 AM

Speaker Adams resumed the chair – 10.32 AM

5 **ANSWERS TO QUESTIONS ON NOTICE**

Responses were provided to:

174 Mrs Griffiths to ask the Minister for Tourism, Industry and Development:

At the last meeting, you were adamant that you were unable to put in place low season airfares because of negotiations taking place; yet now – you've managed to do exactly what you'd been asked to do for months. Was this done as a result of public pressure or have there been some developments at the negotiation table; and if the latter will the minister provide details of those developments?

175 Mrs Griffiths to ask the Minister for Tourism, Industry and Development:

What is our current debt to NZ Telecom? How much interest are we paying per month? When does the contract with NZ Telecom expire?

176 Mr King to ask the Chief Minister:

The introduction of program-based performance budgeting for the current financial year 2010/2011 was underpinned by essential monitoring and audit activity including the presentation to the Legislative Assembly of at least one performance audit report. Can the Chief Minister offer any reasonable explanation as to why this essential ingredient of performance budgeting has not manifested?

177 Mr King to ask the Minister for Community Services:

a) Is it a fact that ecoli contamination readings taken from various water courses in the island have recently shown to be extraordinarily and unacceptably high;

b) Isn't it a fact that the water courses which have reflected these high readings wind their way into the Kingston swimming areas; and

c) What has the Minister done, if anything at all, to identify any links between these readings and the high incidence of sickness in children and the high level of school absenteeism?

178 Mr King to ask the Minister for Tourism, Industry and Development:

- a) What is the current attitude by the Civil Aviation Safety Authority to the RESA works being presently undertaken at Runway 29 end;
- b) Has a long term exemption for the shortfall in RESA length been documented by CASA;
- c) What engineering expertise has been utilized in this project;
- d) What is the professional advice on the current state of the works, budgeted costs and expenditure including internal costs, and expected completion date; and
- e) Isn't it a fact that the initial cost assessment of \$30000 and the timeline of 5 weeks to reform the earthworks from runway end to the fence line was grossly underestimated?

179 Mr King to ask the Minister for Community Services:

- a) What is the government's long-term strategy for the on-going supply of crushed rock products to the Norfolk Island community; and
- b) What is the government's position in relation to the importation of crushed rock products; and
- c) what investigation has been carried out in relation to this as a possible long-term solution?

180 Mr King to ask the Chief Minister:

Will the Chief Minister advise what staff training plans and programs within the public service have been suspended or otherwise affected by the non-availability of funds?

181 Mr King to ask the Minister for Tourism, Industry and Development:

Will the Minister advise what plans are in place or being developed to extend fibre-optic connectivity around Norfolk Island to complement existing ADSL services or in preparation for enhanced broadband services?

182 Mr King to ask the Chief Minister:

What measures has the government taken to stop the leakage of GST revenue through inflated insurance costs charged by some rental car operators?

183 Mr King to ask the Chief Minister:

What advice has the Chief Minister received regarding the likely economic consequences of a 10% reduction in public service wages and salaries such as might be achieved through a reduced working week as suggested during the course of budget preparation?

184 Mr King to ask the Minister for Tourism, Industry and Development:

In respect to the Rotary Conference currently planned for Norfolk Island in 2013 can the Minister advise the Norfolk Island government position in relation to the following, and provide explanations or justification for that position where necessary;

- 1) The dramatic 60% increase in the Norfolk Air quotation for air travel, and
- 2) The provision of 20000 Bartercard dollars for use in promoting the Conference, and
- 3) The possible waiver of the NZ\$164.80 transportation tax charged by the Norfolk Island government.

185 Mr King to ask the Chief Minister:

What measures are taken to ensure proper acquittal of grants from the public purse outside the public sector, for example Banyan Park Playcentre, Sports grants and the like and have the measures been adhered to in recent years?

186 Mr Anderson to ask the Minister for Tourism, Industry and Development:

At the May sitting of the house you stated that the reason a low season airfare could not be made available was because of budget considerations for the current and the next financial year and because of negotiations then in progress between Our Airline and Deloitte. You also said a cost benefit analysis was being prepared. Less than a week after the sitting a fare at 50% off normal fare levels was announced. Can you please provide a copy of the cost benefit analysis you referred to which must now be complete?

Paper tabled: Minister Nobbs tabled a paper entitled *The Scenarios SLF Average Fare*

187 Mr Anderson to ask the Minister for Tourism, Industry and Development:

Can the Minister please advise the house on the impact on forward bookings of the Sale fare of 50% off normal fare levels? In so doing can the Minister comment on the effectiveness of the sale fares so far, in generating new bookings that are, to the extent he can determine, genuine tourists rather than residents leaving the island or residents or family visiting the island. Is there any apparent trend evident in the bookings utilising the sale fares?

188 Mr Anderson to ask the Minister for Tourism, Industry and Development:

At the last sitting the Minister agreed to take on notice the question of whether the New Zealand Telecom debt is decreasing or whether the repayments being made are actually less than the interest component being applied each month, leading to the balance outstanding increasing. Can the Minister now provide the information previously requested?

