

PRAYER

Almighty God we humbly beseech Thee to vouchsafe Thy blessing upon this House, direct and prosper our deliberations to the advancement of Thy glory and the true welfare of the people of Norfolk Island, Amen

CONDOLENCES

We move to condolences, are there any condolences this morning? Ms Nicholas

MS NICHOLAS Mr Speaker, it is with regret that this House records the passing of Allan Samuel Dyer at the Norfolk Island Hospital on 16th May 2002, where he had been a patient for some three years. Allan and Joyce came to Norfolk to manage and revitalise the Paradise Hotel at Kingston. Later, after some time as Managers of the South Pacific Hotel they moved to the then Hotel Norfolk, which they rebuilt, after it was destroyed by fire. Allan joined Lions in 1971, went on to become President and held all positions on Committee. He was a prominent member and as Tail Twister, he was a legend. Allan will always be remembered by the Norfolk Island people as a resident who gave so much to the community, both in service as a Member of the Lion's Club and as a person who could always be relied upon to liven any gathering, perform hilarious acts and treat everyone with whom he came in contact as a friend. To Joyce and to Allan's many friends, this House extends its deepest sympathy

MR SPEAKER Thank you Ms Nicholas. Honourable members as a mark of respect to the memory of the deceased, I ask that all members stand in silence please. Thank you Honourable members.

PETITIONS

DEPUTY SPEAKER NICHOLAS Are there any petitions this morning

MR D BUFFETT Thank you Madam Deputy Speaker I present a Petition from electors in Norfolk Island which was delivered to me by two of the electors in my office on Monday. From electors of Norfolk Island who asked that the House immediately take all action which may be required in order to reinstate Dr Foong to the position of Medical Practitioner of the Norfolk Island Hospital and further to institute an independent inquiry into the management of the Norfolk Island Hospital Enterprise by the executive member the Director and the Norfolk Island Hospital Board. Madam Deputy Speaker there are 629 signatures to the Petition. Madam Deputy Speaker the Standing Orders of the Legislative Assembly, in particular Standing Order 86 precludes discussion on the subject matter of this Petition at this point in the proceedings of this House and if I might add to that I am aware that this matter is a matter that is before the Court and in that context I have been careful to endeavour to observe the wants of the Norfolk Island signatories in presenting this but would wish to comply with Standing Order 86 as it stands

MR NOBBS Thank you, I move that so much of Standing Orders as is necessary be suspended so as to allow for a full and frank discussion on this particular issue. I move that Madam Deputy Speaker in respect of the number of signatures that have been placed on this. I think it's a matter of public importance, the issue of it being before the courts is somewhat of a furphy I believe, and that people have been inconvenienced on the Island, residents of the Island, there's been considerable discussion in relation to the issue, there was discussion at the last meeting, the frustration within the community has spilled over ...

MR D BUFFETT Point of Order Madam Deputy Speaker. Point of Order if I may. This is a matter of some delicacy in terms of the procedures and I know that Mr Nobbs has good intent in what he is raising, however, I did mention that it may be wise for us to strike a balance in this matter in endeavouring to acknowledge by receiving the Petition that we have received, it carries 629 signatures. That is a significant number of petitioners in Norfolk Island. Not all of them are residents but in the context of this particular petition they may well all be relevant. A balance between receiving that Petition

MR NOBBS Point of Order Madam Deputy Speaker

DEPUTY SPEAKER NICHOLAS Mr Buffett has the floor Mr Nobbs

MR D BUFFETT ... also knowing that the matter is before the Court and therefore any substantive debate may well draw the subjudice convention and so in that context in ensuring that our Parliament is properly conducting its affairs in concern with the standard conventions that I would really ask Mr Nobbs if he would consider those factors and he may care to have some second thoughts about promoting the motion that he has in front of us at this moment

DEPUTY SPEAKER NICHOLAS Thank you Mr Buffett. It may be helpful to members to hear a little more about subjudice matters. In the case of a matter awaiting or under adjudications in a court of law the House imposes a restriction upon itself to avoid setting itself up as an alternative forum to the court and to ensure that its proceedings are not permitted to interfere with the course of justice. This restriction is generally referred to as a subjudice convention. My understanding is that the matter awaits or is under adjudication in a civil court and therefore it shall not be referred to in motions, debate or questions from the time the case is put. Members, notwithstanding that, there is a motion before the House from Mr Nobbs for a suspension of Standing Orders such that would allow the debate of this matter. Is there further comment

MR NOBBS Could I finish. I haven't finished. I was stopped on a Point of Order Madam Chair

DEPUTY SPEAKER NICHOLAS Thank you Mr Nobbs. Please continue

MR NOBBS The House has not been made aware of what is happening downstairs in the courtroom situation. We have a Petition before us and it sets out very clearly I believe that there should be an inquiry into the whole issue and I think that we should proceed with that. The court won't conduct an inquiry into the whole issue I don't believe. There'll be arguments for and against the reinstatement of the particular doctor but I think it goes far beyond that and that's why I believe we have to carry out the wishes of the people. I've said it before. I said it last year when we had Petitions coming into this House. Some of them were signed by members of the Legislative Assembly and I can assure you that I was always in favour of a full and frank discussion on all issues that are brought before us in a Petition. Thank you Madam Deputy Speaker

DEPUTY SPEAKER NICHOLAS Yes, a significant practical difficulty that sometimes faces the chair, that is myself at the moment, when application of subjudice convention is suggested is a lack of knowledge of the particular court proceeding or at least details of its state of progress. My understanding is that an inquiry was made this morning and that that was where the matter stood

MR BROWN Madam Deputy Speaker perhaps I can assist your quandary. As members are aware I act for Dr Foong. I am able to confirm to

members that an application has been made to the Supreme Court of Norfolk Island for certain interlocutory orders and for certain final orders. No hearing of those applications has yet taken place. A directions hearing took place yesterday. A further directions hearing is to take place next Tuesday and the hearing of the interlocutory application is to take place next Wednesday. The hearing of the final application is expected to take place during July. If members are so minded members may be of a view that it is inappropriate to discuss the re-instatement question having regard to the fact that the proceedings have been commenced and it is to be soon considered by the court but the court has taken no evidence at this stage. One affidavit has been filed by me but that has not been dealt with by the court but members may wish to simply await the court's decision for now in relation to the first part of the Petition but as to the second part, I agree with Mr Nobbs, the second part of the Petition is not related at all to those proceedings. There are aspects about the Petition which do need to be raised, that is that there is an allegation that has been made to me that one of our executive members has suggested to people that they may be charged with a criminal offence if they sign the Petition and that allegation needs to be aired. I intend to support Mr Nobb's motion to suspend Standing Orders to enable the matter to be debated. I intend to refrain from debate in relation to the question of whether or not Dr Foong should be reinstated at this stage but I certainly do believe it is quite appropriate for me to participate in debate in relation to the question of a full inquiry and it is for that reason that I intend to support Mr Nobbs' motion

MR D BUFFETT

Thank you Madam Deputy Speaker I signaled at the very beginning that there are delicacies in how this matter is handled. Delicacies that need to understand that we would not want to in any way jeopardise the proper hearing that is being addressed in this matter. It is a matter that is before the Court and we do have rules and conventions that relate to that and there are reasons for that and the reasons are that we should not be seen to be overtaking the proper roles that the court may have and I think if we are to be people of substance we need to understand those roles. That is not to say that we are not concerned about the matters that are contained within this Petition. They are concerning matters and we would want to not put them lightly aside and there is no thought that they would be put aside but they need to be handled in the proper context. If in fact there is thought that part of this may be relevant to the subjudice convention and other parts not, then that is something that could be examined. It may be better examined by somebody bringing a substantive motion to the House in lieu of trying to ride on the Petition which is not designed to be ridden upon in that way. Standing Orders clearly say that it is to be presented but it is not a matter of debate at that time and Mr Nobbs is saying put aside that and let's talk about it anyway. There are times when one would want to do that. We did it at another time within the last twelve months that I recall but this has another context and that is the court action that is presently afoot. It may be better to try and properly segment it so that it is not seen that this House is trying to do things that it shouldn't be doing but may properly address the areas which the community is concerned about in a way that doesn't flout regard and disregard the convention. I am inclined to think that that may be a better way forward for us, that won't necessarily please everyone in the House, but I think it might be a better way forward and indeed would not ignore the factors that I think Mr Nobbs is endeavouring to bring forward and Mr Brown is endeavouring to bring forward in what they've just said to date. It's difficult to strike the balance in this matter but if I were asked to vote I would decline the putting aside of Standing Orders but I would more properly look at bringing forward a substantive motion that may not have the difficulties that we have talked about

MR I BUFFETT

Thank you Madam Deputy Speaker. I make it quite clear up front that I don't intend to support Mr Nobbs' motion and I think it's been made clear by what Mr Brown said which raises a couple of critical questions in my mind. The Petition has two parts. Mr Brown has said that the two parts are not related

and yet the two parts are on the one Petition. One is the question of the reinstatement of the Doctor concerned and the other one is an inquiry into the question of how the particular establishment operates. I don't have the exact wording of the Petition in front of me. That then begs the question of my mind of how many signatures on that were appurtenant to the first question and how many signatures were appurtenant to the second question on the Petition because they reveal a slightly different picture if you split the two. Listening to what Mr David Buffett has said I think a substantive motion in respect of the second part may be a more appropriate way to deal with that particular issue but if they are in fact unrelated then it puts that question in my mind and I don't intend to agree with the motion Mr Nobbs' proposes, thank you

MR NOBBS Thank you Madam Deputy Speaker. I'm very disappointed, particularly with both the Mr Buffett's in relation to this but so be it, they have their reasons and so on it goes but I feel that we have set Standing Orders aside before. We did it quite readily at the last meeting when this matter was discussed and I can't see why it can't be progressed at this particular point in time but I will leave it to the members to decide that

MR D BUFFETT Thank you Madam Deputy Speaker if I could just draw a significant difference between last time and this time. Last time this matter was not before the court. That is a significant difference which I think the House should take account of

DEPUTY SPEAKER NICHOLAS Further debate? Then I put the question that Standing Orders be suspended as would prevent discussion of the matter

QUESTION PUT

Would the Clerk please call the House

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| MR BUFFETT | NO |
| MR GARDNER | NO |
| MR DONALDSON | AYE |
| MRS JACK | NO |
| MR IVENS BUFFETT | NO |
| MR NOBBS | AYE |
| MS NICHOLAS | AYE |
| MR SMITH | NO |
| MR BROWN | AYE |

The result of voting Honourable Members the ayes four the noes five, the motion is lost

GIVING OF NOTICES

There are no notices this morning.

QUESTIONS WITHOUT NOTICE

We move to questions without notice - Are there any questions without notice

MRS JACK Madam Deputy Speaker I have a question to the Minister responsible for the airport in as much as in the last meeting I asked him about a possible security breach that had occurred and if he could possibly answer if he has found any reason of if it in fact did occur

MR DONALDSON Thank you Madam Deputy Speaker. I do recall that question. I have made some enquiries about it but I'm not in a position at the moment to report anything to the House

MR NOBBS I ask the Minister for Lands and the Environment Mr Buffett, is it true that a report currently circulating on the Island which was accredited to a tour operator that fruit fly is currently on Norfolk Island. Is it a fact or is it confusion in relation to the unknown insect that seems to be attacking the citrus at this time

MR I BUFFETT Thank you. I'm not aware of any such report circulating. They may be some comments being made by tour operators. I'm not aware of it. I thank Mr Nobbs for bringing it to my attention. I am aware that for an excess of ten years there has been an identification of what might be called a fruit moth that was present on Norfolk Island and that had been having some effect on fruit within the Island. My information is that that varies with the climatic conditions of the time. In terms of the fruit fly there is a monitoring programme being carried out and has been carried out for some time by the Health and Quarantine Section within this Administration. What I would like to do because it's such a critical issue is to take that matter on notice and have a definitive answer in respect of two issues, firstly if the identification of the moth which people assure me has been here in excess of ten years is being done and secondly any results that have emerged from the fruit fly trapping programme that has been in place now for at least three or four years

MR NOBBS Thank you. Another one for the Minister for Lands and the Environment Mr Buffett, is he aware of concerns in the community raised as a result of comments on a radio programme last Friday that he does not intend taking account of recommendations from the public meeting which he called last week in relation to the Norfolk Island Plan and does he have any words to encourage those so concerned

MR I BUFFETT Thank you Madam Deputy Speaker I did see an article published in the local press on the weekend. I was not the author of that article and didn't sanction it being placed in the newspaper. At the public meeting I did indicate that there were two methods of dealing with the Norfolk Island Plan and they are to pass the Plan unamended and to deal with the indications being given or the areas that needed to be amended afterwards or we could spend a considerable amount of time dealing with proposed amendments prior to the making of the Plan. I don't intend to ignore comments that have been made to me and I do intend to take note of the balance of those comments in terms of the people who want the plan changed and the people who do not want the plan changed. I also intend to take note that it is impossible to alter the plan to please each individual proposed amendments that are put forward by members of the community. For those people who have made submissions and the issues that were raised at the public meeting held Wednesday a week ago I do intend to take note and to make some submissions to members of the Legislative Assembly in respect of those prior to the 19th

MRS JACK Thank you Madam Deputy Speaker it's for the Minister for Immigration and further to the letter to the Editor in last week's newspaper can the Minister say why some people in various businesses on the Island seem able to circumvent current Immigration Policy and Guidelines

MR GARDNER Thank you Madam Deputy Speaker this question was raised by Mrs Jack at our informal meeting on Monday afternoon. The answer I gave then still holds true, that the Immigration Policy and Guidelines that were endorsed unanimously by this House at a previous sitting are the Immigration Policy

and Guidelines that I as the Minister and the Immigration Committee have been asked to follow and that is exactly what will happen. What has happened previous to my taking up the mantle of Minister for Immigration is a previous matter. I guess what I'm trying to say Madam Deputy Speaker is that we have established now a very clear document that details exactly what a permit holder may or may not do as far as their future on Norfolk Island is concerned and how their applications for a form of residency status or permit status will be handled by both the committee and myself as the Minister

MRS JACK Thank you, and as a supplementary to that can the Minister assure concerned residents that appropriate measures re notification to what can be seen as breeches will be given

MR GARDNER Thank you Madam Deputy Speaker as I have already told members on Monday afternoon I have given very clear instructions to the Immigration Officer to chase up two potential breeches that I am aware of with Immigration permits and that is to do with both temporary entry permit holders and the General Entry Permit holders potentially being in breach of the conditions of their permits in accord with the Immigration Policy and Guidelines

MR BROWN I direct this question to the Chief Minister in relation to Immigration will the Policy and Guidelines document now apply not only to all applications for new permits but also to all pending applications and to all applications by persons presently holding permits who wish to seek new permits in the future

MR GARDNER On some of those issues I'll have to seek legal advise Madam Deputy Speaker simply because of the existing approvals that have been given, much in a similar fashion to existing approvals or conditions that are given for planning applications

MR NOBBS Thank you I ask a supplementary question if I may. Can the Chief Minister advise us of the number of persons on the Island who hold no particular Immigration status at this time and are the Policy and Guidelines applicable in relation to those people

MR GARDNER The Immigration Policy and Guidelines are applicable to all applicants or intending applicants for Immigration permits and I am not aware of any persons currently on the Island without Immigration status

MRS JACK Thank you Madam Deputy Speaker again to Mr Donaldson Minister responsible for the airport. Can you inform the public on the current position of the airport overlay. If I recall correctly, this was to begin in June. Just where do we stand now

MR DONALDSON Thank you Madam Deputy Speaker. The overlay for the airport. The project has commenced. We have appointed Project Managers and they are in the process of putting together a programme of how they'll achieve their goals, how they will set their target dates for having certain things done and they are working towards that at the moment. The major hurdle at the moment is the acquisition of sufficient material to actually use on the runway and I'm talking about the crushed rock and bitumen. That is in process at the moment. The original time of having it finished by September probably won't be achieved. We are looking now towards December although I really have to take the balance of that question on notice and possibly come back to this House with a report on exactly where we are at, at the next meeting. I'll be happy to do that

MRS JACK Thank you. This is a supplementary, and can I change Ministers? The Minister for Land and the Environment. If the supply of rock is a problem, what possible development plans are being put in place to overcome that

MR I BUFFETT Thank you Madam Deputy Speaker I am still awaiting a proposal from the Public Service to address the issue of rock supplies in respect of the airport project and in fact, rock supplies in respect of the Island's general needs and particularly Administration needs in the foreseeable future and that is probably to the end of December or at least to the end of this current financial year. I have not received that formal submission or application in respect of those from a planning point of view. I do understand that my colleague, the Minister responsible for the airport maybe having some considerations in respect of issues that touch on that and in particular the airport upgrade but at this stage I have received no formal request from the Public Service to address that issue from a planning point of view

MS NICHOLAS Thank you Mr Speaker. A question for the Minister for Finance, Mr Donaldson. The Legislative Assembly of 1998 developed a Strategic Plan for Norfolk Island and I refer especially to the priority check list in that document and if I may Mr Speaker quote briefly from it "executive members will provide leadership and ensure progress is communicated and non executive members will be involved in the ongoing process of monitoring and review". I ask what efforts have been made to follow the dictates of that plan or to amend it as considered reasonable by this present Assembly

MR DONALDSON Thank you Mr Speaker. The plan as described by Ms Nicholas is in fact the way I thought things were happening. There has been where ever possible communication between the executive members and the backbenchers on various issues. There has been enquiries by the backbenchers of the executive members on the same issues. I certainly have no difficulties with that. I have no intention of not complying with that part of the Strategic Plan. If there's more to the question please could I take it as a supplementary

MS NICHOLAS Thank you Mr Speaker. The Plan actually addresses a fairly extensive list of points and I had hoped that the executive member would have addressed those in respect of bringing them to the attention of the whole Legislative Assembly and deciding whether or not all those points were appropriate for continuing. Could he please advise whether that's taken place

MR DONALDSON Thank you Mr Speaker. I guess not. I haven't addressed the Legislative Assembly on those points. I would have to refresh my memory on what they actually were. It's not an issue that I'm actually involved in at this moment

MR GARDNER Thank you Mr Speaker. Strategic Planing falls under my portfolio responsibilities. As far as the Strategic Plan that was determined back in 1998 is concerned there has been substantial work undertaken by the Corporate Management Group and Chief Executive Officer in discussion with me of recent weeks in developing a strategy to totally review the Strategic Plan as far as its applicability to this current Legislative Assembly and current situations that the Norfolk Island community face

MR BROWN Mr Speaker could I ask the Chief Minister whether I would be correct in understanding that he has just told us that in his view the Strategic Plan has been largely abandoned and he is now developing a strategy in order to review the abandoned Strategic Plan

MR GARDNER Thank you Mr Speaker I don't think I used the word abandoned in my discussion. Purely in relation to reviewing a document that I believe has probably fallen by the wayside in the intervening years to a degree. That is not to say that previous Legislative Assembly's haven't touched on it or referred to the document but merely to say that in the current environment on Norfolk Island it is appropriate to revisit the Strategic Plan to ensure that it is application to today's situation

MR BROWN I direct this question to the Chief Minister . Is the Chief Minister aware of a letter from mr Warren Langman which was printed in last weekend's edition of the Norfolk Islander and can the Chief Minister provide the Gardner Governments response to the matters raised in that letter

MR GARDNER Thank you Mr Speaker and thank you to Mr Brown for raising that. I read with interest Mr Langman's letter in the paper on the weekend, being particularly critical of my Friday morning addresses to the Island. I think what Mr Langman doesn't clearly understand is that the reason I go on radio on Friday mornings is not to give a state of the nation talk. It is simply to try and engender some, I guess community pride in Norfolk Island and if it is helpful to both sporting organisations, cultural organisation, school organisations and the like for me to highlight some of the achievements of particularly the young people on Norfolk Island and sporting organisations on the Island, that I believe that is of immense benefit to the Island. As far as providing information I haven't brought a list with me but I do retain all of the information that I have broadcast to the community in a file. It touches on all of the priority matters that the Government has addressed over our time in Government, it provides information on all of the strategies that have been put in place with dealing with things, whether it be an Immigration review, the budget, the Norfolk Island Plan and all the attendant legislation that's been developed, all of those matters have been touched on. If it is and certainly Mrs Jack was particularly supportive of Mr Warren Langman's letter in the paper on the weekend and raised it as an issue at MLA's on Monday afternoon, that certainly her desire was to see more information . As I reminded members on Monday afternoon, there is a standing invitation for all executive members and all members of the Legislative Assembly who have a particular interest in a matter to join me on Friday mornings to provide that information if I am unable to provide it and certainly I guess one of the most disappointing subjects in relation to this is that even though I have had repeated appeals to members of the Legislative Assembly to provide information or make comment, the only comment I received was on Monday afternoon as a result of Mr Warren Langman's letter so I was not aware of any particular criticisms or otherwise in the way I was delivering my talks and in actual fact I've had tremendous support from within the community for the way I have gone about doing it, but as a result of Monday afternoon's discussions the membership agreed at that time that I would not continue my broadcast in the fashion that I had to date and in actual fact what will be happening from now on is that matters of information as determined by members of the Legislative Assembly will be broadcast across the radio by the respective executive members if it be me in my portfolio responsibilities but other executive members and members of the Legislative Assembly as per the standing invitation that is in place as far as the presentation of information to the community

MR NOBBS Thank you Mr Speaker just a supplementary. I find it a bit difficult to understand that statement. Isn't it correct that the members didn't decide on Monday but you said yourself Chief Minister that if you had nothing to say you wouldn't go on the air fullstop.

MR GARDNER The words that I used on Monday afternoon if members were unhappy with the content of my discussion I would in future go on radio only when matters of information were to be presented to the community and reminded

members at that same time that if they had matters of information themselves whether they be executives or non executive members that they were welcome to use the same facility

MR NOBBS Thank you Mr Speaker I ask the Minister for Education a question if I may please. Minister was your visit to Queensland official or a personal visit and if it was an official visit will you be making a statement in statement time in relation to that visit

MR SMITH Thank you Mr Speaker, yes my visit to Queensland was a combination of private matters and Assembly business and I do have a statement that I'm going to make later on at the appropriate time

MR NOBBS Thank you Mr Speaker may I ask a question of the Minister for Finance. What is the current status of proposed funding for a mobile phone system for Norfolk Island

MR DONALDSON Thank you Mr Speaker the proposed funding of the Business Plan is still being developed. We have spoken to the Networking the Nation people who are controlling the funds that we are seeking. They have no difficulty in taking it up to the 30th June this year before we get in our application. I do understand that a Petition has now had the additional signatures added to it to give it force and will probably be resulting in a referendum although that's in the hands of the Administrator at the moment. That and other public submission aspects of the proposal are actually holding it up. There will be a problem, in that we thought at one stage we were getting partnership arrangements with the supplier of the hardware but that's not to be. We are getting \$1.1m from the Networking the Nation grant. We still have to find about \$1m ourselves if we want to proceed with it but we can't determine if we are proceeding with it until we get the feedback from the community, particularly the results of the referendum

MRS JACK Mr Speaker can I have a supplementary to that. It's just that with the current state of the nations affairs or rather the financial limitations why is this even being considered. Surely if we had \$1m to spare there are higher priorities

MR DONALDSON Thank you Mr Speaker. It's being considered because there is a possibility that the mobile phone proposal will generate funds and be self funding. If that's the case it should be developed and proceeded with. We don't know the answer to that yet. We don't know the answer of what the cost of each call is going to be on a mobile phone, we don't know the answer of how we are going to share the income under roaming agreements with other countries, particularly Australia, all these things have to be looked at but we can't dismiss the project as being unacceptable on the grounds that it might not be financial. We have to have a look at it.

MRS JACK Mr Speaker thank you. Another supplementary. Then what are the costs entailed to see if it is going to be financially viable or not

MR DONALDSON I can't give a definitive answer to that one. Most of that work has been done in house with the development of a business plan and with assistance from Consultants in Australia. The consultancy is not a big consultancy and is yet to be determined as to its scope and nature but its more to do with the expected traffic on the phones and the necessary costs for calls

MRS JACK So as another supplementary, so all of this could lead to the possibility that it could be possibly financially viable and then there's a referendum that could say no, is that correct

MR DONALDSON That's right. All these things are being progressed at once. We are doing the Business Plan, the viability study and the referendum and the public submissions or the public consultation process and the results will be determined by those factors

MR BROWN Mr Speaker I direct this question to the Minister for Finance. Minister having regard to the fact that it has taken from last October until today for the Government to bring to the House a budget which proposes to do nothing but tread water for the next twelve months, are you serious in suggesting to us that a consultancy, the terms of which have not yet even been determined and a Business Plan which is being produced by someone in the Public Service but as to which you have no idea of the present status, are all likely to be completed by the 30th June being the date at which the Commonwealth funding will expire. In the event that the Business Plan and the consultancy will not be finalised by that time, do you propose to offer the concept to investors in Norfolk Island or are you really regarding the project as already being dead in the water

MR DONALDSON Thank you Mr Speaker to answer the last question first, no I don't regard the project as being dead in the water. As to the 30th June deadline and the Business Plan we have to submit a Business Plan that will secure the funding. The arrangement in the Deed of Agreement that we are entering into is that even though the funding can be provided by the 30th June, if we decide after that date not to go ahead with the telephone proposal then we have to give back the money we haven't spent. We can use part of that million dollars to progress the mobile phone project. If I haven't answered the full question could Mr Brown please remind me of those parts that I haven't answered

MR BROWN I wish to direct a further question to the Minister for Finance and it relates to sale of food licensing. Can the Minister advise whether all properties holding sale of food licences are now required to comply with identical standards

MR DONALDSON Thank you Mr Speaker. I would like to answer that question in the positive form but can I please take it on notice and get back to you. I have myself had some reservations about the variety of sale of food areas, particularly with the progressive dinners and whether or not the kitchens actually comply with the minimum standards and whether the restrooms and all the other facilities they are expected to supply are actually of a consistent standard throughout the industry but I would be happy to take that on notice

MR BROWN I direct this question to the Minister for Finance, does the Minister recall being requested by this House to prepare a report in relation to the possibility of reducing or removing the Financial Institutions Levy and if so can the Minister explain why he has not tabled such a report to date

MR DONALDSON Thank you Mr Speaker. Yes I do recall being asked to produce a white paper on the Financial Institutions Levy. I have I suppose commenced that process. It has not been done because of competing priorities. It also has not been done because later today I'll be presenting the budget and the request for a Review called Focus 2002. that Review will assess all of our income streams, particularly Financial Institutions Levy and some of the other unpopular ones. Some of the ones that aren't working the way they were designed to work and perhaps it could

absorb the review on the Financial Institutions Levy and achieve the same purpose, but failing that the Financial Institutions Levy white paper is of reasonable priority, it just has not as yet been completed

MR BROWN I direct this question to the Chief Minister, can the Chief Minister please advise whether any action has been taken in relation to the introduction of compulsory third party personal injury motor vehicle insurance

MR GARDNER Thank you Mr Speaker yes, I can report that action has been taken. I am awaiting a report from Registry in relation to the next phase of the introduction of compulsory third party for Norfolk Island and as soon as that report and advising has been finalised by Registry and has gone through the appropriate channels within the Administration it will be progressed in this forum

MR BROWN Mr Speaker I direct this question to the Minister for Finance, is the Minister aware of a document entitled Focus 2002, Economic Sustainability Norfolk Island A Clear Vision for the Future Norfolk Island Tenth Legislative Assembly which was published in the Norfolk Island Government Gazette No 26 on Friday 31 May 2002 and also published in the Norfolk Islander last weekend and if so, has that document been prepared by the Minister or by someone else. If prepared by someone else, precisely who prepared it and to start at the beginning of the document can the Minister please explain precisely which problems he believes the Legislative Assembly has a clear mandate to fix

MR DONALDSON Thank you Mr Speaker the document was prepared jointly between the service and myself. Originally the first version was prepared by the Public Service, it was modified substantially by myself, as to the second part to the question, the clear mandate that we are referring to is the mandate given to us by the people of Norfolk Island who elected the body to this Legislative Assembly on the platforms that we stood on and the platforms that most of us stood on were economic sustainability and the reform of the process of revenue raising and expenditure

MR NOBBS Thank you Mr Speaker I ask the Minister for Lands and Environment, Minister what have you done in relation to a letter from a Miss Honey Adams in relation to the access rope at Nepean and the replacement of that rope and also the supports

MR I BUFFETT Thank you Mr Speaker I have referred that matter to the Public Service and the section in that service that deals with reserves, Nepean being a reserve, and have asked them for a report on the issue. To date I have not received a definitive response from them and I will chase that matter up

MR NOBBS Thank you Mr Speaker I have one for the Minister with responsibility for KAVHA Mr Gardner. Did you at the last KAVHA Board meeting raise the matter of reforestation projects within KAVHA currently being undertaken by the Government on private land to ensure that the agreements and the understandings that are in place are still valid today

MR GARDNER Thank you Mr Speaker, yes I did

MR NOBBS Thank you Mr Speaker just a supplementary to that question which is really interesting. As you put it, did you ensure that the agreements and understandings that are in place are still valid today

MR GARDNER Thank you Mr Speaker, yes those undertakings that were given by landholders to the Project Manager for KAVHA, Mr Puss Anderson, I understand are still valid, still in place. They are informal arrangements. I do understand that there had been some formality established in the transfer of one of the properties within KAVHA of recent times but the other arrangements have been informal arrangements with the full consent and blessing of the landowners concerned

MR NOBBS Supplementary in relation to your previous statement at the previous meeting, can you advise whether there are actually agreements or understandings

MR GARDNER Thank you Mr Speaker I understand that they are verbal agreements

MR NOBBS Supplementary question to the Minister, are you aware that KAVHA and I think they call it the Landscape Plan which had limited circulation for comment but was accepted by KAVHA irrespective of expressed concerns, the Plan design designated precise areas where plantings would occur, are you aware of that

MR GARDNER Thank you Mr Speaker the Landscape Management Plan for KAVHA that Mr Nobbs referred to is retained in certainly the secretariat to KAVHA's office and is open for public inspection at any time so I understand and that was one of the primary reasons for the establishment of a secretariat. In relation to the tree planting Mr Speaker and it relates to the line of questioning that Mr Nobbs is following, I received this morning a letter from Mr Khan Christian in relation to the tree planting in the KAVHA's area and I will just read a couple of extracts from that because I think it's relevant Mr Speaker. It seems that this letter was generated by Mr Nobbs' previous questions at the last sitting of the House and he writes to me on the subject of tree planting in the KAVHA area. Just a quick note in regard to the clearing of land and the planting of trees on leasehold blocks in the KAVHA area. It seems you only get to hear the criticism of these operations by a small minority of the public who only have self interest in mind. Mr Christian says that I speak for 99% of the people who hold the same opinion as myself, that is that the three men who carry out this work do a remarkable job with a minimum of fuss machinery and money. I believe they deserve some recognition and Mr Speaker I might just add there that they have received recognition in the past, that they received some recognition and praise for transferring these steep eroded and weed infested hills, which was the primary purpose of the Landscape Management Plan and stabilisation works, into picturesque plantations of native trees that we are starting to see today. He also goes on to say that I might also like to remind Mr Nobbs who at the last Assembly meeting was raising concerns at the cost of this very worthwhile programme that at least 60% of the funding comes from the Commonwealth Government, surely value for money for the people of Norfolk Island who in the future will reap the benefits and he looks forward to my reply. I'll be replying to that Mr Speaker

MR NOBBS Just as a follow up to that without getting into the argy bargaining of personalising this issue because it's a Government...

SPEAKER Is there a question Mr Nobbs

MR NOBBS Yes I have Mr Speaker if I may, are you aware that the current plantings by Government at the present time on private land in the Watermill end of KAVHA were not designated in the original Landscape Plan

MR GARDNER Thank you Mr Speaker I'm not aware of that, however we do rely on the professionalism of our Project Manager and the staff within KAVHA and if they have identified that there is a problem within KAVHA I think that they again need to be applauded on their initiative to prevent serious erosion or any other unsatisfactory result as a matter of ignoring, for example, a potential area of difficulty

MR NOBBS Supplementary question, what public consultation was conducted by the KAVHA Board in relation to plantings as I mentioned in the previous question, currently being undertaken with public money on private land

MR GARDNER Thank you Mr Speaker the consultation occurred over quite some time in the development of the Landscape Management Plan for the KAVHA area. As far as I am aware plantings that take place on private landholdings, whether it be within KAVHA or anywhere else on the Island is purely the business of the private landholder concerned, however, as far as the expenditure of public money, that is tied to the development of the Landscape Management Plan for KAVHA

MR NOBBS Supplementary if I may to the same Minister, have you been able to clarify concerns expressed by the Minister for Lands at the last meeting where he expressed concern that the validity of the so called agreements between the KAVHA Board and the landholders particularly as they impact on the validity of the previous claim that all is saved by the Trees Act

MR GARDNER I can't comment on what Mr Ivens Buffett was thinking in answer to the Trees Act other than to say that my understanding of the Trees Act is that if somebody wishes to register for example a planting of Norfolk Island pines as a plantation, there is a process that can be followed in doing that but other than that, Norfolk Island pines planted on Norfolk Island are protected by the Trees Act

MS NICHOLAS Thank you Mr Speaker. Could I come back please to the Minister for Finance, what mechanism does the executive member intend putting in place to enable interested members of the community to participate in the Focus 2002 project publicised over the weekend and given that there is urgency, what time frame does he envisage for that process

MR DONALDSON Thank you Mr Speaker the community involvement in Focus 2000 will involve them in a series of public meetings. It will allow key members of the community and representatives of the community to sit on a panel or a committee to discuss the issue and it will allow for a written submission to be submitted by all members of the public on matters that are raised by Focus 2000 review. This particular matter is still in the stage of being developed and exactly what the logistics will be of carrying it out, but it could even take the form of a questionnaire to the people of Norfolk Island asking them what their expectations are but just to put your minds at rest, there will definitely be community consultation in the process

MS NICHOLAS And the time frame

MR DONALDSON The time frame will be as soon as possible. There's hope that we will start the consultation process with the Public Service within the next couple of weeks and immediately after that we start the community process so within four weeks I'd say that we will be well and truly having a series of questions and some information before the community for them to discuss and decide upon

MS NICHOLAS Thank you Mr Speaker. This one probably addressed to the Chief Minister as he chose to take on board a question that I put

previously to that Minister for Finance and I refer again to the strategic plan. This time in particular to a statement made in October 1995 when the Legislative Assembly passed a resolution towards achieving full internal self government for the people of Norfolk Island. Given the present state of our finances and the ongoing costs associated with internal self government does the Chief Minister consider that it may be time to put that matter again to the community for their comment

MR GARDNER Thank you Mr Speaker if that is a proposal from Ms Nicholas to put that question, that's not a decision that I need to take Mr Speaker, that is a decision that this community needs to take and if Ms Nicholas is I guess, wanting to test the waters as to whether there is support from within this community to continue down the path to self Government I would only be too happy to consider the arguments for and against that and if the persons around this table or certainly the community wish that to happen I think it is a decision that all nine of us need to take

MR NOBBS Thank you Mr Speaker could I ask a supplementary to that. As the Minister responsible Chief Minister what do you really understand as full self Government

MR GARDNER That's a question that I've been asking of a lot of the proponents when they talk about full internal self government or self Government. My personal view is that I believe we've probably obtained a far greater degree of self Government than I think in earlier days would possibly have been imagined by this community, however, there are other people who have thoughts that maybe there is still a lot further to go, and I certainly know that Mr Nobbs has aspirations of embracing all matters similar or not too dissimilar to a fully independent nation

MR NOBBS Point of Order Mr Speaker. If the Minister starts making these statements he should bear them out with fact. I've been in the past....