189 Mr Anderson to ask the Minister for Tourism, Industry and Development:

Norfolk Island Data Services have made presentations and placed information in the local papers regarding services that they could be providing and services that the internet makes possible, that are not being supplied by Norfolk Telecom. Which of the services proposed by NIDS is going to be introduced by Norfolk Telecom? When will they be rolled out? If there are any that will not be introduced, why not? In the interests of providing the best possible service to the Norfolk community if

there are any services proposed by NIDS that Norfolk Telecom cannot or will not introduce is it not in the best interests of the community to ensure access to those services.

190 Mr Anderson to ask the Minister for Tourism, Industry and Development:

Representatives of Norfolk Island Data Services met with the Chief Minister on 8 April 2011 and wrote to the Government on 15 April 2011. The letter was published in the Norfolk Islander. Can the Minister please advise whether a response was made to the letter and if so table a copy of the reply? If no response has been made can the Minister explain the reason for the delay?

191 Mr Anderson to ask the Chief Minister:

Given the impact on local sales and the reduction in GST receipts that arises from internet purchases by locals under the \$300 threshold for duty, is the Government giving any consideration to changing the threshold as part of the budget deliberations? If so, and understanding the logistical nightmare that would be involved, has any consideration been given to purchases of goods not available in Norfolk Island, being excluded?

192 Mr Anderson to ask the Chief Minister:

The Roadmap Fact Sheets that have been released each contain the qualification "The details are not what will necessarily be extended to Norfolk Island as a future governance model for Norfolk is yet to be decided". The wording appears to have been carefully chosen and effectively negates the usefulness of the fact sheets. Can the Chief Minister advise when the Department intends providing Norfolk Island specific fact sheets rather than summaries of information available on the internet? Can the Chief Minister advise whether the Department has progressed the "governance model" and if not whether they have given a time frame for discussion or for delivery of a draft?

193 Mr Anderson to ask the Chief Minister:

At the conclusion of the last sitting the Administration's Audited Financial Statements for 2009/10 were tabled. Understanding that the current Government was only in office for a little over three months of the 2009/10 financial year does the Chief Minister have any comment on the accounts and the audit report particularly as they relate to the assumption that the Administration was a going concern? With no current guarantee of the Commonwealth's continued financial support in the 2011/12 financial year does the Chief Minister have any comment in relation to the Administration retaining its going concern status for the current financial year.

194 Mrs. Ward to ask the Chief Minister –

A Commonwealth funded Deloitte Report into air operations has been delivered to both Governments and negotiations with Our Airline have taken place. What are the outcomes of the negotiations and when will the Deloitte Report and the results of the negotiations be available for release to the public?

195 Mrs. Ward to ask the Minister for Tourism, Industry & Development –

Will the Minister table a précis on each of the following listed areas, plus any associated correspondence, agreements or related government business plans:

- a) international shipping register;
- b) telephone number range leasing;
- c) offshore banking unit; and
- d) foreign national tourism.

196 Mrs. Ward to ask the Minister for Tourism, Industry & Development –

In regard to an improved port facility - At the last sitting of the House the Minister undertook to provide a summary of the Draft Worley Parsons report which cost the community \$124 000. Would the Minister table his summary and highlight for the community the pieces of information that will be of use in the future development of an improved port facility for the island and include the construction cost estimates contained within the draft report? Will the Minister use the summary and the design concept contained within the report to develop a business case to take to the Commonwealth in an attempt to have them fund an improved port facility?

197 Mrs. Ward to ask the Minister for Tourism, Industry & Development –

Was it the CEO of Administration, the previous Norfolk Island Government, or the Telecom Manager who placed an embargo on further lease of the copper wire infrastructure in 2009, what facts led the decision and why is the current Management of Telecom unable to develop a pricing structure for the utilization of 1.9 of the Current Operating Charges, Gazetted 15th January 2010 and tabled in the house by the Minister on 1st December 2010, which is a lawful mechanism whereby the private sector is permitted use of publically owned infrastructure at a price, for the benefit of the consumer?

6 PRESENTATION OF PAPERS

The following papers were presented:

- 1) Chief Minister, Mr Buffett – **Financial indicators for April 2011**
- 2) Chief Minister, Mr Buffett – **Virement of Funds since 4 May 2011**

7 STATEMENTS

The following statement was made –

Minister for Tourism, Industry & Development, Mr Nobbs spoke to the motion he had withdrawn from the Notice Paper regarding the East Marine Region and read a letter he had since received from the Temperate Marine Conservation Branch

Mr Snell moved -

THAT the Statement be noted

Paper tabled: Minister Sheridan tabled a paper entitled *The Benefits of Marine Protected Areas*

Debate ensued

Question put and agreed to on the voices

Sitting suspended at 1.05pm until 2.30 pm

The House resume at 2.30 pm, the Speaker taking the Chair

8 MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR

The Speaker reported –

Message No. 11 from the Administrator under section 21 of the *Norfolk Island Act 1979* advising that on 17 May 2011 he declared his assent to the Airport (Amendment) Act 2011 (Act No 3 of 2011)