SPEAKER What is the Point of Order Mr Nobbs

MR NOBBS The Point of Order is that what he is saying is misleading

SPEAKER I don't see that as a Point of Order Mr Nobbs however I can understand that you may have a contrary view and I'm happy to give you an opportunity at some other time so that you might have the opportunity to put that view. This is question time at this moment

MR GARDNER Thank you Mr Speaker I guess my debate was centered on the distinction that I made that was not too dissimilar to fully independent nations. That discusses other issues such as coinage and foreign affairs and other such matters and being in a position that you don't have some other veto power being in existence as far as self determination is concerned and the establishment of full internal self Government so I regret that Mr Nobbs is so particularly sensitive about that. I certainly didn't imply or intend to imply that Mr Nobbs was for full independence, I certainly didn't say words to that effect other than to say that I know Mr Nobbs was very keen to pursue the road to full internal self Government as yet undefined as far as I'm aware

MR NOBBS Supplementary question. What is the difference between the requirements for full self Government for Norfolk Island and

matters relating to issues, and I'm just trying to think if on the Social Services Board for example, if we have somebody who is not employed by the Administration or the Legislative Assembly and if we do whether there has been some document signed in the past. I'm not too sure. It may be something that Mrs Jack might like to raise with us and if she feels that there is some difficulty in that area then I would certainly be very happy to take some action along those lines

MR BROWN I direct this question to the Minister for Tourism in relation to the same subject matter. Is the Minister aware that the Immigration Act provides for confidentiality in terms of the Immigration Board and if so, can the Minister explain why in the absence of specific legislation in other areas, he feels that he has an entitlement to muzzle Board members

MR SMITH Thank you Mr Speaker I don't believe that I have an entitlement to muzzle anybody outside of this Chamber

MR BROWN I direct this question to the Minister for Tourism in terms of his responsibility for the Public Service is it a fact that three of the four executive level employees of the public service have either resigned or are seeking alternative employment and if so, what has the Minister done to ascertain the reason for this situation

MR SMITH Stop me if we go outside the bounds of where we are allowed to

SPEAKER I was just hesitating in my calling you on that matter but we will continue to whatever extent you feel that you are able Mr Smith

MR SMITH As far as I understand the question it would only relate to one of the managers that Mr Brown is referring to that there has been a resignation. I haven't had a written advise of why that occurred but I have had verbal advise that it related to the methods of Government that Norfolk Island has

MR BROWN Can the Minister please respond to my question in relation to other employees seeking alternative employment

MR SMITH Mr Speaker if Mr Brown is referring to... I thought he said the three or four executive management people, maybe a clarification from Mr Brown might help

MR BROWN I will repeat the question, I was asking is it a fact that three of the four executive level employees of the public service have either resigned or are seeking alternative employment and if so, what has the Minister done to ascertain the reason for this situation

MR SMITH Thank you Mr Speaker and thank you Mr Brown for clarifying that because I only know of one in that situation. I'm not aware of any others who have applied for any other positions or have a resignation in hand

MR NOBBS Thank you Mr Speaker I ask the Chief Minister what actions are you taking to respond to the Australian Governments resubmitting the Norfolk Island electoral issue to the Commonwealth Parliament's Joint Committee on Capital Territory and External Territories

MR GARDNER Thank you Mr Speaker I have written to the Secretary of the Joint Standing Committee with a holding response. As members are

aware my first introduction to the fact that the electoral matter had been re referred to the committee was by way of a comment I think Mr Nobbs made in an informal meeting of members and then the next indication that I received was that it had been re referred was by a notice in the Norfolk Islander which was followed some days later by a formal notification to me from the Secretary but I've responded to the Secretary pointing out that the time frames that they had indicated which was only a couple of weeks were to my view inappropriate in that the submission made by the previous Norfolk Island Government would be required to be reviewed by this House to ensure that it was still appropriate and still held true to the views of this Legislative Assembly and that as soon as that process had been finalised that I would be back in contact with them with a supplementary submission if it was necessary. Now that matter has been referred Mr Speaker to the Public Service, the CEO in recent days has indicated that she has been able to track down the latest files in relation to that matter and the submissions that had been developed or were in the process of being developed, those are with the service at the moment and I'm expecting some advise any day now on that for discussion around this table as to what format if any, any supplementary submission will take

MR BROWN I direct this question to the Minister for Tourism, can the Minister advise the reason for the lengthy delay between the departure of the last Bureau Manager and the placement of advertisements for the appointment of the new Bureau Manager; can the Minister please advise whether it is a fact that those advertisements once eventually placed were only placed in Norfolk Island and if so to use Pauline Hanson's words, can the Minister please explain and can the Minister advise whether the terms and conditions of the recent appointment have been identical to those of the previous Manager and finally can the Minister please advise whether it is a fact that there were in the region of three applications and at least one of those applicants being a local person was not given the courtesy of an interview

MR SMITH Thank you Mr Speaker yes I'm happy to attempt to answer those questions but of course as Mr Brown will be aware that the Tourist Board is the employer but I have been made aware that most of the information that Mr Brown has referred to, I don't actually know the reason why after Greg Howe departed why it took so long to get an advertisement in to advertise the position however Mr Brown would probably be aware that following Mr Howe's departure, the Chairman of the Board had come to see me about possible ways of filling the position and one of those was that seeing Greg Howe had only been here for a matter of six or seven months, there were still names of applicants from the previous year that they may be able to just use the next one in line basically. I passed to Mr Goldsworthy, the Chair of the Board, the feelings of the Legislative Assembly in relation to employing people from offshore or onshore and the fact that there were moves within the Immigration Ministry to ratify the guidelines in relation to Immigration which meant, as I have always understood it to be the case, that you explore the market in Norfolk Island for employment matters before you go offshore. Now there's been a lot of noise made about that over the last six months and I passed that information on to Mr Goldsworthy who had already recognised that there is a general feeling that we should be assessing people who are on Island before we go bringing any other in. The delay or why it took whatever time it did, I can't answer that. The terms and conditions of the position that was advertised and filled by Mr Bruce Walker are certainly different to what were advertised in the past and was it only advertised locally, yes, in the first instance I understand that the Board wanted to only advertise locally and assess the market to see who comes out as applicants and obviously they didn't need to go any further offshore to find somebody to fill the position. Some of the obvious things with a local appointment, is for example that you don't need to pay somebody their rent allowance which was one of the costs to the Bureau in the past and there's other factors that come into it too of course like the removal allowances and things like that, but I understand that at a meeting the Legislative Assembly had with the Chair of the Board whilst I was

away that this was actually discussed and that the Chair had advised of a proposal that the Board has that the General Manager will have a more on ground role from here on in and that the difference between what was the salary and what is the current salary would be put to engaging offshore consultants which the Bureau does anyway, but in relation to particular marketing aspects like radio and television advertising and I understand that that's up to about \$20000 per year. The applications for the position, I think I read out last week from the Acting Chair of the Board that there were five applications for the position. I understand from a letter that I received yesterday that there was only four

MR BROWN Mr Speaker I did ask whether it was a fact that not all of those applicants had been shown the courtesy of an interview

MR SMITH Yes, as Mr Brown would be aware, that was raised on Monday and it was in relation to a complaint that was put to me by one of the applicants in writing in this process

MR BROWN I wonder Mr Speaker if the Minister would be good enough to answer the question

MR SMITH Thank you Mr Speaker maybe I didn't answer it in a fashion that might have sounded like I was trying to avoid the question but the answer is yes

SPEAKER Honourable members the time for questions has expired

MR NOBBS Mr Speaker I move that question time be extended for ten minutes

SPEAKER Thank you Mr Nobbs. Is that agreed Honourable Members. That is agreed

MR NOBBS I ask the Minister for Tourism, what was the selection process undertaken in relation to the appointment of the Manager and were the concerns expressed in the letter referred to by Mr Brown valid, or were they not

MR SMITH If Mr Nobbs is referring to the General Manager's position, the merit selection process which is what I understood the Board used may not have occurred the way we expected it to and as I don't normally have any role in the employment, well I don't have any role in the employment of people at the Bureau, all I can do is after the event, if it has become obvious that there are holes in the way that it was carried out, that that needs to be fixed for the next time

MR BROWN Can the Minister advise whether he exerted any influence of any kind on the Board or the Chairman of the Board to appoint the particular person as Manager

MR SMITH Thank you Mr Speaker, absolutely not. Mr Speaker I'll go further with this. At the informal meeting of members on Monday Mr Brown raised this very same question, almost an allegation that I had interfered in the process of employing a person at the Tourist Bureau

MR BROWN I'm asking a question with respect Mr Speaker, I should not have to stand here and be abused

SPEAKER I think Mr Smith needs to have the opportunity to respond to the question

MR SMITH Thank you Mr Speaker I need to go to this length because it leads up to a proper answer from the Board. It was said at the meeting on Monday that Mr Brown had spoken to the Chair of the tourist Board and that there was a comment made that George had I thought it was something like directed to the Board that they should employ a certain person. Maybe those words aren't exactly what Mr Brown said and I apologise if I get that wrong but anyway, it made me quite angry to think that anybody in relation to this matter was making such statements without even telling me about it. I'm not referring to Mr Brown here, I'm talking about other people. I rang Mr Goldsworthy who is in Sydney on private business at the moment who was quite astonished to think that such a statement had been made by him. In fact it went to the degree that I had approached the Acting Chairman of the Tourist Board yesterday and asked him if they felt that I had taken some action that had interfered with the process. I have a letter here addressed 4 June, to myself, Minister for Tourism and Commerce, Kingston. Dear Minister, on behalf of the Board members of Tourism Norfolk Island I would like to state that in the selection and appointment of Mr Bruce Walker to the position of General Manager Norfolk Island Tourist Bureau the Board was not influenced or given a direction to arrive at its ultimate decision. I think that's where the matter should rest Mr Speaker. There's enough been said about it over the last couple of days thank you

MR NOBBS Can I have a supplementary on that without wishing it to become personalised which it seems to be Mr Speaker because I don't think...

SPEAKER Is there a question Mr Nobbs

MR NOBBS The question is, is it not correct that the Minister provides to the Board policy in relation to tourism and do those policies include methods of recruitment etc

MR SMITH Thank you Mr Speaker the executive member for Tourism under the Tourist Bureau Act does allow the Minister, particularly at the beginning of a new board which means at the beginning of a year generally, that the Minister certainly can set policy for the Tourist Bureau. Generally he doesn't need to as the Tourist Boards generally are well aware of what's happening in Norfolk Island and I could say that pretty well, this last Board hasn't needed policy direction generally because of the way that Tourism had been going up until last year

MR NOBBS Supplementary, in relation to the recruitment, is there an appeal process

MR SMITH Thank you Mr Speaker as I understand it and I stand corrected there is no appeal provision similar to the Hospital Enterprise. If Mr Nobbs is referring to somebody applying for a job and whether there is an appeal process, as I understand it, there's not

MRS JACK Mr Speaker my question is to Mr Smith as Minister for Health, regarding the dentist we are losing a dentist again, what procedures are in place to not only get a new dentist but try and lower the waiting list of some months I believe to see one, given that it's a cost recovery process, when are we going to maybe have one and a half dentists

MR SMITH Thank you Mr Speaker so we need a short one. We must treat that seriously. The fact is that I understand our dentist Dr Jackman has resigned or carried out his resignation which he intended to do some time ago which is very sad because I understand that Pat is a very good dentist, although I haven't been to him myself and I'll make no further comment on that but in recent weeks we have had a locum dentist who has been assisting Mr Jackman, which from all accounts has been a real boon because we've certainly been able to process a lot more teeth in that time but I would expect that the Hospital Director would be arranging for a replacement for Mr Jackman who I think finishes in August, and I hope that's sufficient time for us to be able to recruit somebody else

MRS JACK Mr Speaker the second part of my question, just about lowering the waiting time to a far more manageable level for all concerned

MR SMITH Thank you Mr Speaker that's what we are doing now with the locum which I guess has helped in that way but maybe Mrs Jack is right, that we do need somebody who is a part time dentist to assist with reducing that waiting time. I would be interested to have that discussion with members actually to see whether we are able to asset the board by giving them more money in that case

SPEAKER Honourable Members time has expired

MR NOBBS I move that question time be extended for five minutes Mr Speaker

SPEAKER The question is that question time be extended for five minutes Honourable Members, is that agreed. That is agreed

MR BROWN Mr Speaker I direct this question to the Minister for Tourism in relation to his responsibility for the Hospital. Minister bearing in mind that the recent restriction of advertising for the Tourist Bureau Manager position to local advertising will future advertisements for permanent dentists and locum dentists include advertising in Norfolk Island

MR SMITH Thank you Mr Speaker that certainly is something that could be taken up by the Director and the Board at the Hospital. I think they would be well aware of the comments that I've made and members of the Legislative Assembly have made over the last period about wanting to assess our local employment market first

MR NOBBS Thank you Mr Speaker I direct this to the Minister for Health. Have you any advise for the community either now as per a statement later on as to the current situation in relation to the suspension which still is occurring I understand, of a doctor at the Norfolk Island Hospital

MR SMITH Thank you Mr Speaker I thought this...

SPEAKER I offer some words of caution in this matter, but Mr Smith at this moment

MR SMITH I can answer it quite simply by saying no I don't have a statement

MR BROWN I direct this question to the Minister for Finance. The Minister earlier in today's meeting spoke of a paper Focus 2000. Can the

Minister advise the difference between the Focus 2000 paper and the paper which was published in last weeks Gazette which was referred to as Focus 2002

MR DONALDSON Thank you Mr Speaker if I referred to Focus 2000 it was a mistake. The reference should have been Focus 2002

We move onwards then Honourable Members . There are no answers to Questions on Notice this morning

PRESENTATION OF PAPERS

MR SMITH Thank you Mr Speaker in accordance with section 41 of the Interpretation Act 1979 I table the Tourist Accommodation Amendment Miscellaneous Regulations 2002-06-06

SPEAKER Any further Papers this morning

STATEMENTS

Are there any Statements this morning

MR SMITH Thank you Mr Speaker

MR NOBBS Could I ask a question. Those Regulations, are they tabled

SPEAKER Yes they are

MR NOBBS And by that we are accepting them? I can't recall seeing them

SPEAKER There is a period when we could move to disallow them if we so wish, but there is a time frame for that. It may be useful if I just map out very briefly procedures in terms of Regulations. Regulations are made by the Executive Council and there is a requirement that upon that being done the appropriate Minister tables those in this Legislative Assembly. There is not a need for any further action in respect of it, but where they are tabled there is a process where if members are dissatisfied in terms of those items tabled there is a process to seek to have them disallowed and there is a time frame for members to be active upon that if that is their individual wish. That may be helpful Mr Nobbs

MR SMITH Thank you Mr Speaker maybe I'll move that the Paper be noted

SPEAKER The question is that the Paper be noted

MR SMITH Thank you Mr Speaker, just to indicate for Mr Nobbs and perhaps other members I assumed that members get copied with Regulations but if you don't maybe that's something that we should put in train. These Regulations really sets up the forms in relation to the instrument of registration of tourist accommodation, the application for renewal of registration of tourist accommodation, and there is one other, I think it is the application, no, that is all there is. So basically that is what these Regs are, to provide the forms that are needed for tourist accommodation

MR GARDNER Thank you Mr Speaker just in relation to those forms, I understand that the Minister in previous sittings of the House had referred to a process that all tourist accommodation units will go through at the 30th July this year in which all tourist accommodation proprietors on the Island will be required to submit a registration form declaring their particulars, the ownership arrangements and those sorts of issues. Do the Regulations provide for penalties for the provision of false information in those documents

MR SMITH Without looking through the Act I would assume that there would be penalties. If there is not and if Mr Gardner is suggesting that that should occur, it probably should, but it is probably covered under the Act which I don't have with me today

SPEAKER Thank you Mr Smith. Any further debate on the question that these papers be noted? Then I put the question that the Paper be noted

QUESTION PUT
AGREED

MR BROWN ABSTAINED

Any further Papers

STATEMENTS

MR SMITH Thank you Mr Speaker I have a Statement which is information from the Norfolk Island Police. Firstly, the Norfolk Island Police advise that the commissioner of the Australian Federal Police has agreed to assist the Norfolk Island community meet a large part of the costs associated with then current murder inquiry. At present, policing services on Norfolk Island are funded by the Federal and Norfolk Island Governments on a 30% 70% split. The costs of the murder inquiry are not covered by this funding arrangement and do not form part of Australian Federal Police's normal responsibilities. However, the Commission of the Australian Federal Police has agreed to cover the bulk of the costs associated with the deployment of addition resources needed to conclude enquiries example, wages, operational travel and forensic costs. The Administration will continue to met he on island costs associated with the deployment such as accommodation, meals and transport. Sergeant Lindsay expressed his recognition of the importance of this announcement by the AFP Commissioner. This means that members of both police forces can concentrate on working with the community to bring the perpetrator of this terrible crime to justice.

Also advice which I will contain in the same statement Mr Speaker, is advise of the current status of the enquiry. Staffing. In addition to the three resident policy members there are three AFP detectives and an analyst undertaking the bulk of the tasking associated with this investigation. Analyst Senior Constable van Dissel has submitted a recommendation for the deployment of a further AFP member with data entry skills combined with an Intelligence background to assist the two current analysts. Members have reviewed all outstanding tasks, prioritized those outstanding and have concentrated efforts throughout the week on finalising those tasks. This in turn has generated a number of further inquiries. A total of 72 persons overall have been formally interviewed in relation to the investigation. A further 16 witness statements have been obtained this week form residents who have passed on information through their survey forms which has been considered to have been of relevance either in the form of providing corroboration of alibis and movements for a number of persons of interest or nominating suspicious actions of other residents. Members have been

reviewing and verifying typed transcripts of taped records of interview as they are received back from AFP transcription services. Approximately 73% of all surveys sent to tourists from Australia and New Zealand have been received. Returns from residents of the Island is 53% to date have all but ceased and in view of the time lapse from the date of the murder any information received from this point would have to be treated with caution. A number of inquiries have been conducted by telephone with tourists based on the information they have provided in their survey forms. A Major Investigation Plan has been submitted. Approaches are to be made to the NSW Police Crime Agencies Crime Faculties for projected costings involved in crime scene and offender profiling. Detective Sergeant Peters met with Chief Magistrate Coroner Mr Ron Cahill and briefed him on the circumstances of the offence, the current status of inquiries and the proposed direction of future inquiries. Mr Cahill expressed his satisfaction with the manner in which the matter is being dealt with and offered his continuing support within the bounds of his judicial role. He has also undertaken to support Police petitions to the Norfolk Island Legislative Assembly in respect of required legislative amendments where appropriate. A survey questionnaire directed at Norfolk Island employers is being prepared to expedite the elimination process. Pending the introduction of changes to telecommunications legislation, investigators are keenly awaiting access to telephone call charge records to assist with their investigations. The survey returns results Norfolk Island 1829 survey forms sent out, 968 returned that is 53%, Australia 521 sent out, 372 returned that is 71%, New Zealand 142 sent out 112 returned and that's 79%. Under the heading of Forensic, painstaking examination and analysis of collected samples is ongoing. Media. Following the meeting with Ms Beryl Janz AFP Media Manager the parents of Janelle Patton have been advised on the AFP's views concerning participating in programmes such Today Tonight. Mr Patton was appreciative of the AFP views in this regard and the reasoning behind those views. He has indicated he will refer all approaches from media outlets to AFP Media Management. Finally, victim support Referrals have been made to the NSW Homicide Victims Support Service requesting their assistance in providing counseling and support to the Patton family as required. Detectives Edmondson and Elvin met with the victim's parent and brother in Sydney whilst on their way to Norfolk Island on 25 May 2002 and Detective Sergeant Lindsay maintains weekly contact with the family.

With the survey forms that have been sent out Mr Speaker the Police obviously are keen to have the rest of them forwarded to them. I would expect that if somebody has mislaid or lost their form I'm sure that they would be able to pick up some more from the Police Station or through the authorities, thank you Mr Speaker

MR NOBBS

Thank you Mr Speaker I move that the Statement

be noted

MR NOBBS

Thank you Mr Speaker I only have two things to say. The first one is to express appreciation to the Federal Police for their financial support and particularly to the head of the Federal Police and the second one is to encourage all those who have not submitted a form to do so as soon as possible. I know it's difficult. The forms were sent out quite a time after the event but it's important that we show as a community that we are right behind the Police and their operation is extremely difficult for them and I think they need all the encouragement and support that they can get and I therefore ask those who have not provided a form to do so and if they have problems filling it out I'm sure that Sergeant Lindsay or some of the other Police Officers would be quite prepared to take a verbal statement thank you

SPEAKER

Thank you Mr Nobbs. Any further debate? Then I put the question that the Statement be noted

QUESTION PUT
AGREED

Mr Speaker I have been advised that Tourism Norfolk Island has through the office of their new General Manager Mr Bruce Walker commenced the organisation of Tourism Norfolk Island's "Symposium 2002 on Tourism" we spoke about at the last sitting of this house. It is hoped that this symposium will afford all stakeholders, whether they be airlines, travel agents, accommodation proprietors, car hire, tour and activity operators, retail merchants, or any other genuinely interested member of the Norfolk Island community, an opportunity to contribute their respective views on tourism as it is today and where it might head in the future. Because of the need to ensure each of the many diverse areas of tourism are represented at the symposium the bureau has decided that the most appropriate time will probably be sometime in mid to late August. The tentative programme for this event proposes general sessions and workshops across two days allowing for offshore participants to arrive on a Wednesday and depart Friday evening or over the weekend. It is expected that approximately 80 delegates will attend the symposium drawn from Australia, New Zealand and of course Norfolk Island. More detail will be provided to all members of the public just as soon as the major airlines and agencies have indicated their preferences, and local venues and accommodation can be organised and the final dates are confirmed. I was hoping that we might have got this organised sooner rather than later but of course depends a lot on the airlines. Air New Zealand had stated a preference that it be held in July and Norfolk Jet had a preference for June. I understand that Greg is going to be away for some weeks so it's looking like August will be the time but that gives everybody time to get organised for it and at this point as I said it will be some time in August that this symposium will be held

MR NOBBS

Thank you Mr Speaker I move that the Statement be noted

SPEAKER

The question is that the Statement be noted

MR NOBBS

Thank you Mr Speaker I ask the Minister, he refers to 80 delegates, does that mean that members of the public will not be admitted or where will the delegates who are set down from Australia, New Zealand and Norfolk Island, how will they be split

MR SMITH

Thank you Mr Speaker the 80 delegates doesn't refer to just 80 people from offshore. From what I recall the last symposium that we had, which I think was in 1991/92 we had the same amount of people and it's not the intention that we exclude people. For example I think the last time, as we will do this time, we included the members of the Legislative Assembly as part of the number, as many of the airline representatives as possible and that's probably going to be a matter of three to six and the wholesalers but certainly anybody who is in the industry in Norfolk Island should be involved and we'll find out as time goes by just how many will be involved. I guess it doesn't matter if the number exceeds 80, that will probably be even better

MR I BUFFETT

Thank you Mr Speaker my recollections are, I think we raised the issue of this symposium some time ago with the Minister and I would urge that the members of this community have the opportunity to have a say about what they believe is the direction that tourism should go, so included somewhere in the invitation to delegates or whatever is put forward, I would sincerely urge that there be opportunity for members of this community both those involved in tourism, effected by tourism be able to have their say. I have spoken to the Minister regarding this symposium and have suggested that we should take a format of asking the people in Norfolk Island what their views are and what they perceive tourism should look like in

the future. Let's talk about quantities, let's talk about quality, locally and then deal with the people that might be termed the external forces that shape our tourism. That's exactly how I think the matter originated and provided the Minister and the new Manager of the Bureau take those comments on board then I'll be happy thank you

MR NOBBS Thank you Mr Speaker, as Mr Buffett has just said, I am horrified at this statement which infers that there would be only delegates invitations issued because at the last symposium they had I was actually visiting the Island and I was actually at the meeting and participated as fully as I could at that time so I am very concerned that we are going to confine it to those people offshore and onshore who are in the industry. Whilst they have a major function in it, I quite agree that the whole community should be involved in it and we need as Mr Buffett I think indicated, go well outside the two day symposium to gain the views of the community as a whole

MR SMITH Thank you Mr Speaker it's just been suggested beside me here that Mr Ivens Buffett might like to be the keynote speaker for the Conference. That's part of a challenge back to him. Mr Buffett certainly has spoken about this and the approach that he mentioned about having local participation before the offshore people arrive and that certainly is something that should be considered and I will be talking to the Board about what Mr Buffett has said

SPEAKER Thank you Mr Smith. Any further debate? Then I put the question that the Statement be noted

QUESTION PUT
AGREED

Are there any further Statements. Mr Smith

MR SMITH Mr Speaker I would like to make a statement on my visit to New Zealand and Australia recently. I visited New Zealand for discussions with Air New Zealand due to the concerns being expressed by not only Members of the Legislative Assembly but people in the community that the airline may withdraw air services from the Norfolk Island Auckland run. I was pleased to discover that the opposite could be said to be true. The representatives of Air New Zealand that I did meet were Roger Poulton and Joanne Kennedy and they advised that the company of Air New Zealand had recently re committed itself to the Norfolk route and that the airline in general was 'on the mend' following the disastrous year last year. I had a really good discussion with them and they said that the company has downsized itself by about 10% to turn around its fortunes and although I understand that they are not going to make a profit this year, certainly in the near future they hope to be operating similar to what they used to be. They advise that a special fare has been introduced and an agents fare has also sold very well. One of the concepts they have is that every now and then they will introduce a really low fare which encourages travel agents or wholesaling people to actually purchase this and go to destinations and when they released one for Norfolk Island recently, as I understand, they certainly had a lot of people who took them up on their offer which is good news because the agents come here and experience Norfolk Island and that helps them to sell when they go back. Their view is that tourism Norfolk needs to have a representative in New Zealand to ensure that there is a real presence to keep Norfolk Island in the picture. Discussion included the possibility of extra capacity being available for the Norfolk route if we can stimulate the New Zealand market to a level that would exceed the current capacity. That Mr speaker is good news as planned well, that could give us a more balanced number of visitors to compliment the Australian market within the next twelve months. I mean it could be possible to increase the New Zealand numbers by 3,000/4,000 per

year if we market in a way that attracts people back again in conjunction with the airline. I did speak to one of the wholesalers the same afternoon who had very similar views and said that Norfolk Island is still a popular destination but New Zealand people need to be reminded of it probably a little more often than the other Pacific Islands and that the fare that had just recently been introduced, was selling reasonably well out of New Zealand. So I think a very successful meeting and a good positive meeting with Air New Zealand. As I advised members before I went away that I was heading to Australia too and that I would be doing some business there and also some private matters, in Australia I met up with Greg Prechelt from Norfolk Jet Express and spent a couple of hours with Greg. In our lengthy meeting, we discussed many of the factors regarding the Australia/Norfolk route. Norfolk Jet is concerned with the drop in numbers over June July, but Greg says that the months following are looking good. Greg is also considering extra capacity for that peak period but that is subject to some other factors which I won't raise in this statement. He was concerned that the phones hadn't been ringing wildly following the realisation of the television and print campaign that had commenced on the previous Sunday. I saw the television ad that we have for Norfolk Island on the Sunday night and that's when the campaign of course started in television and the print media. It was unfortunate as he pointed out, that we had a half page spread in one of the newspapers and unfortunately the newspaper had a double spread about the murder on Norfolk Island in the same issue. That was raised with the newspaper and they I think gave us an extra half page in the next edition. Speaking of that marketing campaign I hope that this campaign does stimulate the Australian market over the coming weeks but it remains to be seen. Ironically, there are reports that agents are not able to secure seats to Norfolk when they want them. Although Norfolk Jet rejects that, it certainly needs further investigation because if it's being said by one part and the other party is saying that it's not right, well we need to make sure of what's going on there. The TNI Symposium to be held shortly should provide the answers to those very questions.

Whilst in Queensland I was invited to meet with the Hon Anna Bligh, the Queensland Education Minister to talk about getting access to Queensland TAFE's for Norfolk Island apprentices, something that does prove to be difficult. The Minister was keen to encourage and continue talks with her office over this issue in fact Roger Williams has already commenced discussions so it was good to make that contact with the Minister. The Queensland Premier, Mr Peter Beattie had invited me to talk to the Queensland Minister for Tourism the Hon Merri Rose who was able to give us time out during that busy tourism week for Brisbane. I met with her and her advisors and that was followed by an invitation by the Premier to an address that he was making to the Trade Union and professional groups with a couple of drinks and the Hon Merri Rose accompanied me to the function and I was pleased to meet up with some of the Premier's colleagues and he gave a specific welcome to me on behalf of Norfolk Island at the function.

MRS JACK
be noted

Thank you Mr Speaker I move that the Statement

SPEAKER

The question is that the Statement be noted

MRS JACK
Mr Speaker it is understood that there is no Island representative in Australia and a short time ago the representative in New Zealand was also lost. Is the Minister going to raise this at the symposium that he's planning. We've been told by a members of the Board that they have no intention of replacing the representative in New Zealand and we heard at MLA's the other day that it was not the Minister's intention to put his attention on that matter

MR SMITH

Thank you Mr Speaker I understand that, that was said at the meeting with members of the Legislative Assembly. Of course that was

made before my meeting with Air New Zealand and discussions that I held in Auckland that we may be misguided to not have a representative there. There are arguments these days that with fax and e-mail and mobile telephone facilities that maybe you don't need to have representatives in place, I'm not just referring to tourism, but I certainly feel that even the visits that we make as Ministers, like the face to face meeting that we had with Air New Zealand, I believe that they are really good and really worthwhile and might cost a few hundred dollars but the same, if we have a representative in Australia or New Zealand it does really have an effect rather than the newer methods of making contact with people so I would certainly be encouraging the Board along those lines Mr Speaker

MR GARDNER Thank you Mr Speaker just really in relation to the statement from the Minister and I guess its more a question, do declining numbers out of New Zealand indicate Norfolk Island being a popular destination

MR SMITH Thank you Mr Speaker I'm not too sure what you are meaning by that question. I need to say that at a meeting recently some questions were being asked about visitor numbers to Norfolk Island and it was there I think that I received a fax during the meeting saying that numbers out of New Zealand in general were down by something like 40% over the last months or whatever but there has been a general increase in that in recent times and Norfolk Island is a popular destination with New Zealand and that's why I don't believe it's too difficult to stimulate the market and get it going fairly easily and some simply incentives like a fare or value added fares can actually make quite a difference so I'm quite positive about that

MR BROWN Mr Speaker at the very beginning of this year we were told that March April May were looking really good. We were told that bookings were strong and that the problems of January and February would resolve themselves. That wasn't the case and there's a very understandable reason for it. As it turns out, March April and May could only be described as disastrous. April was down something in the region of 29% on April last year. May is going to be down something between 20 and 25% compared to May last year and the reason is this, Norfolk Island is a very popular group destination. Groups book sometimes more than a year in advance. You will see if you see someone who book group properties that they already have substantial bookings for Bounty week next year and you'll see that many wouldn't have substantial bookings going beyond that time. At about sixty days before the travel date, the groups have to firm up on their rooms, that have to provide room lists to the hotel, they have to provide passenger lists to the airline and they have to make arrangements to pay for the tickets and it's only at that stage Mr Speaker that you know how many passengers will actually travel with each of those groups. From May this year I understand that out of Australia alone there was something in the region of a 1500 passenger cancellation once groups firmed up on their final numbers. My expectation is that the present group cancellation rate of about 50% is likely to continue throughout the whole of this year and to such extent as October and November, figures look strong because of groups the actual group numbers could well halve when it comes time for those actual names to be provided so I urge the Minister not to be too carried away by the suggestion that bookings look strong for October and November. They always look strong for this stage of the year for October and November and there is every indication in my experience that the group cancellation rates are increasing and there is every reason in my mind to expect that that situation will not change and that October and November, come the time we're only sixty days away from them, will suffer similar difficulties to those which have already been suffered in relation to the earlier months, thank you

MR SMITH Thank you Mr Speaker yes, I appreciate what Mr Brown is saying because he is quite correct. Where I get my information from

through the Board is generally from the airline and members will recall in November last year we were told that January had bookings of 400 passengers so we embarked on a very expensive campaign and we were pleased to see that the numbers of our visitors did certainly rise above the 400 that was being proposed but I think we ended up with something like 2100 bookings for that month. Of course the flow goes on to the following months as well with the media campaign and in February we actually had 2776 which was almost comparable with the year before. March we had 3441 which is obviously part of the normal attractions in Norfolk Island in March by the fact that we were able to get the numbers up but what was starting to happen there is I believe we were starting to feel a restriction of the actual amount of airline seats that are available on aeroplanes and that showed up when you divide the number of passengers with the number of aircraft that fly here and the total number of passengers is very high in loadings where in March 2000 we had 4000 visitors and this year it was 3400. We were probably getting close to the limit of what we could get out of six aircraft coming from Australia and worse in April where we had, had 4000 visitors the year before. We were down to 2800 and the May figures are showing not all that good either but of course we are having cancelled flights. The airline is cancelling flights which does reduce our capacity to even fill the aeroplane if the aeroplane is not even flying, but I can understand where that's occurred. One of the things that seems to be developing, well I'll go back a step. In speaking to Greg he is clamping down I think he put it, on groups who do cancel early and I understand that he's going to be charging the groups when they make a booking, a booking fee so that will make it that they've got to be real about their bookings rather than they just book forty or fifty seats on an aeroplane and as Mr Brown says, two months out they cancel and you end up with a great big hole on your numbers on the plane. Now he fully realises that that might have an adverse effect that they might say well, we won't pay you any money but we won't make any bookings either but one of the difficulties that seems to be being experienced by the wholesalers and Norfolk Jet spoke to us about it when they were here, that is, David Bobberman and Greg, that they prefer their passengers to fly seven days. What some groups apparently want to do, they don't want to fly seven days they want to fly in on a Saturday and go back on a Sunday or whichever and that is creating some difficulties, or groups wanting to come for a shorter stay, that's not available to them at the fare that they would expect to come to Norfolk Island so there's a lot of factors involved in it and I can understand where the airline is coming from, they are trying to balance the economics of their operation but it's still being played around with and we have to be very careful of that, or aware of it, and also try and assist where ever we can but getting right back to the beginning of what I said, I certainly am not overly confident about where we are going with the Australian market. It's currently limited, there are a lot of factors that are coming into why our numbers could be down, there are factors relating to the wholesalers, not all being able to access the equal fares as I understand it, so it's something that we've got to keep talking to Norfolk Jet about because in the end it's our numbers or Graeme's numbers like today that we are going to need to be able to survive, thank you Mr Speaker

MR NOBBS

Thank you Mr Speaker, whilst tourism is a very important issue at the present time, if not always, I would like to switch if I may to the education segment of the Minister's visit to Queensland. I remind him that Premier Beattie during his visit here was very keen to assist the Island in all aspects of education but he only referred in his statement to some discussions on apprenticeships. Whilst I accept that the NSW education is a very good system for Norfolk Island the costs have been escalating over the years and the thought was put at the time or following Premier Beattie's visit that maybe we should look at a tendering process for education services and I was wondering whether the Minister had expanded on that with his counterpart in the Queensland system to explore how in areas other than apprenticeships, that the Queensland Government may be of assistance to Norfolk Island

MR SMITH Thank you Mr Speaker the discussion we had was fairly wide ranging and Anna Bligh was keenly interested in what Norfolk Island is about and certainly our School and we ranged over a number of topics, one of them was in relation to what Mr Nobbs had been talking about, if there was ever a time that the Norfolk Island Government wanted to use another States Teacher's, the comment that I received from the Minister was that the Queensland Teacher's certainly wouldn't be any cheaper than the NSW Teacher's which was an interesting comment, but that wasn't the appropriate time to be discussing those sorts of things, although it was certainly touched on as I promised Mr Nobbs that I would do when I was meeting with the Minister.

MR NOBBS Yeah I just find it strange that it wasn't included in the Statement by the Minister in the first place but I guess it's a pretty touchy subject.

MR SPEAKER Further debate. The question is that the Statement be noted.

QUESTION PUT
QUESTION AGREED

MR SMITH Mr Speaker not wanting to delay the budget discussion to far I have another Statement in relation to Education and it is that a draft memorandum of understanding that has been developed between the Norfolk Island Government and the NSW Department of Education that refers to tenure of Teacher's at the Norfolk Island Central School. The MOU was developed over 2 days of meetings with Department people, the Teacher's Federation, the School Principal and Norfolk Island representatives. The reasoning behind the MOU is to clarify the length of stay of seconded Teacher's from the NSW Department and a process for Teacher's who are on extended tenure who have been teaching at the School for some years. Some of the main points of the document are that the MOU will state that Teacher's will be limited to a 3 year tenure at the School unless other circumstances arise, or that there is the extended tenure Teacher's who are already here. Teacher's already in that extended tenure group will be subject to a restricted number, that currently stands in the MOU at 7. There will be a requirement that those Teacher's will need to go through a process of interview at 3 year intervals although they will be able to extend a further period subject to the success of the interviews and Mr Speaker there has been criticism of Teacher's over the years who have been resident for a long period and this will assist with taking some of that criticism away and maybe make some in the community a little happier about that. The School Principal's term will be limited to a 3 year term under this MOU. Mr Speaker this MOU will run at the same time as the MOU with the Commonwealth signed in the 1980's and is focused only on tenure. The MOU has the support of the Department of Education, the Teacher's Federation, the School Principal and the Norfolk Island Government. Mr Speaker I discussed this with Members on Monday. I was going to table the draft copy of this and in fact I will for other interested people. It's expected that this will be signed very shortly. Thank you.

MRS JACK Can I move that that Statement be noted.

MR SPEAKER The question is that that Statement be noted.

MRS JACK Thank you. There's just a query raised itself to me right now actually right now reading through that MOU and I was just wondering if the Minister with regards to the relocation expenses of Teacher's. If that relocation

expense set out for the Norfolk Island Administration is in fact the same throughout all the Administration for relocation or are they different in different areas.

MR SMITH Mr Speaker off the top of my head I couldn't answer that question. I assume it's something similar to what any seconded people have. I'm not too sure. It's something that I can check out.

MRS JACK Can you pursue that then thank you.

MR SMITH Certainly willing to give the answer if..

MR SPEAKER Any further contributions. The question is that that Statement be noted.

QUESTION PUT
QUESTION AGREED

MR SMITH Mr Speaker this is just a short Statement on the Norfolk Island Youth Centre. Inspired by the Norfolk Island Youth Assembly some years ago and the Youth Counsel and Youth Centre was established again on Norfolk Island for our young people. The centre has been operating since November last year and has proved to be a very good success with our young people. Over the months that it has been operating I've been observing the interests by our kids in such a facility and I'm pleased to say that it's providing a service that had been sorely needed since the demise of the Prince Phillip Youth Centre at Kingston. Although a Government initiative, the Centre is operated under a Committee who strive to provide the necessary support for the Centre. It's success to date is due to the kids dedication and support of the many volunteers who are called on to supervise the activities over each weekend. It's open on a Friday evening, Saturday afternoon and night and on Sunday afternoon with extra times added during School holidays or Public Holidays. From the beginning it was resolved that the Youth Centre should have a permanent home or a facility that kids can basically call their own and the aim is still to build one but before that was progressed too far assessment needed to be made that the kids interest would be long lasting and it's certainly proving to be the case. Of course interest needs to be encouraged by providing time and equipment to continually try new ideas. There have been many generous donations of time, money and equipment with more yet to come that has been contributed to the way the Centre operates. Many of the kids themselves are now becoming more involved in the activities and their contribution is certainly appreciated. The plans for a building are being developed for the new complex and a design should be available within the next month. I would like to thank all those who have been involved so far and encourage others who can spare time and effort to make themselves known for this worthwhile project, the Norfolk Island Youth Centre. Thank you.