Message No. 12 from the Administrator under subsection 21(6) of the *Norfolk Island Act 1979* advising that on 27 May 2011 in accordance with instructions from the Minister for Regional Australia, Regional Development and Local Government, he withheld his assent to the Social Services (Amendment No. 3) Act 2010

9 REPORTS FROM STANDING AND SELECT COMMITTEES

The Speaker advised of the resignation of the Minister for Tourism, Industry & Development, Mr Nobbs, from the Public Accounts and Estimates Committee

10 MESSAGE FROM THE OFFICE OF THE ADMINISTRATOR

The Speaker reported –

Message No. 13 from the Administrator advising that on 27 May 2011 he recommended to the Legislative Assembly the enactment of a proposed law entitled “an Act to authorise expenditure from the Public Account for the year ending on 30 June 2012

11 APPROPRIATION BILL 2011-2012

Chief Minister, Mr Buffett, pursuant to notice, presented a Bill for an Act to authorise expenditure from the Public Account for the year ending on 30 June 2012 and moved –

THAT the Bill be agreed to in principle

Paper tabled: Mr Buffett tabled the Budget related paper – Budget Summary

Deputy Speaker Snell took the chair – 2.55 PM

Speaker Adams resumed the chair – 3.05 AM

Debate ensued

Debate adjourned (Mr Buffett) and the resumption of debate made an Order of the Day for a subsequent day of sitting

12 PROVIDENT ACCOUNT ACT 1958

Chief Minister, Mr David Buffett, moved —

THAT for the purposes of section 4A(1)(b) of the *Provident Account Act 1958*, the Legislative Assembly recommend that the Minister with responsibility for the *Provident Account Act 1958*, appoint —

Gary Dowling

being a public service employee, to be the Deputy Official Trustee of the Provident Account.

Debate ensued

Question put and agreed to on the voices

13 PLANNING ACT 2002 – ZONING FOR NORFOLK ISLAND HOSPITAL

Minister for Community Services, Mr Sheridan moved —

THAT in accordance with subsection 12(4) of the Planning Act 2002, this House resolve that the draft plan laid before this House being a proposed amendment of the Zoning Map which forms part of the Norfolk Island Plan (as amended), be approved; and that for the purposes of subsection 13(1) of the Planning Act 2002 that the date of commencement of the approved plan be 10 June 2011.

The aim and intent of this Plan are:

- a) To change the zoning of certain portions of land on Grassy Road which are, or have the potential to be, connected to the Water Assurance Scheme. These characteristics fit better with the Intent, Objectives and Guidelines of the Residential zone than the Rural Residential zone, hence the area is proposed to be rezoned as such.
- b) To change the zoning of two portions recently purchased to cater for an expansion of the Norfolk Island Hospital, from Rural Residential to Special Use (“Hospital”).

Paper tabled: Mr Sheridan tabled the **Report on Public Consultation for Proposed Variation to the Norfolk Island Plan 2002** (to allow rezoning for the purpose of extending the Norfolk Island Hospital)

Debate ensued

Question put and agreed to on the voices

14 FINANCIAL STATEMENTS 2009/2010

Mr King, moved –

THAT this House take note of the audited financial statements of the Administration for the period 2009/2010 as tabled by the Chief Minister at the last sitting of the House

Mr Buffett called a Point of Order under SO 61 on use of the word “duplicity”

Mr Buffett moved –

THAT this House take note of the audited financial statements of the Administration for the period 2009/2010 and that the statements be printed

Debate ensued

Question put and agreed to on the voices

15 ROAD TRAFFIC (AMENDMENT NO 3) BILL 2010

Resumption of debate (Mr Sheridan, from 1 December 2010) on the question – That the Bill be agreed to in principle

Deputy Speaker Snell took the chair – 4.30 pm

Speaker Adams resumed the chair – 4.40 pm

Paper tabled: Ms Adams tabled the detail stage amendments dated 27 February 2011 and circulated with the 6 April 2011 Notice Paper

Debate ensued

Question – that the Bill be agreed to in principle – put

The House voted –

AYES, 6

Mr Sheridan

Mrs Griffiths

Mr Buffett

Mr Nobbs

Mrs Ward

Mr King

Mr Anderson

NOES, 2

Ms Adams

Mr Snell

Bill agreed to in principle - House moved to the detail stage

Paper tabled: Mr Sheridan tabled the detail stage amendments dated 26 May 2011 and earlier circulated

Debate ensued

Debate adjourned (Mr Sheridan) and the resumption of debate made an Order of the Day for a subsequent day of sitting

16 FIXING OF NEXT SITTING DAY

Mr Anderson moved -

THAT the House at its rising adjourn until Wednesday the 22nd June 2011 at 10 am

Debate ensued

Question put and agreed to on the voices

17 ADJOURNMENT

Mrs Griffiths moved –

THAT the House do now adjourn

Question put and agreed to on the voices

AND THEN the House at 5 pm adjourned until Wednesday 22nd June 2011 at 10.00 am

Gaye Evans

Clerk to the Legislative Assembly)

MEMBERS PRESENT: All Members were present