MR SPEAKER There are no Messages from the Office of the Administrator accept in connection with the Appropriation Bill which we will come to in a moment. There are no Reports on Standing Committees and so we do come to Notices Honourable Members and to prelude that I report that I have received the following Message from the Office of the Administrator and it is Message No. 5. Appropriation Bill 2002, in accordance with the requirements of Section 25 of the Norfolk Island Act 1979 I recommend to the Legislative Assembly the enactment of the proposed law entitled An Act to Authorise Expenditure from the Public Account to the year ending the 30th June 2003, dated the 3rd of June, 2002, signed A.J. Messner, Administrator.

NOTICE No. 1 – APPROPRIATION BILL 2002

MR DONALDSON Thank you Mr Speaker. Mr Speaker I present the Appropriation Bill 2002 and move that the Bill be agreed to in principle.

MR SPEAKER The question is that the Bill be agreed to in principle.

MR I. BUFFETT Mr Speaker can I just ask Mr Donaldson's indulgence, it's likely that this matter will go on for some considerable time, the number of people needing to speak. I'm not too sure of the plan for the rest of the day is for the other Members but I'm just wondering whether we're going to pursue this to the end or are we going to break at a critical moment in talking about the economic future of Norfolk's sustained focus 2002 and other issues and I think the whole community would wish us to deal with as a package, and Mr Speaker I just raise that to see if this might be the appropriate time to take a short break, so we can deal with the whole matter as a package.

MR DONALDSON Mr Speaker I'm really in your hands on this matter. I'd be quite happy to deal with it after our adjournment.

MR SPEAKER Yes. I'm assuming that your introduction has some length attached to it.

MR DONALDSON I've got an introduction here to it I can read. It would take about 10 minutes.

MR SPEAKER And I'm assuming that each Member would want to be a participant in the process if I just look around the table. Honourable Members in that context I think it would be wise if we suspended now for lunch and we'll do that and return at 2.00pm this afternoon.

MR SPEAKER We resume after lunch. We are at Notice No. 1 the Appropriation Bill 2002 and Mr Donaldson I have given you the call to introduce this matter.

MR DONALDSON Thank you Mr Speaker. I'll say it again, I said it before lunch but Mr Speaker I present the Appropriation Bill 2002 and move that the Bill be agreed to in principle.

MR SPEAKER Thank you. We are now on the debate that the Bill be agreed to in principle.

MR DONALDSON Thank you Mr Speaker. This Appropriation Bill 2002 is required by the Public Monies Act 1979 and has the purpose of authorising revenue fund expenditure from the public account. The public account of Norfolk Island consists of 4 accounts, the Revenue Fund, the Trust Fund, the Loan Fund and the Administrative Services Fund. The Administrative Services Fund is often referred to as the Government Business Undertakings of which there are 14. This Appropriation Bill only deals with the Revenue Fund spending. The other funds do not require appropriation and are generally self sufficient from their own income streams. By way of background I provide the following comment on the sources of income and areas of expenditure covered by the Revenue Fund. The income areas are that the Revenue Fund receives income from the following sources, Customs Duty, Financial Institutions Levy, Fuel Levy, Departure Fees, Accommodation Levy, Company Fees, Absentee Landowners Fee, Liquor Licence Fees, Land Title Fees, Lottery Commission, Vehicle Registrations and Licences, earning from Government Business Undertakings and they are normally made up in the form of a management fee or a dividend from the Business

Undertaking, a host of miscellaneous fees and charges and interest from investments. It uses that money to pay for the following activities, Education, Welfare, Health and Building, Works Depot, Courts and Land, Police, Legislative Assembly, Tourism, Forestry, Tanalith Plant, Immigration, Companies and Business Names and it also pays for the support staff associated with these activities such as Legal, Internal Audit and various administrative staff throughout the organisation. The Revenue Fund also provides subsidies to the Hospital, the Tourist Bureau, KAVHA, and the Gaming Enterprise. Mr Speaker what this House is asked to do today is consider the expenditure side of the Revenue budget with the view of passing an Appropriation Bill at a sitting set down for Wednesday the 19th of June. Mr Speaker this 2003 budget has been particularly challenging to formulate. It has been prepared by the Service, discussed with Executive Members and modified substantially on numerous occasions over the last 3 months. The Appropriation Bill is a result of all these consultations and although it does not provide the funds originally sought it is a responsible and affordable Bill. It ensures we live within our means. As a result of the expected deficit for the 2002 year and the limited amount of reserves it was considered essential that a budget be a balanced budget. This has only been achieved by making major and I hope temporary cuts to recurrent and capital spending. In total the Appropriation Bill seeks approval to spend \$11,029,500 and that's broken into the following categories: salaries and wages \$5,030,100, recurrent expenditure \$5,571,500, capital expenditure \$427,900. Mr Speaker the preparation of this budget has highlighted a trend that has been evident for quite a few years and that is that expenditure is rising at a rate far greater than income, and this has to varying degrees meant that in order to balance previous years budgets not all funding required to maintain or improve the physical infrastructure to provide services was made available. With the escalating costs of health, education and welfare along with a lot of other expenses there is no reverse of this trend in sight. There is an immediate need to address these problems and put the Revenue Fund back into a position where it has sufficient funds to operate properly and is not under threat of going into the red. This budget is the first step in addressing these problems and although it is a maintenance budget which expends a large amount of discretionary expenditure that would normally be quite justifiable it at the same time forces us to have a close look at the way we are raising our revenues and spending our money. Once passed the Appropriation Bill is not final. It can be reviewed at any time and indeed the intention of the Government is to commence a review immediately. The review will examine all our current and potential revenue sources with the aim of maximising returns in the most equitable and cost efficient manner possible. It will also review all Government Services for appropriateness of provision and cost of delivery. The review known as Focus 2002 is expected to be finalised within 6 months and will give members of the community an opportunity to contribute their ideas to the process. Mr Speaker just some comments on what does the budget provide. I've said earlier it provides salaries and wages of \$5,030,000 and just a comment on that, the amount requested for salaries and wages is not materially different from the previous year. It does not provide funds for any additional staff identified as part of the structural review of Administration. These positions if substantiated will require additional funding or will require to be funded from savings in other areas. The budget also provides for recurrent expenditure of \$5.5m. this is 8.5% less than the previous year but still sufficient to enable the Administration to operate at a satisfactory level for a period of time until this review is completed. The type of expenditure of this category includes Welfare, Education and that's Education other than salaries, Roads and public area maintenance, Hospital, Tourist Bureau and Gaming Enterprise subsidy, general office requisites, cleaning, staff training and a host of sundry items. The third category is the capital expenditure and there's an amount of \$427,900 for capital items included in this year's budget. It includes \$200,000 for road reconstruction, \$47,000 for new vehicles and plant, and \$60,000 towards stage 2 of the Data Base upgrade along with a number of minor items of plant and equipment. What items should be cut from the first draft of the budget to make it balance. The original budget included \$445,000 for filling new

and existing positions within the Administration, these have gone. Various requests for furniture and equipment have been reduced to essential purchases. Requests for travel have been scrutinised and cut wherever possible. The \$47,000 sought for Counselors has been suspended, plant equipment and motor vehicle purchases have been reduced. The subsidy to the Tourist Bureau has been reduced, the review of the Immigration Bio joint task force has been delayed until after the review and there have been general cuts in funding on all items across the board. There's a couple of continued items not included in the budget, the budget does include an amount of \$100,000 for the current major crime investigation, although it is acknowledged that the cost of investigation, if it is to be borne by Norfolk Island could substantially exceed this amount. Minister Smith's explanation this morning gives some reason for hope that the costs may now be contained to a manageable amount. No provision has been made in this budget for the Public Service wage increase currently before the Remuneration Tribunal. On the income side of the budget, the budget does not include any revenue from increased taxes or charges and at this stage relies on existing revenue sources on the expectation they will continue for the following financial year at the same rate as currently experienced. Although this budget was brought to the Assembly by myself in my capacity as Minister for Finance it should be remembered that it is an Assembly budget with all Members having the opportunity for input from the preparation phase to the final adoption by the House and extends past this point to an ongoing review throughout the year. In summary I believe that the acceptance of this Assembly by the 2003 Revenue Fund Budget the subsequent approval of the Appropriation Bill and the implementation and completion of the review of all Administration income and expenditure will provide a foundation for ensuring economic stability, sustainability of the Norfolk way of life and a clear direction for the future. The approval of the Appropriation Bill is the first stage in this process. I commend the Bill to the House.

MR SPEAKER

Thank you Mr Donaldson. Debate. No

debate.

MS NICHOLSON

Thank you Mr Speaker. Maybe it's a case of where angels fear to tread. The budget represents a last ditch stand. If we this Assembly, this Public Service, this community fail to find ways to make this budget work it may well be the last one prepared by the Norfolk Island Legislative Assembly because we'll go belly up and have to ask the Commonwealth to bail us out if we don't and that will not be a pretty sight, for them or for us. This community has high expectations and maybe that could be expressed differently, maybe it could be expressed as we've become too big for our boots. Our expenditure certainly has become too big for our revenue and that's for sure. The Minister for Finance, Graeme Donaldson has issued a number of statements during the past week or so and in those he's made clear the extremely difficult financial situation that this Assembly is trying to deal with. The Minister has told us that we will all need to work together to get this sorted out and by all, he means Assembly Members, members of the Public Service and members of the community as well because we are all in this together. It probably does not need to be said that for a number of years various Assembly's have resisted deficit budgets but in doing so the entire infrastructure of Norfolk Island has been falling apart. It's not fair to lay blame on past Assembly's for doing that, we've done it to ourselves in this interim budget. I suspect it's more to do with community expectations and community wants as opposed to needs. In standing for election I indicated that I thought this would be our last chance to get finances sorted out and this really is crunch time. This is the budget that will make or break Norfolk Island and I think all of us here today recognise that. We're between the proverbial rock and a hard place. The rock is the need to raise more revenue on Norfolk Island and the hard place is the inevitability of Commonwealth intervention if we do not. Now I fully realise that this may not be seen as a bad thing by many living here and during the next few months you will have an opportunity to let us know exactly what you think about it. Let me talk a little bit about how this situation has

come to pass. The single biggest demand on the Revenue Fund is wages and salaries in the Public Service, it always has been. I was reading through the budget debate of 20 years ago as part of my preparation for today and nothing has changed. We had a decline in tourist numbers then, we had Public Service salaries as the largest component of the budgetary requirements and we were looking at how to raise revenue locally. We've seen a number of businesses in Australia and elsewhere go broke over the past few years and it's acknowledged that staff entitlements are the first major obligation of those companies, so it is with the Norfolk Island Administration and I think those of us with private enterprise backgrounds would be far happier to see that every employee was performing a fair days work for a fair days pay. Robyn Murdoch the CEO was brought to Norfolk Island to achieve that within the Public Service. It's been a rocky road for all concerned but given a chance I think she'll get there. If you have an interest, you've read the figures in the Norfolk Islander and there isn't much one needs to add, it's there for all to see. We've had ongoing pressure on our revenue for many years. The demands on Social Welfare and Health systems are enormous. We have to take a long hard look at the rules which govern who is eligible and who not. We seem to have spent vast amounts of money on Roads in the past year but I can hear you from here asking where, good question. Does this mean that the money we have been spending is not to best affect, another long hard look required. The item collectively called Works, ok again big demands and increases, why. Can these Works be done more effectively, more economically, I daresay they can and we'll look at that too. Hopefully anyone interested would have gone on to consider the revenue figures as well as the expenditure. There's been only a 14.37% across the board increase in those revenues on that chart during the same period that the items above it have blown out to an overall increase of 79.1%. Reduce that to the simplest possible terms, we've earned \$14.37 but spent \$70-91 and then some, because only the most significant line items have been pulled out to give the example which you may have read. It had been my hope to make some progress with alternate revenue bases but so far and for a number of reasons, this has not come to pass. I found that a great deal of money had already been spent on researching an alternate revenue base, something like \$100,000 in the past year or 2. I can see it's very hard to justify more unless there is a chance of success. There is to be a visit by the Federal Minister, Wilson Tuckey and some Financial Advisers during the coming week and there's perhaps a pin prick of light at the end of the tunnel in that regard. Time will tell. We try to run 3 layers of government on Norfolk Island, elsewhere the responsibilities are broken up into local or municipal responsibilities, state responsibilities, and federal. We cop the lot and that's one of the reasons why we have and shall continue to have a Public Service which is seen as top heavy. It's partly because of the wish by some to have greater powers over our own affairs. If that is the wish, and to be fair, few have stood in the way, we have to pay for it. The community has begun to demand a high level of services and sophistication, comprehensive health services, a very expensive education system, a social welfare system, to say nothing of radio, television, good roads and footpaths, electricity to run things like dishwashers and microwave ovens and toilet facilities at public places. That's the way of the world and Norfolk has come into the 21st century complete with extensive wish lists, and once again that's fine, but it all has to be paid for. You want it, pay for it. I can't tell you or anyone here what the increases will be or how high they will go because a lot will depend on the community having a say in the process. What does the community really want and what is it prepared to pay for, that's what it boils down to. Norfolk's never been a welfare state and during the next few months it's going to be a matter of pulling in belts, working within what we earn and searching very seriously for ways and means to pay our way, not just to get us through the next few months or year or so, but to put the whole community on a stable footing so that we can continue to hold our heads high and be proud of what Norfolk's able to achieve. Thank you Mr Speaker.

MR SPEAKER

Thank you.

MR BROWN Mr Speaker what we have before us is a fairly pathetic effort. This Assembly was elected just over 6 months ago. The budget process was commenced by the previous Government. Mr Nobbs the previous Chief Minister many times made it clear that he believed the budget process should be commenced by not later than around about October in each year. The Minister for Finance has waited very politely for materials to be provided to him by the Public Service. The present Chief Minister has many times expressed a view that his role is to meet people at the Airport, to make speeches but not to interfere in the Ministerial responsibilities of the other Minister's. Now I happen to disagree with him in that regard. I believe his role is to lead and co-ordinate the Government and frankly I would go further than that and I would suggest that he should be given the ability as is the case elsewhere to hire and fire in terms of the Executive with whom he works because frankly he cannot do his job without that ability. If he cannot fire an incompetent Minister how can he be expected to perform. If he can't have very significant input into who should be appointed as a replacement Minister how can he be expected to perform. You cannot hold him accountable while keeping both his arms, both his legs and whatever else tied up and a gag over his mouth and perhaps a blindfold over his eyes because that's what we are doing to him. Now let's have a look at some of the things that are suggested. Let me start with a comment made by Ms Nicholas talking of the Chief Executive Officer, given a chance I think she'll get there. Well Members have been provided today with a report from the Public Service Board, let me quote a few parts of that report. My word it is relevant in that it's

MR I. BUFFETT Is this really relevant. Point of Order, the relevance of this particular issue raised by Mr Brown in terms of budgetary issues.

MR SPEAKER I wouldn't rule against the relevance issues at this moment.

MR BROWN Mr Speaker I'm responding at this stage to a comment made by Ms Nicholas. Are the principles for management of public sector employees as outlines in Section 7 of the Public Sector Management Act being followed within the Public Services. Finding. The Board has found that there have been breaches of the principles for management of public Sector employees and sights the following examples, and it goes on to deal with examples relating to annual leave, examples relating to safety, higher duties allowances, and define duties and accountabilities and let me just pick on just one of those, define duties and accountabilities. Two employees are currently being paid higher duty allowances to perform the same Foreman's position. This is a clear breach of Section 7(d) which states that the duties and accountabilities should be clearly defined. It goes on to deal with problems regarding consultation and communication, training and development and let me deal with training and development. We're all aware Mr Speaker that one of the Executive Director's was engaged in order to train local staff. We're also aware that the local staff were never employed. Are the standards of conduct as outline in Section 8 of the Act being followed within

MR SPEAKER Yes Mr Brown just a moment. I was asked to rule or give an indication of a prospective ruling in terms of relevance and I can see that what you are saying may have an argument to be relevant to that which you are presenting to this Assembly, but however having listened for a little time in some of the presentation that you have made I am now turning to another matter which is the 72 (a) provision and that may be your course of action now, may well be encroaching upon that area. So I would ask you to have some mind for that and you might want to make some adjustment into your presentation.

MR BROWN Thanks Mr Speaker. Are the standards of conduct as outlines of Section 8 of the Act being followed within the Public Service. The Board has found it proven that there have been breaches in the standards of conduct as outlines in Section 8 of the Act. It goes on to deal with problems of fairness and integrity, problems with managing resources..

MR SPEAKER Yes Order Mr Brown

MR BROWN problems of low morale

MR SPEAKER Order Mr Brown. I think you are not heeding my earlier comments.

MR BROWN I've not mentioned a, with respect Mr Speaker, I have not mentioned a single identifiable member of the Service and with the greatest of respect to you and to those Members scurrying for their Standing Orders I have not breached Standing Order 72 (a)

MR NOBBS I object to that Mr Speaker. Mr Buffet and I were looking at Standing Orders because he asked me a question and I gave him the number but the situation is that Mr Brown has already identified the CEO and that goes on and whilst I accept what he's saying and I appreciate what he's saying is in relation to his argument I don't believe it's appropriate and it breaches 72 (a).

MR BROWN Mr Speaker I've almost finished what I was saying. I have already mentioned problems with low morale and that was the last matter I was going to mention. But there is that report, it's now a challenge to Members of this House to deal with it and Members can no longer ignore it and the relevance is twofold. Firstly Ms Nicholas has already made a statement in which she certainly referred to a particular Public Servant. It seems that if you refer to them in a praise worthy manner no one complains, but if you bring facts to the attention of Members there are some who want to scurry from those facts. Let's look at what is before us, \$5.03m of wages excluding the Hospital, excluding the Tourist Bureau, excluding the Government Business Undertakings. Of the remainder \$570,000 of subsidy to the Hospital, nothing of subsidy to the Healthcare Fund unyet it was never the proposal when the Healthcare Fund was introduced that the whole of that fund be funded by levies. It was always the proposal that there be a grant towards the cost of that fund. There were specific increases in Customs Duty which the Assembly of the day guaranteed would be applied at least guaranteed equivalent monies would be applied towards the Hospital and Healthcare, that hasn't happened Mr Speaker. \$600,000 to the Tourist Bureau, almost \$200,000 less than the Bureau has had this year and we're already seeing problems. \$30,000 to the Museum, what are they going to do, close for two thirds of the year, send all the staff home, turn them into casuals. Nothing for the survey of the Kingston Pier. Let's look at Forestry. \$15,000 at Forestry sales are proposed, \$80,000 of Tanalith Plant sales, total of \$95,000 Mr Speaker. That's going to be funded in some fashion such that \$175,900 of Forestry wages will be paid, \$59,000 will be paid in order to purchase Tanalith solution, provide maintenance to he Plant and pay for electricity and there will be other Tanalith expenses of \$6,500. So out of that \$80,000 of Tanalith sales there will be purchases along of \$65,500 and part of that \$175,900 of Forestry wages will also go towards it. Now isn't it time that these elements were properly managed. Those men are not lazy Mr Speaker. Those men don't want to part of an organisation that loses at the rate that they are losing, they are being poorly guided, not by any of the men including the Foreman that work in Forestry but they are being poorly guided by those above them. It must be an embarrassment for the poor men to go to work. Let's look at Roads. We're proposing Road wages of \$161,900, we're going to give those poor blokes \$100,000 with which to buy emulsion and aggregate for the year, what will

they do for the other ten and a half months, how could we complain if they decide that all they've got left to do is to play cards because they won't even be able to put fuel into their potholing truck. Let's turn to potholing. The budget and these aren't my words, these are the words from the budget. The budget is going to give \$25,000 for contract patching, they are not my words, contract patching is what's written here Mr Speaker. What are we proposing to do. Our own men will do none of the patching work, that will go out to contract and that \$161,900 of wages will become a total embarrassment. This Government has had plenty of time in which to come up with a sensible budget. It has not been prepared to ask the hard questions. It's all very well to come up with this stuff that's in the back of the paper, whether it's Focus 2000 or Focus 2002 isn't of great importance Mr Speaker. I have never in my 27 years in Norfolk Island and bear in mind Mr Speaker I've only been here 27 years, I'm a Johnny come lately in that regard but in my 27 years I haven't seen such a pile of rubbish as what was printed in the Gazette last week. A clear vision for the future. There is only one clear vision that we've been shown in the first 6 months or so of this Assembly and that is the type of vision you see with a blindfold on, the lights turned off and the blinds pulled down. Dark darkness Mr Speaker. We could have handled this far better. We could have said look is our present system of running the Public Service working. The answer in my view is clearly no. It is not working. In the light of the substantial downturn in visitor numbers and in light of our poor overall performance economically can we afford to continue with the present new Public Service system. The answer in my view Mr Speaker is no. In my view it is time to say this system is not working, we have to admit it, we have to be men and women enough to admit it and I'm pleased that Mrs Jack has a quiet smile upon her face that I mentioned the fairer sex in that regard Mr Speaker. But we do have to admit it and we've got say listen, we've got to undo this, we cannot afford this and in any event it is not working. Within the Service we cannot ignore the fact that 100's of years of experience are being lost by the multiple resignations which are occurring through people being dissatisfied with the system. We can sit back and say oh this will all sort itself out, they'll get there in the end but that's not being realistic Mr Speaker. We should chop that off immediately. We should say to ourselves are all of the functions which we are providing to the community really necessary and if they are necessary are we providing them in the best possible way. Should a dog licence be issued every year or is it more sensible to issue it every 5 years. We issue drivers licences for a lengthy period, passports issued by the Commonwealth are for a lengthy period, no doubt that's partly because of the exorbitant charges but just the same there is also an efficiency issue there. There are many things that really we can simplify. There are many things that we shouldn't be doing. Let me give you a few examples. The Curator of Deceased Persons Estates is a position that doesn't exist in very many other places. It is a role that could be put out to the private sector. There are, and I'm leaving myself out of this discussion Mr Speaker, there are a number of lawyers other myself in Norfolk Island who would be quite capable of handling that role and whose practices would be very much more viable as a result and look at the savings that would be achieved within the Administration and look at the efficiencies that would be achieved. We've got a estates sitting down there Mr Speaker as most members well know that date back years and years and years. And are little advanced today compared to where they were say thirty years ago and perhaps fifty years ago. Roads. We should be at least prepared to look at the question of tendering out our roads programme or perhaps contracting out roads altogether. I accept that in earlier times contract patching was tried and was regarded as not a total success. I'm not sure why but one of the recollections I have is that it was very difficult to measure the success. But certainly if you drive up JE Road today and look at the sparse amounts of bitumen which are joining the potholes together you would have to query whether our present system is working and if you look on the occasional day when road base has been dropped into those potholes without on the face of it a skerrick of bitumen being attached to any of it, you've got to wonder whether our staff are being asked to do the impossible. But roads, potholes, there is example after example. Look to the Bond

Store. The Bond Store could be leased out to the private sector. The Government could obtain rental on the premises, the Government could obtain immediate recovery of the value of the whole of its stock, the Government would continue to receive its duty on the importation and it has to be regarded as at least possible that the Government could charge a rental for that business, I'm talking of leasing it out, not selling it, a rental for that business such that it's total income each year would be equivalent to what it's achieving now. Let's look at the airport. We're struggling with working out how we are going to effect a reseal. I'm not sure how far down the track that is. We've heard various things today. They don't totally fit in with other stories that are being told, but today is not the time to debate that. But within Australia many of the major airports have been privatised. Whether it was privatised in terms of a sale or privatised in terms of a lease is something that would be debated but the whole of the resealing costs in terms of costs for the Government could be avoided by way of privatisation. You could expect that the airport in a privatised fashion would run without many of its existing restrictions and the Government would have the ability to set down the rules which were to be followed. Now we've not addressed these issues. Even when we look at our Focus 2002 document it seems to focus on how do we raise more money to pay for our ever increasing cost of Government. That's not the first problem Mr Speaker, the first problem is what should the cost of Government be and which functions should we be providing ourselves and which should be privatised, leased out, terminated or whatever. And when I talk of privatisation Mr Speaker, this is not a new concept. I'm not sitting here with something that I've dreamed up over a nice bottle of red at lunchtime. I'm talking of something which surrounds us in our nearby countries. In New Zealand and in parts of Australia there are concepts with roads where tenders have been let to maintain roads for a certain period. To a certain standard. And it is up to the successful tenderer to decide whether in order to maintain that standard he upgrades the roads today or whether he continues to repair it for a certain time and then upgrades it or whether he continues to repair it throughout the term of the contract and upgrades it to the required standard at the end. It's not a new idea. Not only does it happen but it is working in other places. We've heard nothing about these sorts of concepts Mr Speaker. All that we've heard is well, we need more money therefore we'll in effect cut out virtually everything other than wages. That's what we've done in the proposal that's before us. But in order to get to that situation we've chosen to ignore a number of expenses which simply can't be ignored. Appropriation costs incurred but not expended in the financial year that's about to end, are ignored. In the current financial year we've been told that they amount oft about half a million dollars. Whether they will amount to that much next year I don't know but I don't think that it's safe to ignore it. Capital and operational cost issues raised in the 1997 Grants Commission Report, note findings 22 and 23. I'm not sure what that represents in terms of expenditure but you can't just ignore it and its not realistic to just put it as a footnote to an explaining note that comes to members of the Legislative Assembly. Major crime investigation. We're looking at the possibility of one or a number of people being in the nick for twenty years at \$80,000 per person, per year. We're just ignoring that. Public service wage claim if that is granted retrospective for several years that could be as much as \$1.8 million. It's ignored. A nominal defendant scheme. I don't think we'll get to that stage. It's taken us years and years and years and we haven't even got to the stage of having the very simplest third party scheme. Many times it's been suggested that there is a simple answer, that we could simply require people to produce evidence of commercial insurance obtained up the street and you can obtain it every day of the week. We haven't got that far but if we do get to the stage of introducing our own scheme eventually we'll need a nominal defendant aspect but that's ignored. The Norfolk Island portion of costs associated with restoring the Kingston pier. We've been told to expect a \$3m cost. Perhaps we'll get the Commonwealth to fund that on the basis that the Commonwealth wants the pier to stand there. But will we in that event be entitled to continue to use it. I'm not too sure. Mr Speaker I'm going to have to support the budget that's been put before us because we can't allow the 30th June to

come without supply because without supply everything has to stop. But I do think that in all of the years since August 1979, that is, in the whole of the time since self government this as a twelve month, let's refuse to face the facts proposed budget, is the most pathetic that has ever been put before us, thank you

MRS JACK

Mr Speaker I appreciate Mr Brown's fervent views there. However, I do think he is failing to take into account the six month period of discussing all of those points and more that he raised. I hope he remembers all those points because a lot of them are invaluable. I myself find that I have a mixed reaction to this budget, for here is a budget that allows for nil growth, nil capital works, expenditure and no wage increase. I do acknowledge that living standards may be falling but this is across the board and until the economy picks up then let's face reality, things are as good as they get right now. A rather depressing situation but to rush in and try and fix these areas in a knee jerk reaction type of way would be irresponsible. The last thing that needs to be started is an upward inflationary spiral. That would get us nowhere fast. The budget does however offer hope because it also acknowledges a problem. A great problem. That of lack of funds. It offers a chance for the community to have a say in just what it wants its money spent on and to what level. We, and I involve the community here, must set about new ways of creating fair and equitable revenue raising across the board at all levels. We must ask ourselves what services as a community do we want and what are we prepared to pay for them. Do we want the Government Administration to perform these services or do we want them carried out within the private sector. This could mean for example that if the community was of a mind to outsource to the private sector a service currently provided by the Administration then what are the repercussions to that department or sector. What I want to get across here is that there is no quick fix, no oh, we'll do this and this and hey presto, everything is A OK, because as we all know there are actions and reactions. Now one factor that did interest me in last weeks paper was the list included by the Minister for Finance showing selected financial results from 1997 to what was proposed for the 2002/2003 budget. What it didn't show was the total wages bill for these periods, not did it show what was proposed as the actual amount for the 2002/2003 budget. We must look at both sides of the coin here. Revenue raising and accountability and productivity and how that revenue is spent, providing the community with the various services and infrastructure that it wants. What is the wage bill. Just under 50% of the total expenditure budget and as this is a balanced budget, just under 50% of expected revenue. Now this must be said that this is too much. This Legislative Assembly must make it perfectly clear to its senior administrative staff that there must be no, and I repeat no here, hiring of staff in any position whatsoever at any level until this monetary situation is resolved or stabilised and productivity must be factored in. Just as in the commercial sector we must make do. We must be innovative at how problems are dealt with and be prepared to make the tough decisions and not just waffle on about making them because why am I here today saying all this. This budget, its content or rather lack of it, comes as no surprise to anyone. As I see it, the tough decisions have failed to be taken let alone spoken out in this Legislative Assembly, the soft option has been preferred. When you look back over the past decade you can see problems surfacing. They have been at times, unexpected revenue booms outside the budget forecast of the time. Cigarettes, building, cars and for a couple of years unprecedented tourist growth but what happened to that extra money that was coming in. It seemed to be swallowed up with nothing to show except for maybe the Burnt Pine upgrade, new generators at the power house that seemed to me to give more ongoing costs problems than they are worth and the direction finder or radar assistance machine that has been used since its installation, not even a handful number of times. Overall good money spent poorly. Well hindsight is a wonderful thing as we all know but let us at least gain from it. Over the past few days there have been many people talking to me about this budget and they're feelings over where the Island stands financially. The range has been from, well this is the norm for here and we will work our way out, to the

complete opposite of call up Australia and tell them to take over. Well my own viewpoint is that this financial state is fixable but only if we all realise that there will be some real pain in the process. I think that the Finance Minister is doing the right thing here. Making all aware that a review is needed and asking the community for input. This is your chance. If you want outsourcing of services, department profitability, privatisation of certain GBE's, the tendering out of services, general increases across the board say for duty, or even charges for local phone calls. Assembly's and Government's have to start looking and planning at times greater than the next years budget. As I said in my policy speech, we have to start looking five and ten years into the future. Our social welfare costs need instant review. A doubling of outgoings in five years is not sustainable and tough decisions have to start being made now. Just what degree of pensions and social assistance do you the community want the Government to provide. Asset testing for pensions that are currently only income tested. A nominal fee base per prescription that has a ceiling after x dollars are costed out. A limit on the number of flights per person to get them offshore for treatment. A no carers cost payment to be included. No accommodation cost cover for carers. Just what do you the community want. The more you want the greater the cost. Special benefits. What cost effective measures do you want introduced here and the list in this area goes on. There will always be people within the community that will genuinely need assistance and our duty is to provide a suitable standard of living and of benefits. The trouble is that our community isolated and that much of the requirements of people in this area are medical and can only be sourced off the Island. We also have an aging population. The hospital has its problems too and not just with outstanding accounts. Community expectations are rising with what are seen as necessary everyday medical procedures to what in the past might have been seen as more specialised. The cost of medical equipment to perform such procedures or dual purpose equipment adds to running costs. So we need to ask ourselves just where do we want to go with the hospital. What level of medical care do we want and what can we afford and more importantly, what are you or we prepared to pay for. Costs in this area are on the increase world wide and our position because of our isolation only adds to these costs. Education. Again this is our expectation. We all want the best for our children. We see in them our future. They carry our hopes, our expectations forward. Do we have a user pays fee here. Some say get rid of Years 11 and 12 and have a living away from home subsidy for Island children for these years. I don't know. You tell me. All I know is that it is another contentious issue. Tourism. This is our major industry. Really, our only industry. Well then let's go after it. It is this industry that all others feed off. Let's work on the number of tourists. As for the type of tourist, let's nominate the type of preferred tourist. The demographics of it all and let's be proactive here. The Tourist Bureau subsidy bid was for \$861,000 and that has been cut to \$600,000. Trouble is definitely brewing here. This area must be the first to receive money when extra funds become available. There's no ifs, buts, or maybes. Roads, perhaps we need to be looking at some of our roads, the way some shires in Australia are. Take up the bitumen and use graders. Our roads are not being able to be maintained and so what are the options. Again, what do we want. The list goes on and on and on. Suffice to say that I support this budget. This is a great chance for the Island. A chance to refocus our priorities. We have six months. Let's not waste it. Let's put our house in order and move on, thank you

MR NOBBS

Thank you Mr Speaker. I don't have a lot to say in relation to the budget but I want to make one statement initially. There's been talk of a large percentage of wages and salaries within the current budget. For the last five or six years to my knowledge and I haven't got it all here, but the wages and salaries have been around the 46/46% and I think that they're about that for this budget now so there's no great variation. There hasn't been a blowouts in the public service budget. There might be with a salary increase and there might be if other things should happen but in this particular budget it's around about the percentage of the total budget

that's happened before. Mr Speaker, I appreciate the Finance Minister's dilemma. He was new coming into the situation and by rights I guess there should have been the whole issue starting at the time of the review but obviously with the late calling of the election and changeover in the November December period of Governments it didn't really allow the incoming Minister who is new to the scene although he's been a public servant for a number of years, an opportunity to get his fingers into the system so to speak, but I was a bit disappointed when it was decided to just carry on and use the million dollars in reserve to budget the last financial year without looking closely at where we are actually going. This has happened now, we have a budget that will keep the place ticking over and that's about it. What I've started, and Mr Brown referred to me being a Finance Minister in the past for a couple of budgets, and that's all, the situation that I said at the time, was that I believe that Norfolk Island could offer aid effectively. There was a need for change but I wasn't prepared to go through all the business of increasing this and increasing that and spending money on consultants and the like if we couldn't clean up our own particular back yard and that's where the expenditure was. Mr Brown did mention, instead of having a dog licence every year you have them for three or four years or ten years or whatever you like, it doesn't really matter. Now those sort of issues are really important. I've been harping on KAVHA and the tree planting operation and whilst there was some insinuation this morning that I was having a go at the boys working in the area, they know damn well that what I'm talking about is simply this, that we're spending about \$100,000 per year on private land to clean up woody weeds which the owners should be required to do anyhow, and the reserves and the like are full of weeds and they can't get money to do them. I find that extremely difficult. We've got a doctor, and I know it's under whatever you like to call it, the clamp as far as the Assembly's concerned, nobody wants to talk about it, but we've got a doctor up there who's on about \$80,000 odd per year and he's sitting on his backside doing absolutely nothing and we're fooling around and won't come to a decision as to put the guy back to work, sort out what the hell's going on and get on with it...

SPEAKER

Mr Nobbs we explored that earlier and had a decision on that matter earlier as to how this House would handle it, so if you would ...

MR NOBBS

Thank you Mr Speaker I don't intend to carry on with it. I just wanted to make a point. Sorry if I went outside the guidelines of this area but anyhow, so those are the areas and there are a heap around that we need to look at as far as the actual expenditure. People on the Island have said to me, there's no way in the world that they will support the raising of extra funds while there is a wastage of money going on with the public funds at the present time and I agree with them and I will stick by it. Now much has been made about local Government. Every time we run into strife it's the fault of the local Government. What do you think this place is? This place is a territory alright. What we've got are the same things that operate within States and Territories. That is where your major funding is going. To say that we have control over Immigration is absolute rubbish. We are actually doing the Commonwealth's job. They are the ones, as soon as there's a problem on they run to the Commonwealth Government and back they come. Now Toon's diving for his Bible. I know that, because that's the Commission Report but the situation is this, and I agree with them and that was an excellent Report that was done on the Island by the Grants Commission in 1997. An excellent Report. It was a very fair report and it was really interesting because they came over here and were quite surprised that Norfolk Island didn't welcome them with open arms because what they usually do is they go to a place and they've got a trunkful of money and all they want to do is tip it out on the ground and let these people distribute the wealth of the Australian Government. Norfolk Islanders at the time said, hang on, we believe that we can look after ourselves and the words put by one man was that you can go to what have you beep beep, was an expression that one of the Commissioner's said to me in jest of course because he was

a very nice guy and he was most welcome, but they put out a very fair and honest report. They said that we could raise more funds on the Island. If we use the taxes and charges that they have in Australia and one of them of course is income tax. The Australian people want to get rid of income tax as quickly as they can. They have tried and are trying now proceedings that are supposed to reduce the income tax and that's the Goods and Services Tax as an alternative because they find that it's fair. I don't believe that the Goods and Services Tax is fair but they consider it fairer than income tax and being a payer of income tax I'm inclined to agree with them but the situation on Norfolk Island is that we can raise more funds. Now how we do it in a fair and equitable manner is something that will have to come out in this review. I don't believe that we had last year – there were funds put in the budget last year for a consultant to come in and do a review, initially on Goods and Services and then it was on the broader tax regime. We didn't have enough information available at that time to give to the consultant so that they could put up without costing us a heckova lot more than we actually put in the budget to assess the whole strategy for increasing the take from the people of Norfolk Island and that's what it was all about so what happened was the limited resources that were available in the last financial year, this process was commenced and now we actually have information that's ready and waiting to go into this Focus 2002 sustainable Norfolk Island project that the Minister for Finance says that we are having and I agree with it because it's not before time but what I want to say really, and I said it would be short and I'm not going to mess around anymore, but the title that I have on here is Sustainability of the Norfolk Island Way of Life, a Clear Vision for the Future, Norfolk Island Tenth Legislative Assembly from Rhetoric to Reality. The reality has been here for quite a few years and I hope we're not covered in the next six months in rhetoric because we have to get down to the facts of life and look at. But I would stress very strongly that we need to look at where the money is going as well as where it's coming from, thank you Mr Speaker

MR I BUFFETT Thank you Mr Speaker we've heard mention this afternoon a budget prepared by the Government. I think it's a generally accepted proposition that the budgets that affect Norfolk Island is the budget of the Legislative Assembly. The people who make up the Government, the executive members are conduits between the executive responsibilities direct access into the Public Service in terms of reporting but the fact of life is that the budgets that are presented and accepted is done by a vote of the Legislative Assembly. My recollection was that in 1997/98 in fact the then Legislative Assembly only provided a budget that went for three moths or provided supply for three months and then they were going to do a whole number of things. Some of those things have not been done. Mr Nobbs referred to my continual or somewhat regular reference to the Commonwealth Grants Commission Report. I do that for a very good reason. In 1997/98, the year of that Commission's enquiry into Norfolk Island and looked into some principle issues, the first being our financial capacity and the second was our administrative capacity to continue with things we were doing and I repeat Mr Nobbs' words, they did a good job, they were fair and they were relatively unbiased. What the Assembly's have not done since that period or since the filing of that report until I believe this Tenth Legislative Assembly when certainly I referred to the matter in the policy statement that I put in the paper as being one of the critical issues we need to look at is to address what some of the recommendations of that particular document said. It said to us a whole range of things. The principle one is that we are probably only taxing 60% of our capability to tax. It said that we need to look at a whole range of issues; the fairness of the taxation, the equity in the taxation, how well we are handling our expenditure, are we being effective and most of the things that Mr Brown said. One of the encouraging things, touching on that subject is that Mr Brown in his speech this afternoon probably gave us a whole lot of ideas that would contribute substantially to the Focus 2002 review and I look forward to his participation in that particular effort because I think the experience and the obvious input that he has will be of enormous significance. I am not happy that

we find ourselves in a position to have to present a budget for a twelve month period that contain these figures. Mr Speaker whilst it is not quite shown, there's one that is somewhat emotion mentioned by Mr Brown in respect of subsidies to the health scheme and the hospital, but under the welfare vote for example, yes we have provided social service benefits of \$650,000, we have provided for medial expenses local of something like \$600,000, there is medical expenses for overseas provided at about \$150,000 so some of those issues may be in a slightly different place. I supported the concept of looking at the Focus 2002 for a couple of real issues and they are that we have not addressed those findings that have been presented in reports to us over a number of years. Assembly's for some reason have not done that and to a great degree the issues that we have to come to grips with are political issues. They are not just simple adding up of figures and looking at how many people are not working in the Public Service because to a great degree we have a Public Service that services the community that deals with three levels of Government and those three levels of Government have all got competing demands. I note with interest the comment that was made earlier today regarding the question of touching on the three levels of Government. Let me mention one of those issues that we in Norfolk Island have to contend with. It's probably not quite right to say that we are like every other state and territory because when we look at some of the federal issues that are handled by Norfolk Island we haven't the luxury of having a contribution made from other islands or other states that form up this thing called Norfolk Island. They're not contributing so it's all coming out of the one purse. One of the interesting things that raises its head from time to time through all of the reports we've had, the Grants Commission Report, we had a specific report done I think almost ten years to the day looking at why we should or should not have the FIL. To my knowledge absolutely nothing's been in done in respect to the recommendation, some of the foresight for the future that was produced in that report and that was a report done by one of our members close relative, Dr Nobbs, who had a close look at some of the things that affect Norfolk Island. I think for the discussion we are having today, it may be important to actually quote from that report because I think it is fairly typical of some of the issues that we are facing. Dr Nobbs says "... more significant in terms of costs will be the annual cost of administration of laws already passed which must be provided for until such time as the law is revoked or change. In addition the Government must continually monitor and defend its legal position in relation to Australia, (that takes and costs money if we are to pursue these sorts of issues) all these activities cost money which the Norfolk Island Government must raise. The particular significance of this is that the per capital cost is high. The cost would not be much different for a community of 100,000 as for a community of 2000 when you look at those issues. The consequence in taxation terms is that the Norfolk Island Government and the Norfolk Island community in equal measure must acknowledge that independence or the degree of the independence that we strive for, while having many perceived benefits also have some real costs. One of the reasons that Norfolk Island has not had high taxes in the past is that the effective incidence of perhaps as much as one quarter of taxes raised has been not on Norfolk Islanders at all but on tourists from overseas. There is nothing inherently wrong with this and the tax authorities in mainland Australia are not dismayed when the same thing happens there. The only surprise in the Norfolk Island situation is the high ration of tourists to resident." Dr Nobbs goes on to say that it is generally acknowledged that tourism in Norfolk Island 's only substantial industry and source of income and that other jurisdictions are becoming increasingly competitive with Norfolk Island. The consequence to their tax policy is that tourism needs to be protected from excessive tax increases. It is clear that tourism in Norfolk Island could be made more competitive if the tourist resiant tax ration is altered downwards". Let me quote one further matter from this report. "If as the foregoing suggests Norfolk Island residents may need to pay higher taxes in the future and it seems important that the tax burden be shared fairly. In the decisions of democratic society's generally and of Norfolk Island in particular there is a sense in which the ability to pay principle of fairness is more fundamental then the

benefit principle for it is the former rather than the latter which underlies the idea that Governments should support the needy, the old, the infirm, the young and the vulnerable. Now whether the same principle should be expressed in the Norfolk Island tax system is a matter for political debate". Let me just pause there to say I think that is the debate which we have now clearly put on the table of this Legislative Assembly. If it is to be so expressed let me requote again. "There is a corollary that more information on the economic activities of business and or households will need to be made available to Government in order to determine what is fair and what is not". The report goes on to briefly say, of the one industry nature of Norfolk Island and the uncertainties relating to the exposure of the economy to forces beyond its control taxation policy needs to involve an insurance element" and I think this is critical and I hope it's taken on board when we as a community and an Assembly discuss this issue. This can be achieved when making the overall base of taxation as wide as possible so that its widest cross section of people pay tax and there is less likelihood that the revenue from all taxes will be claimed together and as deep as possible, that is, that for a given tax yield the ration of tax dollars actual to tax dollars potential be as small as possible so that there is a capacity to vary the tax yield without straining community acceptability or concepts of fairness. Finally, what manner of taxes might be considered appropriate in such a future as a question, well I guess, none are ideal but if experience elsewhere is any guide, they may in the end come down to three issues. Customs duty; GST and a tax on income or a tax on wealth is a possibility in terms of equity. I support the budget. It's given us at least something to function by over the next twelve months but what it has clearly done is given a signal to both the Legislative Assembly of which we are all members and all with this common view in mind of finding where we go so that we don't find ourselves in this position this tie next year thank you

MR GARDNER

Thank you Mr Speaker. I must touch briefly if I can, some of the comments of other members and then maybe visit some other areas that haven't yet been discussed or thought about around the table. I'm certainly heartened to hear a lot of the discussion around the table this afternoon and agree entirely with Mrs Jack's words that I guess at long last we're acknowledging a problem that's been developing for quite some time. Mrs Jack did say a couple of times, or asked the community what is it you want and that there is realisation that the more you want the greater the cost. It's indeed true but I think we need to be careful that it's not just a matter of trimming out services across the board in any broad fashion because I think as Mr Ivens Buffett said, when we do those things we tend to attract the critical eye of the Commonwealth, more inquiries, more joint standing committee's and as Mr Buffett pointed out there are costs that are incurred every time that we have to defend those things and I wouldn't even want to hazard a guess but I would expect to put it in excess of \$1m over the last few years in defending our position what we do, why we do it because we are always open to criticism and we're all aware of it, open to the criticism from the Commonwealth about not providing services, not providing infrastructure, that is to what would be an expected level elsewhere within Australia and I don't want to get into constitutional arguments about whether we're part of Australia or whether we're not part of Australia, it is just a simple fact that we are continually defending ourselves and those criticisms that are raised by the Commonwealth. Mr Nobbs raised an issue about salaries and wages, he's quite correct the percentage hasn't changed in a number of years as to the salaries and wages percentages a total of the Revenue Fund budget. In actual fact I think it's worth mentioning Mr Speaker that as we struggled through this budget process I think somewhere in excess of \$800,000 has been cut from the original budget that was to make provision for new positions within the Service and there's all sorts of arguments to support and knock those, the suggestions for those. A lot of them were in the Legal area, growing demands on those services. There were positions of traineeships, there were other positions that because of necessity have arisen and good arguments that have been put up for them, but we've decided to defer any of those and to basically maintain the

position as steady as it goes with the positions that we have and make do with what we can, and I've got no difficulty with that. Mr Nobbs also mentioned about wastage of funds and that there were people in this community that wouldn't support any other initiatives as far as revenue raising were concerned or a desire not to want to contribute any more until we made absolutely certain that we weren't wasting funds. I didn't hear any specifics as to where those funds were being wasted. I guess we could spend right through until midnight tonight sitting around this table trying to identify as I think Mr Brown Said, whether we should have a Tanalith Plant, whether you should have 3 Secretarial Support Staff to the CEO or 2 or whatever the case may be. We certainly don't work at the coalface when it comes to those sorts of positions and those sorts of arguments and so really I don't think any of us are adequately armed with the information to make informed decisions on whether those funds have been wasted or not. We rely entirely upon the advice in those circumstances that's provided to us as Members of the Assembly as we go through the processes that we do. Mr Nobbs also mentioned that information and figures available, I think last year, I think Ron you were referring to when we were looking at a Consultant for other forms of revenue, that there wasn't enough information and figures available for a Consultant to actually undertake the task that we were asking at that time. Certainly an argument that confronted me on the weekend by a couple of people was that we seem to spend an inordinate amount of money gathering data, whether it be immigration, whether it be customs, right across the board that we appear to do nothing with, and that if in this Focus 2002 we're going to do something with that, well I think we've taken a huge step forward and I'd be very supportive of making sure that we do put in place a mechanism to be able to appropriately deal with all that information that we do collect, whether it be through the census or through customs or through immigration or whatever the case may be. Mr Speaker Mr Ivens Buffett has referred to the Grants Commission Report and I think it's quite clear in there that Norfolk Island is a viable economic unit if we want it to be. It's a matter of making a few decisions, that's what Focus 2002 is about, is about making some decisions. The wording might not be right, you might have difficulty with that as individual Members, but I think there is general agreement around the table that we need to sit down and we need to focus on what we're doing. We are about rebuilding our base Madame Deputy Speaker with better management and planning processes, long term and Members have made much about that around the table. Rather than just looking at the year ahead trying to look a little bit further ahead and if that means revisiting the recommendations the Grants Commission Report, I think that's particularly an important thing that we must do in the Focus 2002 process. Madame Deputy Speaker I've been, this is now my 6th budget that I've been involved in. The system hasn't changed a great deal, it hasn't altered over the years a great deal. We still go through the same processes, albeit with slight modifications or different emphasis. We take the same direction we have for the last, or the last 6 budgets that I've been involved in, look at just how far we can stretch a dollar. We stretched it about as far as it can go Madame Deputy Speaker and I'm very serious about that. There's been very little advance in just what we're going to do about providing a little bit more where we have to or about repositioning our revenue to get the best value for the dollar. Over those 6 budgets we've had some surpluses, most of the time not by design, more by accident but that tends to be and I'm sure my colleague the Minister for Finance would have some commentary on that, that there seems to be no matter what we budget there is always at the end of the year some surplus unspent funds because it's just not possible to be able to spend every cent that is provided. However there are other influences that come about and much has been said in previous sittings of this House and around the table even at informal sittings about some of the issues that may impact on this financial years budget. Sept. 11th, the demise of Ansett, and I think I said at the last sitting that I don't think that we should be reflecting too much on those sorts of issues, we should be concentrating our efforts, or again focusing our efforts on what we're going to do about it, how we are going to deal with them. We've by introducing this budget Madame Deputy Speaker what we have attempted to do is establish a

working budget or a maintenance budget I think it's probably better referred to in the documentation that's been circulated to Members, to give us some time to really concentrate on many of the issues that have been raised and I think again Mr Ivens Buffett referred to Mr Brown's remarks that there are a whole lot of issues that he raised that we as Members of the Assembly will need to consider over that 6 month period and then we can start as a result of those discussions and whatever further trimming of expenditure we can find or whatever system we put in place for increasing our flow of revenue that we will be able to add back into the budget so that we can get on with some of the necessary things that we need to get on with. Madame Deputy Speaker I'm pretty hot on innovations. I've pursued innovations over the last 5 or 6 years as a Member of this Assembly, I've been supportive of trying to establish Gaming. I don't want to enter into the why things have happened and why things haven't happened scenarios, other than to say that we have recommitted to Gaming with this budget, we have provided funding to give it a chance. We have committed to staffing on the domestic front the Secretariat for Gaming again so that we can try and in gender in our licensees on the island a confidence that Norfolk Island is a jurisdiction worthy of consideration for Gaming and basically we are full steam ahead in trying to develop Gaming for Norfolk Island. There has been a lot of talk over a lot of years about offshore finance centres in one form or another. That's still under consideration. There still are major hurdles that we need to cross before something like that can be kicked off on Norfolk Island and you Madame Deputy Speaker are aware of that being on the working group that we've established of just how difficult that can be and that we need to form some partnerships, not only with major Banks or Accountancy Firms but a partnership with the Commonwealth to further that because it's not until they are prepared to consider a proposal from Norfolk Island that would allow them to consider the relaxing of legislative restriction on undertaking some of the proposed activities with a development like that on Norfolk Island that we're actually going to advance that to any certain degree. In relation to that there will be discussions with the Department of Finance and Treasury that follow on from Senator Minchin's visit to the island over the last couple of months that will be taking place towards the end of this month now. Those Officers are coming to Norfolk Island to discuss some of those innovations including the development of a cyber centre or whatever name to try and develop that to a stage where there is going to be mutual benefit, to both Norfolk Island and the Commonwealth and certainly I hope what stems from those discussions will be something very positive and something that we can push our resources in behind and actually get it moving and know once and for all whether there will be a benefit from something like that for Norfolk Island or not. As far as innovations are concerned Madame Deputy Speaker in recent days the Government have had a very interesting approach, a novel approach to tying infrastructure, financing to alternative energy systems. It's only in its very early days at this stage and we will be I believe pursuing that further and there will be further discussions around this table certainly in the next 6 months about that because there are some very interesting concepts involved. Looking further at other innovations Madame Deputy Speaker and for different reasons we've pursued them. For example we've passed legislation through this House over the last 4 or 5 years which established Greenwich University. That's been an interesting exercise. It's attracted a lot of international interest, Commonwealth interest but as far as innovation is concerned, it is successful, it employs a large number of people and to all intents and purposes there's not a great deal of difficulty associated with that, seen as being one of the successes we've taken a move as an Assembly to move in a direction, we've passed some legislation and there's costs involved in doing that but to intents and purposes it is providing ongoing education opportunities and employment opportunities for people on Norfolk Island. There has also been the innovation of duty concessions on electronic component assembling on Norfolk Island. I understand that still employs a number of people. It didn't require any legislative change but I understand there are duty concessions. I guess the only criticism that I have of that particular thing is that we don't, we aren't briefed with an update on the progress of that

and the actual benefits to see whether the concessions we're giving are actually paying dividends to the community as a whole. An innovation was the hemp industry, we passed legislation. Again there were expenses involved in that but there's ongoing expenses with the hemp industry in that we've established a monitoring and compliance system. We haven't had any reports that I can recall of in the last 18 months or so that indicate that the hemp industry that by this time was supposed to be injecting somewhere in the region of about \$5m per annum into this community by this time is actually having any ongoing benefit to the island. So we need to go back and we need to assess those things and look at the breaks that we've given in some areas and the support that we as a Government have given which will all come at a cost, are actually delivering on what was promised. We in recent weeks Madame Deputy Speaker have looked at providing a substantial duty concession for the sale of cigarettes to outgoing passengers from Norfolk Island. That has had tied to it and I think appropriately tied to it a 12 month review period. So in other words at the end of the 12 month period if that business hasn't demonstrated that there is a beneficial in return in the region of some \$50,000 to the Government coffers that that will be reviewed and consideration given as to whether it continues or not. Another example of the duty concessions that we've given is in relation to diamonds. Some 3 or 4 years ago a proposal was put to us that I understand it was rough diamonds would be imported to Norfolk Island and processed on Norfolk Island. I forget now exactly what the duty concessions was but the concessions was given on the understanding that there was going to be a new business that was developed on Norfolk Island that would employ a number of local people that would be sent away to Europe and elsewhere for training in the diamond cutting industry and that there would be real benefit returned to Norfolk Island. Again I don't know whether that still continuing, I don't know whether anybody has been trained in that but I understand that the duty concessions are still in place. My colleague the Minister for Finance has undertaken to have a look at that and see whether those benefits are still real or not. Innovations again, the Airport landing system, an innovation that was supposed to provide a lot of money to the coffers of Norfolk Island to ensure that we were still going to have the flow of money into the coffers of Norfolk Island. That's an interesting one as an innovation. Only in recent days have the Executive been alerted to the fact that back in September of last year a letter from a Mr Michael Andrews from Honeywell was received. It indicated to us that Norfolk Island's past investment in the Airport landing should be now considered as sunk costs. That's interesting because on the weekend somebody had walked up to me and says I know how we can balance your budget. There's a million dollars sitting up there at the Airport that's not being used for anything positive, how about flogging that off. Well again the same time that we were discussing the letter from Honeywell we were informed that it appeared as though the only value of that system now was probably the \$1,800 or so for the laptop computer and the use of the shed at the Airport. I guess there's some lessons that need to be learnt out of some of these things and it's just they might sound like good ideas, whether it be the Airport landing system, diamonds, cigarettes, hemp, electronic componentary, the establishment of a University, gaming, offshore finance centres is they all appear to be damn good ideas at the time but we never follow them up, we never ensure that they are continuing to deliver what they were promised to deliver and there's always as I said before, the ongoing costs of compliance, regulation and so forth in all of those areas. But certainly the answer I gave about the value of the system, unless there is an upgrade given to that it appears, and I think Honeywell are pretty ambiguous on whether that upgrade will occur and whose going to pay for it, the landing system, it appears as though it is of little value to us, and that's interesting. So we aren't going to balance the budget with the sale of an airport landing system. Madame Deputy Speaker at the last sitting there was discussion on Unity 2005, I don't want to revisit that today, though I am pleased because one of the questions that I did have for debate today was as to whether the Executive Member was advancing a thought of having the tourism symposium for tourism is what drives our whole island, and I'm pleased that Mr Bruce Walker has taken that on board and I understand from

this mornings debate that that symposium will take place in August, albeit a little bit late but at least it is happening and at least some serious consideration is being given to that. Any future taxation arrangements Madame Deputy Speaker are going to have to be based on equity, fairness and equity. I don't want to repeat what Mr Buffett said in his quotes from Mr Nobbs' report but they are particularly important to bear in mind. We can look raising fees and charges, they are not big dollars, they are not the sort of dollars that we're looking at when we're looking at the revenue side of things. There is some hope as you said Madame Deputy Speaker some light at the end of the tunnel possibly that may arise from the without prejudice discussions that are going to take place with Officers from the Department of Finance and Treasury on exploring some of the innovations for Norfolk Island in exploring some of the difficulties that we do find and exploring some of the options with our systems that we have in place, exploring some of the options that may be available as far as utilising the information that we collect through our different functions and Madame Deputy Speaker we've got 6 months to get it right, 6 months is not a great deal of time. I refer back to my earlier comments about having sat in this Assembly this now being the 6th budget that I've had some dealings with and listen to debate around the table on each of those occasions and listen to the different Finance Minister's that we've had, all undertake please let me get the budget through, we'll get this through and we'll address some of those major concerns in the period leading up to the following budget or the following budget review, and quite frankly there hasn't been a great deal of attention that's been given to it. I guess the benefit of the budget that we are looking at putting through the House over the next couple of weeks is that it's trimmed all of our feathers as Members of the Assembly and as Executive Members but a lot of the programmes and a lot of the initiatives that we were looking at doing have been stopped, delayed, deferred whatever the words may be and that's going to now force us all to have to sit around the table and deal with some of those major issues to try and get this right. I'm very very pleased Madame Deputy Speaker that we've come to this situation, disappointed that things are so tight but very pleased that at long last there seems to be a general commitment from Members of the Assembly to want to stand up and deal with the problems that we are facing. Thank you.

MR SMITH

Thank you Madame Deputy Speaker. There's some comments, I won't go into this in depth having been through the same process as Graeme is going through today on many occasions. I think it's important to state that the expected revenues that are in this budget for this year are similar to what are in this current financial year. Now I say that because I've heard in the last week or two from outside in the community that we've got a \$2.5m deficit. Now I remember my first budget which Toon referred to earlier in '97 I think we had a deficit of \$5m before we started on the budget. Now what that includes is everything everybody wants the wish lists types of things and you've got to cut it down to a reasonable level or increase your revenue. This same process this time accept Graeme is at a bit of a disadvantage because of the downturn we are having. Now having said there is a downturn it's interesting to note that some of the revenue that is down this year compared to last years budget is postal, it's down by \$230,000. I think that's correct, I think we're allowing \$70,000 as a dividend from postal this year, last year it appeared to be \$300,000. There's \$300,000 that we are not taking from Telecom at this point as I understand, that's \$300,000 less than the normal dividend we get from Telecom. Now that's not because Telecom's not performing because it certainly is, it's probably performing better and better as each year goes by. Our taxes are down and that's where the relationship to tourism is concerned like departure tax. Naturally that is down because the visitor numbers are down but on the other hand the accommodation levy has gone up over the last year. Charges, we've got them down at \$100,000 less there, may be realistic may not. So if you add those together that's about \$1m less in revenue that we're allowing or we had to play with in this budget compared to last year. Now \$1m would make a hell of a difference to the budget we're dealing with here today.

Now of course we have to treat it carefully but when you look at our revenues, Customs Duty is only proposed to be down by \$100,000 in the next financial year. Now it could be far more than that but as I understand it Customs Duty is performing around about what we budgeted for for this current financial year. Now that may come as a surprise because with the downturn in numbers you would expect that would come down but not necessarily so and Mr Brown and I had a discussion over the last couple of years about with the increasing number of visitors why weren't the Government revenues going up accordingly and they didn't appear to be. They did eventually in the end when we reached 40,000 visitors everything started to really rise at that particular point in time, but some of the outstanding things are things like Welfare, Social Welfare where this year it's expected to be \$1.5m, last year I think it was something like \$800,000. Now in that figure there's a correction not to the figures that we've got but a correction that was made when we used to charge HMA patients, as I understand it to the Healthcare Fund. That was stopped I think either this financial year or the financial year before so that had an impact directly onto the Revenue Fund rather than on the Healthcare Fund, and you'll find looking through the documents that the Healthcare Fund is probably healthier than what it's been for quite some time. But while Geoff was talking I just popped down and I have a store of old newspapers, Norfolk Island newspapers and it's probably just a matter of interest more than anything that I'd just like to give you from Norfolk Island News I think it is of 1975 our total revenue was \$1.2m, our expenditure at that time was \$1.6m. The revenue included the Commonwealth grant of \$126,000 at that time. The next one that I found was the budget I think produced by Ed Howard in 1982 and it was shortly after the Assembly had taken place and the revenue expected that year was \$3.1m about double maybe a bit more than double of six years before. But it's interesting comparing although you can't compare completely because there was changes made with the Assembly from the Council days where the salaries and wages were \$1.5m for the Administration, Courts and Land, Police, Community Services, the Assembly bla bla bla which was half the budget. So that hasn't really changed in relevant terms. I won't go through all the numbers but if any Members would like to have a look at this they are in my office, but in that 6th 7th year change the budgets were doubling. Now if they kept up that pace until now the budget would be extremely higher than what it is now, for example in 1987 it doubled. Over the next 6 years that would be \$6m and the next years would be \$12m and that would be around the mid 90's and if it was 6 years later we'd be looking at \$24m, in revenue I'm talking about. But what he have avoided and this is what everyone is saying here today, what we avoid is trying to raise more revenue through probably one of the only ways that we can and that is through our taxation systems, and that's fine because none of us want to pay any more than what we have to. We do constantly look for other revenue streams but it's not easy, and it hasn't been totally successful but that's where the difficulty lies in budgeting for Norfolk Island. While we are affected by democracy which we certainly are, the most democratic place in the world I believe is Norfolk Island that if we decide we're going to increase some tax we know about it as soon as we walk out the door down the bottom here and we're reluctant sometimes to do that. There was a proposal, I think it was in '97 it might have even started before that from Brian Bates that we set up a GST. Now there was a feasibility study done on that and it looked like it might have been the way to go but it never quite made it over the line. It got to a certain point but I think the fear is in our minds that if we do it we're going to be really really unpopular and of course we could be really really unpopular but the reality is if we had the revenue from whatever source it may be it would make the island more economically sustainable because if we've got more revenues coming in that means that we're spending more in the community which means there is more work and there's money flowing within the community as well. Toon mentioned about taxing our visitors and we do. We tax them, probably not as high as what we get taxed when we travel to other places because wherever we go there's an income tax component, there's a GST component in Australia or New Zealand, where our visitors coming here have the direct taxes like the Airport landing tax of \$18 and the Departure Tax but they are sharing the costs of

running the island with all our hidden taxes I suppose we'd call them, but we pay them as well. So that's leading nowhere in what I'm going to say because that's what has been said around the table that over the next few months that's what we need to be doing is investigating how we can improve our revenue based on the number of visitors we do have because it's directly related, but when we do we've got to face the truth and we've got to show leadership to the community that if we want to fund things, some things they won't want us to fund but there's some things that the community want us to fund, like roads, that's the hot topic at the moment and understandably the roads are generally in a shambles, but we need the money to do it, and my belief is that if we have to have the money we have to charge more for something but where we've got to be careful is we don't hit people who let's say car registration for example, that always hits low income earners and it just makes it a little bit tougher but I don't think people mind so much, I don't think they mind so much if there's a general increase that everybody wears part of the cost, but we've got to make those decisions and I guess I'm just repeating what other Members have said around the table that that's exactly the problem, the expenditure is one thing, but you can cut expenditure but with revenue whatever we expect we are going to get is the maximum we are going to get and if we go out and try and get extra revenue, that's what is going to help Norfolk Island survive and the people of Norfolk Island helping to survive but we've got to show the leadership and whatever we do could be an unpopular move but if we look at what happened to GST for example in Australia or New Zealand there was a awful fuss about it in both countries before it was introduced. I mean how much do you hear about GST in Australia now. I don't think I've heard anything certainly in the last 6-12 months because it's been accepted as a better method of raising revenue for the Australian Government. It may not be applicable here but these are the things we need to look at and talk about with the public. If they think something like that is a bad idea well at least we know where we are going. In the development of this document that we have in front of us I was horrified I suppose as I told Graeme with the drop in the Tourist Bureaus allocated funds particularly as we all say in times when things are tougher in the tourist world that we really need to put more money into it but I was reassured by the Minister that in the process that we are going to go through even if it's over the next 6 months well we can certainly bring that back up to a level that's required and I was satisfied with that. There has been cuts in lots of my areas but I'm satisfied that as we build up our revenue that we can relook at those, and I believe that we can be positive about the industry, our main industry and that's tourism. There are other things around I think there are ways we can improve on that side of it but we've got to face reality with it too. We are always affected by what happens in Australia or what happens in New Zealand or to that degree what happens around the world. For example interest rates are now shooting up, the Australian dollar is going up. That may make it a little tougher for us you know if it's cheaper to fly internationally than to come to the Pacific we you know, that may be a difficulty. I support the Minister in what he's doing with this budget at this point in time as I think every Member is of that same view at this point, because I know that this is a point to start from and as long as we all do bite the bullet when it comes down to it we're going to need more revenue.

MR DAVID BUFFETT Thank you Madame Deputy Speaker. I know that attention spans might be rather wavering as the ninth speaker on this subject comes along but there are a couple of points that I'd like the opportunity to talk to. This is an unsatisfactory budget. It does make inadequate provisions for the island's need and Members around the table have given a number of examples and I'll just add a couple more. Insufficient waste management funding for example. No money for essential immigration review processes. No justice package funding and Court costs are really not realistically addressed. These are just a few more examples to others that have been mentioned to date. It's not a full catalogue but it's some additions. This budget puts us on a maintenance diet. We'll stay alive but there is no growth, and it's been explained already why we're in this position, why we've got this budget, because our

commitments and our costs are overtaking our revenue stream, and we have delayed, we've neglectfully delayed finding the long term solutions. In last years budget and in previous years budgets the Assembly allocated funds to address this very problem but it wasn't done and the problem hasn't gone away and it's now very much knocking on the door, it's right there. What was done last year when this situation was apparent, of course and the year before that and the year before that. Firstly look at the expenditure, we cut expenditure. Now of course some expenditure needed curtailment, it always needs curtailment but the regularity which we addressed it meant that it lead to a reduction and in may cases elimination of capital programmes and maintenance programmes and so whilst a reasonably balanced budget for that particular year was achieved, we've progressively run down, we have not maintained our assets and provided little capital investment for long term future arrangements in the island. In some years we have made withdrawals from our reserves and we've in other years siphoned money off from the Government Business Enterprises. That is money over and above the dividend that they normally pay to the Revenue Fund and the monies that we siphoned off were monies that the GBE's needed for their own capital programmes and equipment replacement needs. Examples there are the electricity generators, the telephone exchange and of course coming up the Airport resurfacing upgrade. That's just some things in terms of expenditure. What have we done on the revenue side. In most cases we have merely increased the take from the traditional taxing facilities without adequate thought and effort on what our present revenue raising methods are in their relevance in terms of how the economy of the island is presently structured, measured against for example how it might have been structured 20, 30, 50 years ago when some of those present taxing measures were instituted. Some of the results of those increases have been these, to drive public income sources offshore, for example the FIL. Another example is that it is brought Customs Duty to a level where prices are forced to a non competitive level in the marketplace and in other instances, being unfairly burdensome for some personal income levels. They are just a couple of examples that I mention. This particular budget is doing more of the same, in terms of our expenditure although commendably it hesitates on the revenue side because it recognises that increases in taxation as of old needs a much closer and a much more rigorous examination. I've mentioned those things not as criticism of the Minister who is presenting this budget. He is inheriting that situation. But it's a reality that all of those things happened and whilst I don't mention it with acrimony it does deserve explanation so that we see it in a sense so that we don't go on repeating it and we find a remedy. Notwithstanding those difficulties, even in the worst of situations, some good can always be gleaned if we look hard enough and maybe the drastic situation that we are in now will give incentive for us to meet the long outstanding need for an economic review. Now the Minister for Finance has set out the review. The main elements of this study, and he's published it in the Gazette and he's put it in the local paper and he's exhibited it again today and spoken about it. I've got to say that I don't endorse every word of that statement but I do give support to the main thrust of the review and I emphasise the important element of consultation and an interactive relationship with those who live here because we do have some hard decisions ahead of us. Which services should be provided. This is rather repetitive of some things that have been said around the table but I would like to put them in context of what I'm saying here too. What services should be provided. The extent of the services. The method of delivery of the services. The methods of raising money and the extent of raising revenue. Whether we are applying sufficient rigour and imagination to secure industries that are compatible with today's technology that might not have been available twenty, thirty years ago. We must always bear in mind that the services we decide upon we need to pay for. In going through this study I do consider that we must hold on to one essential factor. We've really got to know where we are heading in the long term. Our vision must be forever bright and it must be our vision, not the vision that others import into Norfolk Island for us. Unless we have this vision we'll continue to live for today with no thought of the morrow. I know I've said it before and I'm going to say it again now. The

Seventh Legislative Assembly recorded a vision. We tend to ignore it, but we've ignored it too long and the final consequences are catching up. Let me just give you an abbreviation of what we've talked about before, and whilst of course these things can be marginally adjusted from time to time I think there will be no argument that these things are things that we have always wanted to move towards and maintain. Let me quickly go through them. Achieve full internal self government for the people of the Island; protect and preserve the Island's unique heritage, its traditions and its culture. Sustain the ecology and the natural environment. Maintain and improve adequate standard of living for those who live here. Promote and maintain industry and employment at a level appropriate to achieve economic self sufficiency in this place. Assume primary management for land in the Island. Now these are abbreviations but they are matters of substance. What I would like to do is extract a couple of those items of the budget to measure against those visions. Not all of them. A selection again. Achieve self government it said. Well a budget that we are just talking about now that makes inadequate community provisions and reflects that presently we can't continue on the current financial regime is not working towards internal self government for Norfolk Island. It fails that test. It says also, sustain the ecology and the environment. Well a budget which has but \$15000 for waste management facilities can't be said to be caring for the fragile natural environment of this small place. Another example. Maintain and improve standards of living for all. Well a budget which cannot give assurances to continue to meet social welfare and hospital costs at its presently rising levels is saying that we may lose some of the elements of our present standards of living. Tourism figures have fallen and we make a reduction in the tourist funds in terms of promotion. Well, how can we endeavour to lift or even maintain in that environment. Again I say that these are but examples but they demonstrate that maintenance of our vision is imperative if we are to properly provide for our community in the long term. Now if our annual budget doesn't do this and I've tried to demonstrate to you that it doesn't, then the financial review must remedy this. It needs this review to reflect and enhance our vision and when we are going through this study, which as I mentioned earlier, has the immensely integral part of a community participation, I encourage you Honourable Members, I cajole you Honourable Members, I've got here but maybe I shouldn't say the words that I kick into assuring Honourable Members that this happens because what has happened to date is that there has been all talk and much paperwork but it hasn't been a delivery and we are where we are now. I know that that is in some sense saying much of what has been said around this table already, but I wanted to make an effort to encapsulate them and I wanted to make an effort to ensure that people know that we do have a vision, that we can achieve. This place has substance. And that's not in doubt. The real test is as to whether we can really measure up to adequate management of it. That's the real test and we are the ones who are on the line. This review is imperative. It is imperative and whilst I have mentioned some things that I consider to be difficulties in the past, we must also understand that if we are going to be divided on this difficulty, it will not be solved and we will continue on this disastrous path. We've got a good product here. We can make it work if we put our minds to making it work and I hope that we will endeavour to do that with all of our being and whilst I've been difficult about the budget of course it needs support for today. It is inadequate and all of those things but to vote against it would be even worst and we would be in a worst position then we are at this moment so we've got to get on with that. The big test is the improvement in terms of the review and I encourage members in the words that I've endeavoured to describe to you, thank you

MR BROWN

Hear hear

DEPUTY SPEAKER

Mr Brown, you sought the call earlier

economic sustainability and will have a bright and prosperous future ahead of us. I commend the Focus 2002 proposals to the meeting

MR BROWN Madam Deputy Speaker could I add the final quality of an appropriate tax which the Minister omitted to tell us about, and it is this. Additional taxation measures should only be imposed once the community is satisfied that all of the existing revenues are being wisely spent. That's something Mr Nobbs has talked about, it's something I have talked about, it's something many of the other members have talked about and I hope that the Minister will put that on the bottom of his list because we will not solve these problems by just going out and saying let's tax people a bit more then we'll have plenty of money. Mr Buffett earlier indicated that he wished to move the adjournment. I wish to support him in that motion

DPEUTY SPEAKER Thank you. If you would Mr Buffett

MR D BUFFETT Thank you Madam Deputy Speaker I so move that this matter be adjourned and made an Order of the Day for a subsequent day of sitting

DEPUTY SPEAKER There being no further debate I put the question is that this matter be adjourned and made an Order of the Day for a subsequent day of sitting

QUESTION PUT
AGREED

That matter is so adjourned

FIXING OF THE NEXT SITTING DATE

MRS JACK Madam Deputy Speaker I move that the House at its rising adjourn until Wednesday 19 June 2002, at 10.00 am.

DEPUTY SPEAKER Thank you Is there any debate. The question is that the Motion be agreed to.

QUESTION PUT
AGREED

ADJOURNMENT

MR NOBBS Madam Deputy Speaker, I move that the House do now adjourn

DEPUTY SPEAKER Is there any debate Honourable Members?

MR BROWN Madam Deputy Speaker could I correct a comment which was made by the Minister for Tourism earlier in today's meeting just so that there is no misunderstanding in relation to it. The Minister apparently understood that I had said that Mr Goldsworthy made a certain comment to me. In fact what I said to the Minister was that a certain comment had been attributed to Mr Goldsworthy by someone else. I was certainly not a party to that conversation and I don't know whether the conversation took place or not but Mr Goldsworthy and I probably speak to each other only when forced to do so, and certainly we haven't done that within the last few months

MR I BUFFETT Thank you Madam Deputy Speaker I just wish to simply say that I hope all those people visiting for Anniversary Day have a happy Anniversary Day before we adjourn

MRS JACK Thank you Madam Deputy Speaker, just happy birthday to Mr Nobb's on Sunday, I think it is

MR D BUFFETT Thank you Madam Deputy Speaker I just wanted to emphasise that next Monday the Island celebrates Anniversary (Bounty) Day and that I encourage members to equally be encouraging and applaud the celebration of this day in Norfolk Island

DEPUTY Thank you. Is there any further adjournment debate Honourable Members? There being no further debate I put the question

QUESTION PUT
AGREED

Therefore Honourable Members this House stands adjourned until Wednesday 19 June 2002, at 10.00 am.

